

MINUTES OF MEETING  
DANIA BEACH CITY COMMISSION  
SPECIAL BUDGET MEETING  
TUESDAY, JULY 26, 2016 – 5:00 P.M.

1. Call to Order/Roll Call

Mayor Salvino called the meeting to order at 5:00 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. Presentations

City Manager Baldwin noted a budget workshop, and the two public hearings, would be held in September. He encouraged the Commission not to reduce the millage rate lower than what is recommended in the proposed budget.

Nicki Satterfield, Finance Director, presented a PowerPoint of the proposed budget, which is attached to and incorporated into these minutes.

Commissioner Grace questioned funding for emergency water line breaks. Finance Director Satterfield explained we have a reserve balance in the water fund of \$2.5 million to cover such repairs.

Commissioner Grace addressed the unfunded drainage installation at Frost Park for \$130,000.00 and suggested we look for funding for this by first reading of the budget.

Commissioner Grace asked how many Oasis projects there would be next year. City Manager Baldwin said Oasis 12 would be done next year with carryover funds.

Commissioner Grace asked if there is anything that is not in the budget, but should be, that would make us more sustainable.

Finance Director Satterfield responded a pension reserve and emergency reserve would be priorities.

Commissioner Grace asked about funding for the 5 firefighters. Finance Director Satterfield explained they are funded in the proposed budget for the entire year, with use of the reserve funds.

Vice-Mayor Jones expressed disappointment with the School Board not moving forward with the Olsen demolition project, and said he is inclined to look at including funding for Frost Park drainage.

At Vice-Mayor Jones' request, Finance Director Satterfield explained the OPEB liability.

Vice-Mayor Jones spoke of the 5.9998 millage rate, and said he was hoping to lower it .1 - .3 mills; he believes we could do this.

Finance Director Satterfield and City Manager Baldwin clarified that a .1 decrease would equate to \$306,000.00 in lost revenue. They are not recommending lowering the millage rate tonight; if it is lowered at a future meeting, cuts would need to be made to the budget to offset the reduction in revenue.

Vice-Mayor Jones said this would mean we would take money from reserves.

Finance Director Satterfield noted we should not use reserves for the operating budget.

Commissioner Grace spoke of increased revenues from new development coming onboard, and asked how long it would be before we can give residents a break for water and sewer rates.

Finance Director Satterfield responded there is a 2-3 year delay for property taxes coming from new development. There are water and sewer reserves for emergencies and for working toward infrastructure improvements; projects can be discussed with Public Services so they can be more preventive than reactive.

City Manager Baldwin commented on the aging water distribution system; we are trying to keep rates low and are planning to replace the system over time.

Commissioner Grace added Vice-Mayor Jones is correct; there are a lot of seniors and the water bills are extremely high for them, especially if there is a leak.

Finance Director Satterfield noted we have not raised the water rates in 5 years; the intent is to accumulate some reserves each year and use those funds to pay cash for future infrastructure improvements.

Commissioner Fetscher commented that the City tax bill is lower than Broward County and the School Board.

Mayor Salvino asked what the total cost of Phase II of the beach renovation is, and City Manager Baldwin responded around \$6 million. Mayor Salvino asked why we could not defer

\$995,000.00 to other projects since we will have more revenue coming in in the near future from new development, with which to fund Phase II.

Finance Director Satterfield responded those monies are funded from the parking fund and cannot be used for general fund purposes.

Mayor Salvino confirmed that we recently authorized the CRA to do an RFP to look into a new City Hall, and questioned why the BSO relocation to City Hall project was listed as an unfunded item.

Mayor Salvino noted he would never use reserves for anything, and he also would not reduce the millage rate at this time; we need to wait until after the next few years.

### 3. Resolutions

#### 3.1 RESOLUTION #2016-090

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF DANIA BEACH, FLORIDA, RELATING TO THE PROVISION OF FIRE RESCUE SERVICES, FACILITIES AND PROGRAMS IN THE CITY OF DANIA BEACH, FLORIDA; ESTABLISHING THE "NOT TO EXCEED" ASSESSMENT RATE FOR FIRE RESCUE ASSESSMENTS FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2016; DIRECTING THE PREPARATION OF RESPECTIVE ASSESSMENT ROLLS; AUTHORIZING A PUBLIC HEARING AND DIRECTING THE PROVISION OF NOTICE OF SUCH HEARING; PROVIDING FOR CONFLICTS; PROVIDING FOR SEVERABILITY; FURTHER, PROVIDING FOR AN EFFECTIVE DATE.

City Attorney Ansbro read the title of Resolution #2016-090.

**Commissioner Grace motioned to approve Resolution #2016-090; seconded by Vice-Mayor Jones. The motion carried unanimously.**

#### 3.2 RESOLUTION #2016-091

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF DANIA BEACH, FLORIDA, RELATING TO THE COLLECTION AND DISPOSAL OF SOLID WASTE IN THE CITY OF DANIA BEACH, FLORIDA; ESTABLISHING THE NOT TO EXCEED ASSESSMENT RATE FOR SOLID WASTE SERVICE ASSESSMENTS AGAINST ASSESSED PROPERTY LOCATED WITHIN BOUNDARIES OF THE CITY OF DANIA BEACH, FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2016; DIRECTING THE PREPARATION OF AN ASSESSMENT ROLL; AUTHORIZING A PUBLIC HEARING AND DIRECTING THE PROVISION OF NOTICE OF SUCH HEARING; PROVIDING FOR CONFLICTS; FURTHER, PROVIDING FOR AN EFFECTIVE DATE.

City Attorney Ansbro read the title of Resolution #2016-091.

**Vice-Mayor Jones motioned to approve Resolution #2016-091; seconded by Commissioner Brandimarte. The motion carried unanimously.**

#### 3.3 RESOLUTION #2016-092

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF DANIA BEACH, FLORIDA, RELATING TO THE PROVISION OF STORMWATER SERVICES, FACILITIES AND PROGRAMS WITHIN THE CITY OF DANIA BEACH, FLORIDA; ESTABLISHING THE NOT TO EXCEED ASSESSMENT RATE FOR STORMWATER ASSESSMENTS FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2016; DIRECTING THE PREPARATION OF RESPECTIVE ASSESSMENT ROLLS; AUTHORIZING A PUBLIC HEARING AND DIRECTING THE PROVISION OF NOTICE OF SUCH HEARING; PROVIDING FOR CONFLICTS; FURTHER, PROVIDING FOR AN EFFECTIVE DATE.

City Attorney Ansbro read the title of Resolution #2016-092.

**Commissioner Grace motioned to approve Resolution #2016-092; seconded by Commissioner Fetscher. The motion carried unanimously.**

3.4 RESOLUTION #2016-093

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 PROPOSED 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 OBJECTIONS MAY BE HEARD AND QUESTIONS CONCERNING SAME WILL BE ANSWERED; PROVIDING FOR CONFLICTS; FURTHER, PROVIDING FOR AN EFFECTIVE DATE.

City Attorney Ansbro read the title of Resolution #2016-093.

**Vice-Mayor Jones motioned to approve Resolution #2016-093; seconded by Commissioner Fetscher. The motion carried 4-1:**

<b>Commissioner Brandimarte</b>	<b>Yes</b>	<b>Vice-Mayor Jones</b>	<b>Yes</b>
<b>Commissioner Fetscher</b>	<b>Yes</b>	<b>Mayor Salvino</b>	<b>Yes</b>
<b>Commissioner Grace</b>	<b>No</b>		

4. Adjournment

Mayor Salvino adjourned the meeting at 6:02 p.m.

ATTEST:

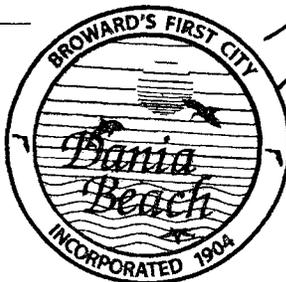
CITY OF DANIA BEACH



LOUISE STILSON, CMC  
CITY CLERK



MARCO A. SALVINO, SR.  
MAYOR



Approved: August 23, 2016

# **City of Dania Beach**

**FY 2016/17**

# **Recommended Budget**

July 26, 2016

# 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**

# Preliminary Budget Actions Tonight

- Taxes = maintain existing millage **5.9998** mills
  - “rolled back” millage rate – 5.5051 mills
- Voter Approved Debt millage - **.2464**mills
- Set 1<sup>st</sup> Sept. Budget Public Hearing

Wed. 9/14/2016 @ 5:01 p.m. at Dania Beach City Hall

- Fire-Rescue Assessment (adj. of \$10.00) **\$ 200.00** yr.
- Stormwater Assessment (no change) **\$ 40.00** yr.
- Residential Solid Waste (adjustment = \$2.52yr.) **\$ 342.48** yr.

# Financial Status

- Economic growth at State and Local levels continues to build momentum.

- **Fourth consecutive Property Value Increase**

• 2008 total Tax Value (top)	\$3.300 B	} decline of 21.5% over 5 years
• 2013 " "	\$2.672 B	
• 2014 " "	\$2.791 B	
• 2015 " "	\$2.968 B	
• 2016 " "	\$3.226 B	

+4.49%

+7.49%

+9.90%

- Personnel costs - focus on sustainability; rising cost of *retirement funding* and *health care*.
- Investment earnings – slightly improving (.45 > 2015)
- City Tax base - continued recovery projected – aided by investments in City neighborhoods, beach & gateway appearance, infrastructure and economic development.
- User Fees / Assessments- \$10 increase in Fire assessment (83¢ mo.), \$2.52 (21¢ mo.) increase in Solid Waste hauler’s fee an no increase Stormwater assessment.

# Budget Focus

- Sustainability – staffing levels, 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 ~\$955,975 being accumulated from Parking
  - Roadway repaving , sidewalk improvement, bus shelters and dumpsters
- Appearance-
  - Carryover of \$200K Funding for Oasis project to be identified
  - Parks & Roadway landscape general maintenance
- 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 \$125K
- IT – Citywide Archiving System (records retention) \$100K
- Police: Body Worn Camera (operating portion only; equip LETF) \$ 83K
- Recreation: Roof Lifeguard/Bathroom Bldg (impact fees) \$ 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%)

# 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.

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