

**TOWN OF DAVIE
BUDGET WORKSHOP MEETING
JULY 27, 2016**

1. PLEDGE OF ALLEGIANCE

The meeting was called to order at 4:00 p.m. and was followed by the Pledge of Allegiance.

2. ROLL CALL

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

3. BUDGET

Mr. Lemack announced they had a balanced budget without using General Fund reserves. He said they had done this while meeting their strategic and budget objectives.

Mr. Lemack proposed:

Reducing the Town's operating millage rate from 5.819 to 5.0799

Reducing the debt service millage

Reducing the Solid Waste Assessment

Increasing the Fire Assessment Fee by \$23

No use of General Fund Reserves

Transfer of .1 mill for the Capital Improvement Plan (CIP)

Budget and Finance Director Bill Ackerman provided an overview of changes in the budget since the previous workshop in June. As of now, they were anticipating a decrease of the budget but as of the first budget hearing, he anticipated an increase. Since June 8, there had been an increase of approximately \$1 million in the General Fund budget.

Proposed Budget changes:

- Ad Valorem – \$231,000 Increase
- Increase in total of Intergovernmental and Tax Revenue of \$97,000
- Use of Tree Preservation and Wetland Mitigation reserves - \$76,000
- Payment by Forfeiture to fund payroll for a new Police Sergeant - \$164,000
- Increased Residential Recycling and Recycling Sales Revenue to subsidize the Solid Waste Assessment- \$435,000
- General Fund Revenue increase of \$41 million
- Solid Waste Subsidy Cost - \$435,000
- Increased IT Chargebacks by \$35,000
- Increased Police Mounted Patrol Unit Operating Costs by \$53,000
- Decreased projected payroll budget by \$104,000
- Increased Contingency by \$574,000

Mr. Ackerman stated they would add a net of nine positions this year.

Mr. Ackerman described the Millage Rate Scenarios:

- Proposed millage rate: 5.0799
 - Allowable with 2/3 vote
 - Advertised tax increase
 - Estimated ad valorem revenue of \$40.5 million (at 95% receipt rate)
- Rolled-back millage rate: 4.7742

- Allowable with simple majority vote
- No advertised tax increase
- Estimated ad valorem revenue decrease of \$2.3 million (at 95% receipt rate)
- Maximum majority vote millage rate: 4.532
 - Allowable with simple majority vote
 - Advertised tax increase
 - Estimated ad valorem revenue decrease \$971,000 (at 95% receipt rate)

Mr. Ackerman discussed CIP Funding:

- The Town formalized a partial funding source for CIP
- CIP has had several different funding options over the years (reserves, operating revenue, bonds, other funding sources)
- FY 2017 operating budget includes \$838,500 for CIP

Mr. Ackerman discussed the changes in properties' market value and taxable value over the past few years. In a ten-year period, owners of an averaged-priced home experienced a \$49 increase in taxes paid to Davie.

Mr. Ackerman explained how the proposed millage rate would affect property owners. On a home valued at \$250,000, ad valorem taxes would increase \$8.49; Debt Service would decrease \$18.80; the Solid Waste Assessment would decrease \$23.00 and the Fire Assessment would increase \$23.00 for a net decrease of \$10.31.

Mr. Ackerman compared the Water and Sewer Fund budget between 2016 and 2017. Personnel and operating expenses had increased slightly and he anticipated the Capital Outlay would increase but the exact amount would not be known until the end of the year. Debt Service and other uses remained virtually unchanged.

Mr. Ackerman compared the Community Redevelopment Agency Fund budget between 2016 and 2017. Overall, he estimated \$21 million in reserves, including operating and bond monies. Personnel, operating and other uses had increased lightly and Capital Outlay was anticipated to decrease.

Mr. Ackerman announced future meeting dates:

- Community Endowment / CIP
 - Community Endowment Workshop – August 3 at 5:00
 - CIP Workshop – August 3 at 5:30
- Special Assessment Hearing
 - September 14 at Noon
- Budget Hearings
 - September 7 & 21 at 5:01pm (to coincide with Council meetings)

Councilmember Caletka asked the maximum millage rate they could propose that could be approved with a simple majority vote and Mr. Ackerman replied it was 4.9532.

4. ADJOURNMENT

There being no further business to discuss and no objections, the meeting was adjourned at 4:26 p.m.

Approved _____

Mayor/Councilmember

Town Clerk