



**TOWN OF DAVIE
FIRST BUDGET WORKSHOP
JULY 31, 2019**

1. PLEDGE OF ALLEGIANCE

The meeting was called to order at 4:06 p.m. and was followed by the Pledge of Allegiance.

2. ROLL CALL

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

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

3. BUDGET

Mr. Lemack stated the meeting agenda:

- FY 2020 Budget Outlook
- General Fund
- Changes from the first budget workshop
- Payroll Related Changes
- Millage Rate Scenarios
- Impact on Homeowner
- Water and Sewer Fund
- CRA Fund
- Golf Fund
- Dates and Meetings

Mr. Lemack reviewed the FY 2020 Budget Outlook:

- Operating Millage Rate - unchanged
- Fire Assessment - unchanged
 - Capital Purchase
- Solid Waste Assessment - increase by \$15.64
- Replenish Emergency Reserves (Hurricane Irma)
- Reduction of Debt Service Millage Rate
- \$2.98 Million for the Capital Improvement Program (CIP), includes \$500k for Stormwater and Fire Apparatus
- Public Safety Master Plan - in progress

Mr. Lemack addressed follow-up items from the First Budget Workshop held on June 5, 2019.

Mr. Lemack stated the bike event had been sponsored by the Metropolitan Planning Organization in the past, however, the Town planned to hold a bike safety program sponsored by the Police Department and Parks Recreation and Cultural Arts Department. The event was scheduled for March of next year.

Mr. Lemack also reviewed the engineering permit list. He stated that the list was not indicative of development approvals and all the names were removed as requested from the last workshop.

Mr. Lemack advised the Town Council that the Town would utilize organic solution when fertilizing or treating Town property as much as possible.

Mr. Lemack turned the meeting over to Mr. Ackerman.

Mr. Ackerman advised that the Town's budget decreased \$18.8 million or 8.3% since Fiscal Year 2019.

Mr. Ackerman provided a summary of the general fund which had an increase of about \$5.6 mill or 4.2%.

Notable General Fund Revenue Changes included:

- Reduced Ad Valorem Operating by \$50k
- Decreased Engineering Permits by \$70k
- Increased Wetland Maintenance Reserves by \$72k
- Increased Building Reserves by \$12k
- Intergovernmental and Tax Revenue
 - Decreased Local Option Gas Tax by \$12k
 - Increased Half Cent Sales Tax by \$57k
 - Increased State Shared Revenue by \$14k

General Fund Expenditure Changed included:

- Increased IT Chargebacks by \$25k
- Increased Communication Services by \$78k
- Reduced payroll related items by \$251k
- Reduced amount of surplus going to Engineering Reserves by \$76k
- Increased wetland maintenance expenditures by \$52k
- Increased Special Projects in PR&CA for Cultural/Music events by \$10k
- Reduced fleet chargebacks by \$90k
- Added Unfunded Mandate for Florida Firefighter Cancer Insurance Premium for \$30k
- Increased generator maintenance/repairs by \$25k
- Increased transfer to Capital Improvements Program by \$165k

Mr. Ackerman advised there were changes to the payroll budget since the June 5th First Budget Workshop. The changes included:

- Police Department
 - Eliminate Code Compliance Inspector
 - Add Code Compliance Inspector PT

- Engineering Division
 - Reclassify Engineer Inspector to Chief Engineer Inspector
- Parks Recreation & Cultural Arts
 - Added Sports Specialist PT

Mr. Ackerman outlined three possible millage rate scenarios:

- The Proposed millage rate for FY 19 is: 5.6270
 - Allowable with 2/3 vote
 - Advertised tax increase
 - Estimated ad valorem revenue of \$55.0 million (at 95% receipt rate)
- Rolled-back millage rate: 5.3450
 - Allowable with simple majority vote
 - No advertised tax increase
 - Estimated ad valorem revenue decrease \$2.8 million (at 95% receipt rate)
- Majority vote maximum millage rate: 5.5262
 - Allowable with simple majority vote
 - Advertised tax increase
 - Estimated ad valorem revenue decrease \$986k (at 95% receipt rate)

Mr. Ackerman stated that at this time the Town of Davie was ranked number 23 in Broward County as it pertained to the municipal millage rate and number 20 when it came to the fire assessment rates.

Mr. Ackerman reviewed the estimated property tax change in FY 2020 for a single-family home with \$300,000 Assessed Value. In FY 2020 the property owner will see a 1.9% increase in assessed value. Mr. Ackerman advised the increase to the solid waste assessment is due to contractual obligations which resulted in an increase of \$15.64. Mr. Ackerman advised taxes would increase at about \$8.72 annually which resulted in a monthly impact of \$0.73.

Mr. Ackerman spoke about the Water and Sewer Fund. He advised for FY 2020 there was an estimated shortfall of about \$1.6 million. He advised the Utilities Department was undergoing a master plan and a water rate study. Mr. Ackerman stated the department was looking to increase the utility rate to about 2.2%.

Mr. Ackerman reviewed the Community Redevelopment Agency Fund. Mr. Ackerman advised there was a slight increase in their operating enhanced community management program because a Maintenance Tech II position would be implemented in order to fulfill the program. There was also expenditures that related to the enhanced code compliance program as introduced in 2017.

Mr. Ackerman provided an update and changes to the golf fund:

- No on-going income or expenses for golf related operations
- Close the Golf Fund during FY 2020 and move the function to the General Fund
 - Within Parks, Recreation and Cultural Arts Department
 - Expenditures related to the fund Rentals and Leases, Wetland Maintenance and Parks Ground Maintenance

Mr. Ackerman stated potential adjustments for the First Budget Hearing:

- CIP project rollovers and FY 2020 CIP projects
- Use of reserves and other funding sources for FY 2020 CIP
- Community Endowment
- Utilities & Fleet
 - Electric
 - Fuel
 - Water
 - Fleet Charges
- Intergovernmental Revenue (if State gives any updates)
- Payroll changes
- Collective Bargaining Agreements

Mr. Ackerman announced future meeting dates:

- CIP Workshop
 - July 31 at 5:00pm
- Community Endowment Workshop
 - August 7 at 5:00pm
- Special Assessment Hearing
 - September 12 at Noon
- Budget Hearings
 - September 5 & 18 at 5:15pm (coincide with Council meetings)

Mayor Paul thanked the staff for the work they put into the budget process.

4. ADJOURNMENT

There being no further business to discuss and no objections, the meeting was adjourned at 4:32 p.m.

Approved _____

Mayor/Councilmember

Town Clerk