



City of Margate

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Meeting Minutes City Commission Budget Hearing

Mayor Anthony N. Caggiano

Vice Mayor Tommy Ruzzano

Commissioners:

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

City Manager Cale Curtis

City Attorney Janette M. Smith

City Clerk Joseph J. Kavanagh

Thursday, September 5, 2019

6:00 PM

Commission Chambers

CALL TO ORDER

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

In Attendance:

City Manager Cale Curtis

City Attorney Janette M. Smith

City Clerk Joseph J. Kavanagh

1) PUBLIC HEARING(S)

ASSISTANT DIRECTOR OF FINANCE KELLY SCHWARTZ gave a Budget PowerPoint presentation and outlined the changes from the first Workshop draft of the Budget to the proposed book which was previously provided to the City Commission. She referred to page 14 and discussed the Millage rate and changes which totaled 7.666. She said that one of the major differences in this book versus the Workshop draft was that it included the budget message and also gave an overview of the City. She referenced a chart in the book called the Summary of Changes in Fund Balance and Net. She said that the Fund Balance was an indicator of the City's financial health. She advised that the City went out for a bond in 2019 and received an AA rating from Standard & Poor's Financial Services LLC (S&P). She highlighted the significance of the City being in a good shape with strong financial policies. She said that they did not want to risk what could occur if they did not make any immediate changes or in the very near future. She said that the continued use of fund balance to subsidize operations was not sustainable and was strongly discouraged. She referenced and highlighted the Summary Budget on page 77 and mentioned that the general fund and special projects enterprise was \$161,000,000 which was an increase of \$2,500,000 which was more than what was detailed in the budget book that was issued in July. She said that the general fund increased by \$1,400,000 and that there were some small increases for the additional and re-classed job positions and also other changes which included an increase to the CRA contribution and a decrease for removing the Police mobile command vehicle. She explained that the main reason was for the transfer to the Building fund and that they would transfer \$1,470,000 from the General Fund to the Building Department Fund. She said that the Roads Fund Budget decreased by \$3,592 as they received an updated Florida Department of Transport (FDOT) agreement and that the Building fund increased by \$50,000 as they added contingency. She said that Community Development Block Grant (CDBG) fund increased by \$450,000 for updated grant projections received and the

general obligation fund proceeds for 2019 which was the Parks and Recreation fund increased by \$650,000 for the re-prioritization of the Sports Field Lighting project. She also indicated that there were very small decreases to the Storm Water Fund and Water and Waste Water funds as they received the June Consumer Price Index (CPI) numbers. She advised that after tonight's meeting, they would put together the Truth In Millage Notice (TRIM) advertisement in the Sun-Sentinel.

CITY MANAGER CALE CURTIS thanked the Finance personnel for putting together the presentation on the updated Budget and said that they did a great job. He said that the most important issue was that the City was in a stable financial condition. He explained that they started this process in January 2019 and at that time, they were quite far apart from the revenues and expenditures of approximately \$10,000,000 - \$11,000,000. He said that by working with Finance and the Department Directors, they had been able to reduce it to \$1,700,000 which included the costs for Dispatch Services.

A. [ID 2019-436](#) PUBLIC HEARING ON TENTATIVE BUDGET AND PROPOSED MILLAGE RATE.

LESA B. PEERMAN, 6921 NW 4TH PLACE queried whether they received the money for the Firehouse. She questioned why they were raising the Millage rate if they had not made a decision to go with Coral Springs for Dispatch.

CITY MANAGER CURTIS explained that there was a timing of having funding in place for Dispatch. He believed they have a solid proposal for Coral Springs Dispatch in place but they could not pursue if they did not have the funding to do so. He advised that what they had put forward was a funding plan which included a Millage rate increase to fund the \$2,000,000 annual expenditure.

2) RESOLUTION(S)

A. [ID 2019-437](#) APPROVING THE PROPOSED MILLAGE RATE FOR THE CITY OF MARGATE FISCAL YEAR 2019/2020 IN THE AMOUNT OF 7.7666 MILLS PER THOUSAND DOLLARS OF ASSESSED VALUATION (WHICH INCLUDES .6495 FOR VOTED DEBT SERVICE); THAT THE OPERATING MILLAGE RATE OF 7.1171 IS 15.51% HIGHER THAN THE ROLL-BACK RATE OF 6.1612.

A motion was made by Commissioner Arserio, seconded by Mayor Caggiano, that this Resolution, should, be discussed.

CITY MANAGER CURTIS explained that the Citizen's Project Initiative (CPI) fund would be a valid use of those funds to help Dispatch but it would be a one-time source of revenue. He indicated that the \$500,000 increase would total approximately \$1,300,000 dollars and that in year one, their estimates for Dispatch were just under \$2,000,000 and that they could use the CPI fund to subsidize the remaining balance of that. He also advised that they would not have to essentially raise taxes each year to fund this.

COMMISSIONER SCHWARTZ referred to Page 80 of this year's Budget and questioned

why they were over estimated by \$25,000,000.

Discussion ensued including the 911 Dispatch service, staff pay raises and the Millage rate.

COMMISSIONER SIMONE explained that she did not want to raise the taxes but said that she did not see any other way. She discussed the County's 911 system and the Fire Assessment fee. She also said that she wanted the City Commission's support on freezing the car allowance and charity donations.

Discussion ensued.

MAYOR ANTHONY N. CAGGIANO discussed his experience of touring Coral Springs' 911 Dispatch system and also spoke about increasing the Millage rate.

Discussion ensued including the 911 Dispatch system and fixing the infrastructure and using Bonds.

Discussion ensued.

POLICE CHIEF, JON SHAW discussed the 911 Dispatch system and the feedback he received from the residents.

Discussion ensued including the 911 Dispatch system, the Fire Assessment fee, the refund from Federal Emergency Management Agency (FEMA) and subsidizing the Millage rate.

PLANNING AND ZONING (P&Z) CHAIR RICHARD ZUCCHINI suggested that the City Commission should arrange a meeting with Broward County in the Sunshine to ask questions pertaining to the 911 Dispatch system and how it could be improved.

MS. PEERMAN explained the history in the City moving to Broward County's 911 system. She also said that they were discussing raising the Millage rate for the 911 Dispatch system for something that they had not voted upon.

Discussion ensued.

The motion carried as follows:

Yes: 3 - Commissioner Simone, Commissioner Arserio and Mayor Caggiano

No: 2 - Commissioner Schwartz and Vice Mayor Ruzzano

- B.** [ID 2019-438](#) ADOPTING A TENTATIVE BUDGET FOR THE 2019/2020 FISCAL YEAR, AND AUTHORIZING THE ADMINISTRATION TO OPERATE ON SAID TENTATIVE BUDGET AS AMENDED PURSUANT TO FLORIDA STATUTE UNTIL ADOPTION OF THE FINAL BUDGET FOR SAID FISCAL YEAR.

A motion was made by Commissioner Simone, seconded by Commissioner Arserio, that this Resolution, should be approved.

COMMISSIONER SCHWARTZ asked if the \$500,000 was included.

CITY MANAGER CURTIS confirmed that was correct.

The motion carried as follows:

Yes: 3 - Commissioner Simone, Commissioner Arserio and Mayor Caggiano

No: 2 - Commissioner Schwartz and Vice Mayor Ruzzano

3) ORDINANCE(S) - FIRST READING

- A. [ID 2019-434](#) ADOPTING AN OPERATING BUDGET FOR THE CITY OF MARGATE, FLORIDA, FOR THE PERIOD BEGINNING OCTOBER 1, 2019 AND ENDING SEPTEMBER 30, 2020; PROVIDING FOR A BUDGET FOR THE GENERAL FUND, SPECIAL REVENUE FUNDS, DEBT SERVICE FUNDS, CAPITAL PROJECTS FUNDS, ENTERPRISE FUNDS, AND INTERNAL SERVICE FUND; PROVIDING FOR A MILLAGE RATE; PROVIDING FOR REPEAL; PROVIDING FOR SEVERABILITY; PROVIDING FOR AN EFFECTIVE DATE.

A motion was made by Commissioner Simone, seconded by Commissioner Arserio, that this Ordinance, First Reading, should be approved.

MS. PEERMAN questioned how they could approve a Budget that increased the City Commission's car allowance to \$3,600 after the Millage rate was increased. She said that never before had they taken mileage for driving in the City or asked for a vehicle allowance as that was what the salary was for.

CITY MANAGER CURTIS explained that it was his proposal to add the \$3,600 car mileage expense.

Discussion ensued.

LUCY KROMBHOLZ, 1402 NW 80 AVE, APT 504 said that she lived in a condominium association and that they raised their maintenance by \$125 which they intend to repeat on January 1st, 2020. She also spoke in opposition of the recent increases in the City.

Discussion ensued.

The motion carried as follows:

Yes: 3 - Commissioner Simone, Commissioner Arserio and Mayor Caggiano

No: 2 - Commissioner Schwartz and Vice Mayor Ruzzano

ADJOURNMENT

There being no further business, the meeting adjourned at 8:04pm.

Respectfully submitted,

Transcribed by Salene E. Edwards

Joseph J. Kavanagh, City Clerk

Date: _____

PLEASE NOTE:

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.