



City of Margate

5790 Margate Boulevard
Margate, FL 33063
954-972-6454
www.margatefl.com

Meeting Minutes

City Commission Budget Workshop

Mayor Anthony N. Caggiano

Vice Mayor Tommy Ruzzano

Commissioners:

Antonio V. Arserio, Arlene R. Schwartz, Joanne Simone

City Manager Cale Curtis

Interim City Attorney Weiss Serota Helfman Cole & Bierman

City Clerk Jennifer M. Johnson

Tuesday, July 11, 2023

4:00 PM

Commission Chambers and Zoom.us

Webinar ID: 857 9134 0956

<https://us02web.zoom.us/j/85791340956>

CALL TO ORDER

ROLL CALL

Present: 5 - Commissioner Antonio V. Arserio, Vice Mayor Tommy Ruzzano, Mayor Anthony N. Caggiano, Commissioner Arlene R. Schwartz and Commissioner Joanne Simone

MOMENT OF SILENCE - INVOCATION

PLEDGE OF ALLEGIANCE

1) PRESENTATION(S)

A. [ID 2023-228](#) FY 2023-2024 BUDGET WORKSHOP

CITY MANAGER CALE CURTIS introduced and explained the protocol for the City Commission Budget Workshop. He was also pleased to share that the City was moving in a good direction where over the last three years, their reliance upon fund balance had decreased significantly from \$7,500,000 to approximately \$4,700,000. He introduced the executive team from the Finance Department who would be presenting the workshop.

BUDGET MANAGER, DECIA A. SMITH-BURKE, welcomed everyone to the Fiscal Year (FY) 2024 Budget Workshop where she provided a PowerPoint presentation. She highlighted that the City had received the Distinguished Budget Award from the Government Financial Officer's Association for the last six years. She explained that in the budget development process, staff looked at the all-important numbers which were property taxes and the millage rate. She said that for FY2024, the proposed millage rate which was not the highest or the lowest in the last 10-year period was 7.6004 which included the operating millage rate and the debt service millage rates for both general obligation bonds. She highlighted that the proposed millage rate had slightly decreased for 2023 and that the operating millage would stay the same at 7.1171 and there is a decrease in their debt service millage for total reduction of 0.504 mills which was approximately \$200,000. She said that the tax values and millage rate were used to calculate the tax revenue and for FY2024, it included an estimated revenue of 10.3% which was based on July 1st numbers. She indicated that although the City had

budgeted approximately \$2,900,000 in additional ad valorem revenue, the change in property value also resulted in an increase of over \$700,000 in payments to the Community Redevelopment Agency (CRA) for FY2024. She said that this would result in the net change in ad valorem revenue to the general fund of \$2,200,000. She advised that the property values increased again this year but Margate was lower than the average in Broward County and that 8% of the residents paid no ad valorem taxes. She continued to discuss the average Homestead home values and explained that the City received one third of the total property taxes for an average single family home that had the \$50,000 Homestead exemption. She outlined the FY2024 proposed budget of \$184,000,000 which was a decrease from the FY2023 amended budget of \$12,300,000 which was due primarily to the elimination of \$14,000,000 transfer from the Water Waste Water Operating Fund to Water Waste Water Renewal and Replacement Fund amongst other notable increases. She provided a summary of the General Fund revenues and expenditures and highlighted that the biggest projective revenue adjustment was in the other sources and fund transfer category which was a result of a projected fund balance needed to balance \$4,700,000 as well as a \$50,000 needed to transfer to the Capital Projects Fund for Information Technology projects. She said that the overall expenditures had decreased slightly by .11%. She explained that their ad valorem revenue accounted for approximately 41% of the total general fund revenue which was primarily due to an increase in taxable values. She advised that the City was a full service municipality where personal services accounted for 74% of the general funds. She read through the FY2024 proposals from the General Fund capital for the City's departments for the next fiscal year. She concluded her PowerPoint presentation and outlined that the staff's request was to set the ceiling for the millage rate at 7.6004 while keeping the operating millage at 7.1171 and the debt service millage was decreasing for a total millage of 7.6004 which was a reduction of .0504. She anticipated that the full budget book together with other criteria requirements would be available by August 15th and then the first public hearing would be on September 11th and the second public hearing would be September 20th.

CITY MANAGER CURTIS stated that the main goal was to get a CONSENSUS on setting the attentive maximum millage rate at 7.1161 which was the same rate that it had been for the last couple of years.

MAYOR ANTHONY N. CAGGIANO questioned if there was a MOTION to keep the millage at 7.1161.

COMMISSIONER ANTONIO V. ARSERIO did not know if there was a form of MOTION for a workshop but stated that they had his CONSENSUS to keep the millage rate as is. He said that seeing how lean they ran their budget, he was very happy to support keeping the millage rate the same. He highlighted the revenue received from Margate residents against those who did not pay taxes.

INTERIM CITY ATTORNEY DEBRA A. REESE explained that there was no decision making today as it was a workshop for discussion amongst the City Commission to provide guidelines. She advised that they would make a final decision at the September 2023 meeting.

Discussion ensued.

CONSENSUS was given by the City Commission to keep the millage rate the same.

A question and answer session ensued between the City Commission and the Finance Department.

VICE MAYOR TOMMY RUZZANO questioned what was included in the big capital projects.

CITY MANAGER CURTIS explained that the large portion of this budget was associated with the water and wastewater system renewal replacement fund and that they were continuing to make utility infrastructure capital improvements each year but the large portion of it would take place over the next 10 years.

COMMISSIONER ARSERIO responded to Vice Mayor Ruzzano's question.

Discussion ensued.

COMMISSIONER ARLENE R. SCHWARTZ referenced page 51 and said that there was almost a \$2,000,000 change in the budget from one year to the other. She referenced page 53, where she thought they would be saving money renting vehicles as last year, it was \$513,627 and for this year, it was proposed at \$1,295,000.

CITY MANAGER CURTIS indicated that the sum would be used for increases for contractual salaries, the Florida Retirement System (FRS) as well as insurance and benefits. He explained that police vehicles were held for approximately five years and the proposed sum would include the vehicles that they started leasing last year plus the vehicles that were going on next year. He said for Police vehicles specifically, it would be four to five years before they started to see the surplus come back and the numbers would decrease. He also emphasized that the City was entering into a period where they would replace a large portion of vehicles all at once.

COMMISSIONER SCHWARTZ referenced page 67 on Public Works' maintenance at City Hall and was disappointed to learn that the rating had deteriorated.

CITY MANAGER CURTIS said that he would work with the Public Works' Director on the challenges of getting to a 100% satisfaction and perfection rating.

Discussion ensued on City Hall's maintenance.

COMMISSIONER JOANNE SIMONE expressed her happiness with the budget and complimented staff for their efforts. She also highlighted the comparison chart and said that Margate was still doing everything that all the other cities were doing. She spoke about the \$2,000 City Commission donation accounts and recommended that each City Commissioner should have the money taken from their Office Account as opposed to utilizing taxpayers money from the General Fund. She also requested that her name be removed from this fund as she wanted it to go back into the General Fund.

COMMISSIONER ARSERIO explained that he did not believe that State law would allow the City Commission to withdraw funds from the Office Account.

COMMISSIONER SCHWARTZ suggested that the City needed to do a better job on donation request forms and vetting organizations that come before the City Commission.

Discussion ensued.

MAYOR CAGGIANO said that he had no further questions as the Finance Department explained everything to him during his one-to-one session. He was ecstatic that the Finance Department was able to keep the budget in check and that Margate was a full service City. He confirmed that the City had already received CONSENSUS to keep the millage rate as it was.

FINANCE DIRECTOR ISMAEL DIAZ thanked everyone.

COMMISSIONER ARSERIO indicated that the resident's tax bill did not cover the Police and Fire budget which demonstrated how hard staff worked with other sources of revenue to handle the day to day operations in the City. He gave kudos to the staff for obtaining resources from other avenues.

Discussion ensued.

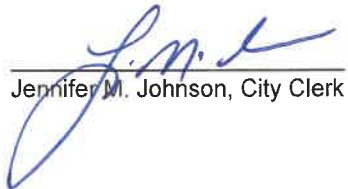
ADJOURNMENT

PLEASE NOTE:

There being no further business, the meeting adjourned at 4:39pm.

Respectfully submitted,

Transcribed by Salene E. Edwards



Jennifer M. Johnson, City Clerk

Date: 8/28/2023

If a person decides to appeal any decision made by the City Commission with respect to any matter considered at this meeting, the person will need a record of the proceedings, and for such purpose may need to ensure that a verbatim record of the proceedings is made, which record includes the testimony and evidence upon which the appeal is to be based. Anyone desiring a verbatim transcript shall have the responsibility, at his/her own expense, to arrange for the transcript.

[Appendix A – Zoning – Section 3.3] Any representation made before any City Board, any Administrative Board, or the City Commission in the application for a variance, special exception, conditional use or request for any other permit shall be deemed a condition of the granting of the permit. Should any representation be false or should said representation not be continued as represented, same shall be deemed a violation of the permit and a violation of this section.

Any person with a disability requiring auxiliary aids and services for this meeting may call the City Clerk's office at (954) 972-6454 with their request at least two business days prior to the meeting date.

One or more members of the City of Margate advisory boards may be in attendance and may participate at the meeting.

Members of the public are invited to view this meeting through Zoom using Webinar ID: 857 9134 0956 or can listen via telephone by calling one of the following phone numbers: US: +1 312 626 6799 or +1 929 205 6099.

- A copy of the Agenda for this Meeting is posted on www.MargateFL.com and on the main bulletin board outside City Hall located at 5790 Margate Blvd, Margate, FL 33063.

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