



City of Margate

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Meeting Minutes

City Commission Budget Workshop

Mayor Tommy Ruzzano

Vice Mayor Joyce W. Bryan

Commissioners:

Lesa Peerman, Joanne Simone, Frank B. Talerico

City Manager Douglas E. Smith

City Attorney Douglas R. Gonzales

City Clerk Joseph J. Kavanagh

Thursday, July 14, 2016

6:00 PM

Commission Chambers

CALL TO ORDER

Present: 5 - Commissioner Joanne Simone, Commissioner Lesa Peerman, Commissioner Frank B. Talerico, Vice Mayor Joyce W. Bryan and Mayor Tommy Ruzzano

In Attendance:

City Manager Douglas E. Smith

City Attorney Douglas R. Gonzales

City Clerk Joseph J. Kavanagh

1) PRESENTATION(S)

A. ID 2016-443 FY 2016-2017 BUDGET WORKSHOP

CITY MANAGER DOUGLAS E. SMITH provided a Powerpoint presentation and explained that during this workshop, the following items would be viewed: City Budget background information, comparisons of other Budgets and the draft proposed Budget with overview summary information. He said that following the review, he would be asking the Commission to provide guidance and direction with regard to setting the millage for the upcoming fiscal year. He noted that tonight's workshop would set the maximum rate that could then be lowered or maintained if the Commission so chose. He reviewed the Strategic Plan with the new Vision Mission and Values that were established. He stated that Margate was a family-friendly community that embraced the hometown feel. He noted that the mission was to partner with the community to provide the highest quality services in a progressive and cost effective manner. He noted that the values were responsibility, integrity, service and excellence with Margate employees rising to the challenge. City Manager Smith explained that there would be a series of charts shown, which were previously seen but were now updated. He said that many charts would compare Margate to other communities. He noted that they would be termed as full-service communities, which meant that they also provided their own Police and Fire service, with the exception of Coconut Creek that had service provided by Margate. He showed a chart indicating a General Fund Budget per person by looking at the 2016 adopted General Fund Budgets and the 2015 population figures, then dividing that to arrive at a General Fund Budget per person calculation as a comparison. He noted that the City of Margate was third lowest on the list of cities, which was the same as last year. He showed a taxable value chart with a decline from 2008 to 2012 and 2013, but there also was a positive trend as the

taxable value had been increasing in the last number of years. City Manager Smith stated that in 2008, the total taxable value was around \$3.3 billion. He said that now at \$2.57 billion it was approaching the 2010 numbers, but was still far below 2008. He explained that when the taxable value was higher, the City was able to have a much lower millage rate, which happened in 2008. He said that it increased through 2010 to 2012 time frame and was gradually brought down to the current 7.3093. He pointed out that when changes were made in a downward fashion, it resulted in a year-to-year impact every year which the lower rate was in place. He stated that it was in the Commission's discretion to set the millage rate where they wanted, knowing that when it dropped down it would be an impact of a lesser tax value received for every year until it changed and increased. City Manager Smith said that from 2009 to 2015, the General Fund Budget was hovering around \$50 million dollars to \$53 million dollars. He noted that over the last few years, that had increased and as expenses increased there would be a need to increase the Budget. He said that in the past, there was a previous point in time when the Federal Forfeiture Fund was much higher than now and Police vehicles were able to be purchased from that fund. He noted that it was now a lot lower so new vehicles were not being purchased from that fund this year. City Manager Smith showed a chart indicating the city portion of the Property Tax Bill. He noted that half of the Margate residents paid less than \$300 in property taxes and about 49 percent were paying more than \$300. He added that 51 percent, which equaled 11,000 properties, were paying less than \$300 and a significant portion were paying less than \$200 in property taxes. He showed a chart indicating average single family homes in various comparison cities with regard to millage rates and what that equated to in dollars for the average home with a \$50,000 Homestead Exemption. He noted that Margate was positioned low on the list in second place and at \$528. He said that Lauderdale had a higher millage rate because the values were lower. He mentioned Hollywood and Miramar that had a \$20,000 difference in home values and had a 1 mill difference between the two rates of 7 and 6, which resulted in the same amount of tax revenue. He added that Coral Springs had a higher dollar value for single-family average homes with a lower millage rate that resulted in higher tax. City Manager Smith showed how much the City's taxes for the same average value home was part of the total tax bill. He said that a \$1,800 tax bill had only 30 percent going to the City. He showed another slide of the review of comparison cities in terms of the unassigned fund balances. He said that Margate's was \$7.9 million dollars at the end of the last fiscal year with \$49 million dollars in actual expenditures, which was 16.2 percent. He stated that there were other categories of fund balances and showed cities with a breakdown of unassigned, assigned, committed, restricted and non-spendable fund balances. He stated that Margate had an assigned fund balance; however, Fort Lauderdale had a large amount unassigned and Coral Springs had a lot in the committed category. He further explained that Margate was in the middle of Coral Springs, Hollywood and Miramar and was in the \$20 million dollars to \$30 million dollars range in the fund balance categories. City Manager Smith showed the next slide indicating how much was budgeted from the reserves over the years back to 2008. He stated it was higher in 2008, then decreased and now had started to increase. He noted that in 2015, about \$1 million dollars was taken from reserves, though it might not all be spent because a significant amount of money was put back into the reserves this past year. He added that might be able to be done again this 2016 fiscal year. He said that \$3 million dollars was budgeted from the Fund balance, and he noted that this year it was higher and above \$4 million dollars. He showed different categories of the assigned Fund balance, such as health insurance, emergency preparedness, computer equipment, capital projects for parks and vehicle replacement. He added that the current draft of the proposed Budget showed the breakdown of various amounts allocated to the proposed draft Budget for next year. He stated that the largest category was health insurance and mentioned others such as employee payouts, computer equipment and post-employment benefits for retiree insurance. He showed a projection from 2014 to 2017, indicating an average increase of

over 2 percent in revenue. He added that 4.5 percent was averaged for changes in expenses. He noted that with those percentages, at the end of year 2022, there would be a \$15 million dollar Budget gap. He explained that adjustments could be made throughout the years to keep that from happening. City Manager Smith mentioned items that were an impact to the Budget, such as salaries, pensions and health insurance, which could also cause a gap between revenue and expenditures. He highlighted some items from the proposed Budget such as cost of living adjustments and step increases for Federation of Public Employees (FPE) and Federation of Police (FOP) that were under the Collective Bargaining Agreements, as well as funds budgeted for other groups as well. He stated that there was an increase in the Florida Retirement System (FRS) rates this year that would need to be budgeted for. City Manager Smith stated that at this point, a 15 percent increase was budgeted for health insurance; however, he did not know yet what the final increase would be. He noted that several projections were received that were higher. He added that this was the first year with the current provider, and that the plan year started in January, so the City would continue to work on seeing what could be arrived at for a better number of what the actual change would be.

MAYOR RUZZANO questioned what the 15 percent equaled.

FINANCE DIRECTOR MARY BEAZLEY replied that the 15 percent was \$880,000 for health insurance.

CITY MANAGER SMITH stated that the total personnel Budget increase from the 2016 adopted Budget to the 2017 Budget was approximately \$2 million dollars. He noted that the taxable value was higher by 8 percent with a \$1.9 million dollar increase in Ad-Valorem. He said that there was no increase proposed to the millage rate, no change proposed to the residential Fire assessment and no changes proposed to the building permit fees. He explained that the total Budget of \$110 million dollars would also have Grant funds added. He said that the major areas were the General Fund with 54 percent and the Water and Wastewater Fund at 21 percent and 12 percent. He showed the dollar amounts for various funds including the General Fund for \$60 million dollars, as well as Federal Forfeiture Funds, Debt Service Fund, Insurance Fund and various Water and Wastewater Funds. He showed a breakdown by personnel operating in capital, as well as transfers resulting in an overall 7.9 percent increase. He noted that some of the amount in the transfer category would be from budgeting money in the General Fund to go out to other funds. He stated that the General Fund revenues showed how much of the Budget was comprised of the tax revenue received at 27 percent. He added that public safety revenues also made up about 27 percent. He noted that the adopted Budget in 2016 was at 14.4 with the proposed Budget in 2017 at 16.4 for Ad-Valorem. He said that part of that increase was for the increase in the taxable value. He stated that \$900,000 was because the debt service millage was lower. He explained that if compensating that by adjusting the General Fund operating millage and keeping a level 7.3 millage rate, additional revenue would be produced. City Manager Smith stated that franchise fees and utility service taxes budgeted for several percent increase and State and County revenues and public safety revenues budgeted in the 5 percent increase neighborhood. He spoke about the difference in millage values with regard to the value of what the mills were worth in dollars for $\frac{1}{4}$ mill, $\frac{1}{2}$ mill and a full mill. He said that $\frac{1}{4}$ mill was \$640,000, $\frac{1}{2}$ mill was \$1.2 million dollars and 1 full mill was \$2.5 million dollars. He stated that the annual approximate impact to the average single family homeowner varied depending on what the home value was, but with a taxable value of \$72,000 after the homestead exemptions, the change for $\frac{1}{4}$ mill was \$18 and for a full mill was \$72 over one year.

COMMISSIONER SIMONE asked what it would be for $\frac{1}{3}$ mill.

CITY MANAGER SMITH said that would have a dollar value of \$850,000.

COMMISSIONER SIMONE questioned the savings to the single family.

CITY MANAGER SMITH said that it would be about \$27 per home. He stated that looking at how the proposed General Fund was broken down in terms of expenditures allowed for the breakdown of the different departments, such as Police and Fire, Parks and Recreation, Public Works and various other operating departments, as well as the non-departmental Budget. He showed the summary with the Staff costs, operating and transfers, capital outlay and total General Fund being about 8.5 percent, which was an increase from the fiscal year 2016 adopted Budget. He noted the different departments and staffing costs, operating costs and capital outlay budgeted within the departmental Budgets. City Manager Smith showed the summary of staffing categories, as well as some capital categories. He said that departments that did not have changes with staffing in terms of position classifications or new positions were indicated. He noted that a proposal would be brought back in the August Budget to include a Receptionist or clerical type position for the new CRA Economic Development building to be shared between the City and CRA with a cost sharing arrangement. He noted that in the Finance Department, there was difficulty getting a candidate in to the Treasury Manager position, which was a higher level position; therefore, Finance was requesting to break that down into two lower level Accountant and Account Clerk positions. He explained that the Deputy Chief position in the Police Department was not being filled and could be removed from the Budget. He noted that the Building Department was using contract assistance and the proposal was to remove the part-time Inspectors. He explained that in Public Works a Building Division Leader position was replacing a previous position reclassified to Superintendent. He clarified that duties were currently performed by the Superintendent and the Director. He noted that the position would be in charge of facility issues, overseeing maintenance and building upgrades, as well as overseeing an Accreditation Program for the department. City Manager Smith further explained that the Parks and Recreation Department Grounds Maintenance position was a former position that was not replaced in 2012, after the employee retired. He said that a Superintendent position could balance the department while providing a Superintendent in both the recreation and grounds maintenance side. He explained that the Stormwater Division proposed adding a Foreman position with several changes being proposed in the Department of Environmental and Engineering (DEES) area. He noted that an Assistant Director position was proposed by reclassification of a current position. He added that a Senior Engineer and Project Manager and reclassification of a position would resolve the removal of another position that was difficult to get filled. City Manager Smith mentioned the capital outlay budgeted within departments, such as 16 Police vehicles; 11 marked and 5 unmarked. He noted that the Public Works Staff determined that after a certain period of time the cost per mile of the vehicles increased dramatically. He explained that the Fire Department previously budgeted for a Fire vehicle that would not be replaced, and instead proposed a different higher valued vehicle at \$800,000. He noted that several Staff vehicles were also proposed. He stated that he proposed that the vehicle purchase be financed, which meant there would not be a payment required in the Fiscal Year 2017 Budget. He suggested a 5 year program with the payment approximately \$200,000. He said that if the Infrastructure Surtax Program passed, these types of purchases might be eligible. He mentioned budgeting for an upgrade for the City website, Parks and Recreation vehicle replacements, as well as Public Works replacing older equipment. City Manager Smith spoke about the replacement of Fire Station 58. He mentioned the Parks and Recreation Master Plan Projects, as well as Public Works proposal for a Lighting Retro Fit for parks lighting that would result in more energy efficiency and a five year payback period. He added that the Water and Wastewater would have line replacement of \$3.8 million dollars with a Water Treatment Plant structure painting

project, which would include piping and striping of paint, force main construction, Lift Stations and other rehabilitation. City Manager Smith showed the Master Plan projects proposed for the Fiscal year 2017 Budget. He mentioned the proposed Dog Park, Firefighters Park parking lot, the Winfield Boulevard pedestrian bridge, Firefighters Park playground, Southeast Park concession stand, Marina restrooms, Sports Complex Phase 1 and a Grounds Maintenance facility that could be located at the Public Works Compound. He stated that the current operating millage was 6.3 and debt service millage was .96, totaling 7.3093. He said that in addition to the bond refunding, there was another borrowing that was completed with the final payment, which resulted in a lower debt service millage. He explained that if the operating millage was adjusted that would change it to 6.7 and still keep a level 7.3093, which was the recommended millage rate that needed the Commission's discussion, direction and consensus. He explained that following the meeting a fully proposed Budget document would be provided along with the Manager's Budget Message prior to August 15th. He noted that the Public Hearings would be September 7th and September 21st.

MAYOR RUZZANO asked what year the double exemption was, how 2,000 units in the future equated to with regard to public safety needs and whether permits were charged by the amount of the project and if a percentage was used. He also asked for an estimate of the cost of a \$100 million dollars dollar project with regard to permits, because he read in the newspaper that \$60 million dollars dollar project was being planned for the hospital and he wanted to figure what money would be coming into the City for large projects.

CITY MANAGER SMITH said that he believed the double exemption was in 2008, but he would look into that. He would also have the Chiefs provide him feedback pertaining to the public safety needs.

BUILDING DEPARTMENT DIRECTOR MARY LANGLEY said that the fee schedule was based on a percentage of the job cost. She explained that the ballpark figure for a \$100 million dollars dollar project for new construction was approximately 6 to 10 percent of the job cost.

CITY MANAGER SMITH clarified that the building permit revenue would be restricted to the building units, and that the City could take a small cost allocation. He noted that last year \$1 million dollars was added to the Fund balance. He explained that the Building Department was within the General Fund and the balance would be tracked separately in the financial reporting.

A motion was made by Commissioner Peerman, seconded by Commissioner Simone for discussion, to lower the millage rate by .25.

MAYOR RUZZANO noted that the millage rate was lowered two years ago and he questioned what was cut.

CITY MANAGER SMITH said that some potential items and projects for change were as follows:

- EMPLOYEE BENEFIT TRUST FUND (EBTF) funding change made last evening would result in a value of approximately \$258,000 on the General Fund side.
- Senior Center windows

- *Firefighters Park Pedestrian Bridge*
- *Grounds Maintenance Facility design*
- *Reduction of the Parks Lighting Project by half, \$80,000*

CITY MANAGER SMITH noted that those items totaled approximately \$640,000, which would be the value of the ¼ mill. He explained that because funds were being transferred in from Fund balance for some of the Capital Projects, the Fund balance transfers would then have to be adjusted. He added that this list did not have to be the final list.

COMMISSIONER TALERICO questioned the dollar amount of ¼ mill.

CITY MANAGER SMITH said that it was \$640,000, and that was \$18 per year for the single-family average home after Homestead Exemptions.

COMMISSIONER TALERICO felt that it was a small price to pay and he wanted it to remain in the Budget so the money could be used for other projects.

VICE MAYOR BRYAN agreed with Commissioner Talerico.

COMMISSIONER PEERMAN explained that lowering the millage rate was the one and only way to give back to the taxpayers who were paying for their Fire assessment fee both in the millage rate and in the Fire assessment rate. She stated that she would continue to bring up the issue every year until the millage and Fire assessment were equal. She said that it had previously been dropped ¼ each year except last year due to the Dog Park. She said that if the Fire assessment fee was eliminated, the millage could be increased so people were not paying twice.

MAYOR RUZZANO said that he agreed; however, he did not think it was fair that he paid more taxes because his house was bigger. He felt that the only way to make it fair would be to leverage the Fire assessment by raising it and then bringing the millage rate down. He said that he had no problem with leaving it the same, but if lowering the millage rate, cuts would have to be made.

COMMISSIONER TALERICO said that between the County, schools and the hospital, the City was the lowest component for taxes. He noted that people were paying high taxes to the County, hospital and schools; however, the residents were not all using those services. He felt that he wanted to give the residents something else in return instead of the \$18, such as with services or projects that benefit the citizens as a whole. He said that \$18 would not be that large of an impact on people's lives.

COMMISSIONER SIMONE said that when reviewing the Budget, she saw places where money could be saved. She agreed with giving back to the taxpayers and she felt the City could afford to lower the millage rate by 1.4 percent. She noted that the City just gave away \$1.9 million dollars in Fire assessment exemptions when giving the Nursing homes exemption. She noted that the City should have been charging \$1.63 for the Nursing homes, and that most every City charged the Institutional fee for Nursing homes. She stated that because Margate had Nursing homes in a separate category, it allowed the City to go lower than the Institutional fee. She said that had the City been charging the minimum of \$.52, a large portion of money could have been made to put back to the taxpayers; however, the City chose to go down to \$.23. She noted that when reviewing the Budget by department, she would make suggestions for cutting.

COMMISSIONER PEERMAN questioned whether the property appraisals went up 8 percent.

CITY MANAGER SMITH stated that the overall taxable value was at approximately an 8 percent increase, which was about \$1 million dollars coming into Margate.

COMMISSIONER PEERMAN asked why \$362,000 of the \$1 million dollars from increased property appraisals could not be given back to the residents in some way, while keeping the millage rate at 7.3. She stated that the City's millage rate was one of the highest in Broward County, which people looked at when deciding where to purchase a home.

MAYOR RUZZANO mentioned the insurance increasing about 15 percent and questioned where that money came from.

COMMISSIONER PEERMAN clarified that the residents were already paying for the services of Margate in the millage rate, which included insurance benefits for employees.

MAYOR RUZZANO mentioned that a contract was recently negotiated, which could have been amended. He felt that the employee's insurance increase had to be paid and he asked who should pay for it.

COMMISSIONER PEERMAN stated that the City Manager along with the Budget Department to find the money. She pointed out that in a previous year, each Department Head was asked to lower their Budget by 1 percent so the millage rate could be lowered 1/4 mill.

COMMISSIONER TALERICO said that he wanted to wait to see what the proposed cuts were before voting on the decrease.

COMMISSIONER SIMONE noted that the City just voted on the Police contract and gave the Police a 3 percent raise, as well as allowing City cars to be taken home, which did affect the Budget. She said that it cost more in maintenance for the Police vehicles; therefore, the Police Department was now looking to purchase 16 Police vehicles at \$468,000.

MAYOR RUZZANO questioned how old the vehicles being replaced were.

PUBLIC WORKS DIRECTOR SAM MAY clarified that the average age of the vehicles in the Police fleet was currently 6 ¼ years old. He stated that some of the vehicles being replaced were 12 to 13 years old. He said that the City tried to keep the vehicles no longer than 10 years; however, the vehicles being replaced were well past that. He added that some vehicles were more recent than 10 years, but there were also vehicles from 2003 being replaced. He stated that the goal was to get the average age to 5 years old.

COMMISSIONER SIMONE noted that the request was for 16 vehicles, and she questioned what that could be cut down to.

DIRECTOR MAY explained that 16 vehicles were necessary, because without them the average age of the vehicles was past 6 ¼ years old. He noted that 16 vehicles kept the City even. He noted that the cost of maintaining older vehicles would continuously rise. He explained that the need was based on cost per mile for the vehicle.

COMMISSIONER SIMONE questioned whether the vehicles needed to be replaced if they had less mileage.

DIRECTOR MAY said that if considering not having take-home vehicles, the vehicles that were not take-home had an average life span of 5 years and take-home vehicles had a life span of 10 years. He noted that analysis showed it was better to have take-home vehicles.

MAYOR RUZZANO questioned how many miles a 10 year old vehicle had.

DIRECTOR MAY said between 80,000 and 100,000 miles. He noted that the vehicles being discussed were Police vehicles, which could not be considered by mileage as they were idling all day long. He said that hours equated to a typical passenger car would have approximately 300,000 to 400,000 miles.

MAYOR RUZZANO stated that the review of each department would be done individually as follows:

- CITY COMMISSION

COMMISSIONER SIMONE stated that health insurance was increasing 15 percent and she believed the Commissioners should not receive it. She noted that the cost was \$48,765 proposed for 2017 on Page 12, which could be eliminated.

COMMISSIONER PEERMAN said that she would continue to fight Commissioners having insurance, just as she did not believe they should receive a Pension. She felt that it was called public service for a reason. She stated that the Budget was to be broken down to see the difference between pay of the people that took the perks versus those who did not take the perks. She noted that other Cities gave a \$10,000 check to those who did not take the insurance, but Margate did not do that. She added that the City did not offer insurance to part-time employees, and she was always told that the Commission was a part-time position and it was a public service.

MAYOR RUZZANO did not agree that public officials were part-time employees because they put in 40 to 60 hours a week. He felt it was the least the City could do to provide health insurance to the Commission. He did not think it was right to take away a benefit that was always available to the Commission who did not receive many benefits and did not get paid very well.

COMMISSIONER SIMONE felt that Commissioners received a very good salary and she personally did not do the job for the salary. She stated that she enjoyed giving back to the people because it was public service. She felt like the Commission was being greedy by putting it in their pockets rather than back in the taxpayer's pockets. She said that the Commission's salary was more than adequate. She noted that she put in a lot of time working as a Commissioner, by doing the research and attending events. She stated that she enjoyed giving back to the City and did not ask for anything. She noted that if her salary was less than what it was now, she would still do it and enjoy it because she did not do it for the money. She also felt that if the City was giving insurance to the Commission, it should not include families because it was costing even more than for the Commission.

MAYOR RUZZANO asked whether the City Staff should have families included, because he felt that it was the same thing. He stated that when he was hired the insurance was provided; therefore, he did not agree with taking the benefit away.

COMMISSIONER PEERMAN said that she was fighting this since 2003, and that was offensive to her to have elected officials receiving benefits that belonged to career

professionals. She suggested that the Commissioners that did not receive the health insurance receive a check to pay for their own health insurance. She noted that Commissioner Simone had to pay for her own insurance. She said that she would put her check into the Resident Project Fund. She noted that was what other Cities did. She stated that if it was a perk for one Commissioner it should be for all Commissioners.

COMMISSIONER TALERICO clarified that Commissioner Peerman was suggesting that the Commissioners would get a stipend for their insurance.

COMMISSIONER PEERMAN clarified that other Cities included families. She noted that currently Commissioner Talerico and Mayor Ruzzano were the two people who were receiving the insurance.

CITY MANAGER SMITH said that he could provide a printout of the exact amounts.

COMMISSIONER PEERMAN noted that she also did not take the life insurance from the City. She viewed the printout and noted that Commissioner Talerico received \$17,521 for health insurance including family coverage and Mayor Ruzzano received \$17,521 including family as well.

CITY MANAGER SMITH noted that there was an extra family insurance budgeted in this Budget for a potential new Commissioner.

COMMISSIONER PEERMAN reiterated her suggestion to give each Commissioner the single insurance amount, starting 2016, if not taking the insurance. She clarified that those taking the insurance could continue to do so.

CITY MANAGER SMITH said that Staff indicated that such a program would also have to be offered to other employees, as there were employees that were not taking the City's insurance. He noted that would cost hundreds of thousands of dollars.

COMMISSIONER PEERMAN stated that was why elected officials were different than City employees and why the Commission should not be getting the insurance.

A motion was made by Commissioner Simone, seconded by Commissioner Peerman, to get rid of the health insurance for Commissioners. The motion failed by the following vote:

Yes: 2 - Commissioner Simone and Commissioner Peerman

No: 3 - Commissioner Talerico, Vice Mayor Bryan and Mayor Ruzzano

- CITY MANAGER'S OFFICE

There were no comments made pertaining to this department. Commissioner Simone brought up some issues following review of the City Attorney.

- FINANCE DEPARTMENT

There were no comments made pertaining to this department.

- NON-DEPARTMENTAL

VICE MAYOR BRYAN asked whether a large part of the Budget went to retirement benefits.

CITY MANAGER SMITH agreed.

- HUMAN RESOURCES DEPARTMENT

There were no comments made pertaining to this department.

- ECONOMIC DEVELOPMENT DEPARTMENT

COMMISSIONER PEERMAN said that the addition of the new position of Business Development Coordinator was really good.

- CITY CLERK'S OFFICE

There were no comments made pertaining to this department.

- CITY ATTORNEY'S OFFICE

COMMISSIONER PEERMAN asked whether a Secretary was being hired.

CITY ATTORNEY DOUGLAS R. GONZALES noted that there was no money in the Budget for a Secretary.

CITY MANAGER SMITH stated that it was shown on the organization chart as a shared position.

COMMISSIONER SIMONE wanted to go back to the City Manager department. She questioned whether the Florida Retirement System (FRS) could be looked into.

COMMISSIONER PEERMAN said that was done by the State.

COMMISSIONER SIMONE mentioned the 457 being a contract.

COMMISSIONER PEERMAN asked whether a cap could be placed on it for 5 years of paying for a 457. She also questioned when it could be brought up.

CITY MANAGER SMITH said that was up to the Commission and the Charter officers to make that determination.

MAYOR RUZZANO asked what it was now.

COMMISSIONER SIMONE responded that it was \$12,500.

COMMISSIONER PEERMAN said that FRS was also provided. She mentioned making it 8 years and said that it could be discussed at a later time.

- POLICE DEPARTMENT

COMMISSIONER TALERICO said that he previously proposed a plan for the K-9's retirement and he questioned where it was in the Budget. He clarified that it would provide a stipend and pay for veterinarian bills.

POLICE CHIEF DANA WATSON said that it was in the Operating Budget to pay for the veterinarian bills, but there was no stipend.

ASSISTANT FINANCE DIRECTOR KELLY DIAZ, said that it was for 2 years of food and veterinary bills.

- FIRE DEPARTMENT

COMMISSIONER SIMONE referred to Page 50, and said that in 2015, the City spent \$60,000 on the acquisition of vehicles. She noted that in 2016, that amount rose to \$697,000 and was now \$888,000.

CITY MANAGER SMITH clarified that a significant amount of the \$697,000 was going for the Fire Truck that was not purchased this year. He stated that some money was transferred from that for Grant matches. He noted that originally it was approximately a \$400,000 vehicle that was budgeted for.

FIRE CHIEF DAN BOOKER clarified that it was \$475,000; however, it was not purchased this year because it was not the right vehicle to buy.

COMMISSIONER PEERMAN questioned whether \$697,000 was back in the Budget.

CITY MANAGER SMITH said that some of that balance would roll over into the Fund Balance at the end of the year.

COMMISSIONER PEERMAN noted that \$362,000 could be taken from the \$697,000, which would provide the .25 lowering of the millage rate.

CITY MANAGER SMITH agreed that could be done. He noted that the money was not just for the one vehicle.

COMMISSIONER PEERMAN asked for clarification as to how much was specifically going back into the General Fund.

CITY MANAGER SMITH said that it was about \$350,000.

COMMISSIONER PEERMAN noted that only \$12,000 more was needed.

MAYOR RUZZANO asked whether vehicles were going to be purchased.

CITY MANAGER SMITH explained that the new vehicles were currently proposed for the lease purchasing and the first payment would not happen until the next Fiscal Year 2018 Budget.

MAYOR RUZZANO expressed concern that next year the millage would be raised to purchase Fire Trucks.

COMMISSIONER SIMONE said that the City should be making more from the apartments being built; therefore, the City's income would be raised from what it was this year.

MAYOR RUZZANO said that it was allocated and he felt that it should not be taken out.

COMMISSIONER PEERMAN noted that it was going back into the General Fund.

CITY MANAGER SMITH clarified that the methodology was changed for the \$800,000 vehicle and removed it from the Budget because of the new method for trying to purchase it in 2018.

COMMISSIONER PEERMAN explained that there was \$350,000 that was not spent on the Fire Truck, and that \$12,000 was needed to lower the millage rate.

- BUILDING DEPARTMENT

COMMISSIONER TALERICO said that the Building Department was understaffed and overwhelmed. He noted that Inspectors from the County were used; however, he thought that private companies provided Building Inspectors for cities.

BUILDING DEPARTMENT DIRECTOR MARY LANGLEY replied that there were companies that provided services for cities.

COMMISSIONER TALERICO asked how the City could get caught up, because he heard complaints from people regarding how hard it was to get an Inspector. He questioned whether it was worth getting a contract on an as-needed basis to bring Inspectors in.

DIRECTOR LANGLEY said that creating an Interlocal Agreement with other agencies, including private agencies, could be looked into.

COMMISSIONER PEERMAN left the dais at 7:43 PM.

DIRECTOR LANGLEY noted that there were currently 4 vacancies that she was looking to fill soon and she felt things would get better.

CITY MANAGER SMITH said that could be looked into, and noted that the Building Department did have money in their Fund Balance that could be utilized, as well as additional revenues.

VICE MAYOR BRYAN questioned whether there was currently a big backlog.

DIRECTOR LANGLEY said that there was probably a longer wait time in the lobby, because of being short staffed at the front end, as well as having a shortage with structural discipline.

MAYOR RUZZANO questioned whether Special Inspectors were used for jobs.

DIRECTOR LANGLEY stated that Special Inspectors were used for particular areas of construction. She said that the Building Department did not use Special Inspectors; however, the Contractors or Owners would hire the Special Inspectors or private providers. She stated that typically, Special Inspectors performed structural inspections and not all of the other traits.

MAYOR RUZZANO questioned whether it was a City policy.

DIRECTOR LANGLEY stated that the Building Code required certain items to be inspected by a Special Inspector.

- IT DEPARTMENT

COMMISSIONER TALERICO asked how the City-wide Wi-Fi was doing.

IT DIRECTOR JAMES WILBUR said that the Wi-Fi had been installed at Firefighters Park about 5 weeks ago. He noted that he was looking into expanding it to other parks.

COMMISSIONER TALERICO questioned whether there was a Master Plan for more.

DIRECTOR WILBUR said that he was working on increasing that; however, the plan was to let it run for a while to view the number of people using it to determine if it was worth the expense.

COMMISSIONER TALERICO questioned whether all City buildings had Wi-Fi.

DIRECTOR WILBUR stated that City Hall, DEES, Building Department, Senior Center and Parks and Recreation had Wi-Fi.

COMMISSIONER TALERICO questioned whether the Library had Wi-Fi, and he asked whether it was necessary to be in the Library to use it.

DIRECTOR WILBUR stated that the Library was a County building, and that being in the building was necessary.

MAYOR RUZZANO asked how far the Wi-Fi went and if the residents could get it at Firefighters Park.

DIRECTOR WILBUR said no and explained that the transmitters were set up to work within a certain radius of the transmitter on the outside. He added that one was installed on the inside of the building because the outside transmittal did not penetrate the brick walls. He said that would allow individuals to go inside the building and still use the Wi-Fi. He stated that it went out to the edge where the fences were.

- PUBLIC WORKS DEPARTMENT

COMMISSIONER PEERMAN returned to the dais at 7:48 PM.

COMMISSIONER PEERMAN asked whether a new thrasher for the canals was purchased.

PUBLIC WORKS DIRECTOR SAM MAY said that a new harvester was in the Budget for 2017.

COMMISSIONER PEERMAN stated that the pressure cleaner was the best investment the City ever made on a piece of equipment, and the City looked great because of it.

- PARKS AND RECREATION DEPARTMENT

COMMISSIONER PEERMAN stated that Parks and Recreation was going to need more Staff because of all of the things the City was doing with projects. She suggested starting a fund to put money in towards upcoming needs for Parks and Recreation Staff.

CITY MANAGER SMITH agreed to look into having a separate assigned category at the year end.

COMMISSIONER TALERICO questioned how the golf course was coming along.

PARKS AND RECREATION DIRECTOR MIKE JONES said that it was still being evaluated and research was being done.

- RECREATION TRUST FUND

CITY MANAGER SMITH noted that there was a transfer going from this fund to the Capital Projects Fund in the amount of \$310,000 for the recreational projects, including the Dog Park.

- ROADS FUND

COMMISSIONER PEERMAN asked whether money was still being put away each year for the Roads Fund and how much. She questioned whether it was the Gas Sales Tax or the Recycling.

CITY MANAGER SMITH explained that there were 3 different fuel tax sources coming in. He said that there was a good balance in the Roads Fund.

COMMISSIONER PEERMAN asked whether the Roads Fund was the fund that the recycling money that came in was put into to put away for maintenance of roads.

COMMISSIONER TALERICO agreed that there was a Pavement Management Program.

COMMISSIONER PEERMAN clarified that the City used to put only \$50,000 away for road repairs every year and at one point, the recycling money that came into the City was put into that that Fund for the maintenance of the roads after they were done from the bond.

PUBLIC WORKS DIRECTOR SAM MAY agreed and stated that was the reserves for the Road Fund.

COMMISSIONER PEERMAN asked whether the recycling money was still going into the Road Fund.

ASSISTANT FINANCE DIRECTOR KELLY DIAZ, explained that there were 3 different types of revenues in the Roads Fund and the revenue sharing that came from the State that also breaks out the Sales Tax Revenue. She noted that the \$.01 to \$.05 revenue was very restricted and could not be used for repair or maintenance, and could only be used for complete resurfacing of roads. She said that everything coming in was being put away for the major projects Director May had coming in the future of 5 to 10 years. She noted that the Fund balance was healthy, but the Road Fund Revenue was the most restricted. She said that there was a small amount of recycling money that came into the General Fund.

COMMISSIONER PEERMAN explained that the City went from putting away \$50,000 a year to putting more money away.

ASSISTANT FINANCE DIRECTOR DIAZ noted that there was over \$6 million dollars in the Fund, and the City hoped to never have to do another road bond.

DIRECTOR MAY noted that eventually the main arterial roads would have to be resurfaced, such as Rock Island Road and Royal Palm Boulevard, which that money would be used for.

VICE MAYOR BRYAN questioned how often that was done.

DIRECTOR MAY said that the roads had a life expectancy of 15 or 20 years; however, he hoped to stretch that out a little longer. He noted that Rock Island was previously done in 2010.

COMMISSIONER TALERICO noted that the City received money every year from Waste Management to put into that Fund.

COMMISSIONER PEERMAN disagreed and explained that was the Resource Recovery Board Recycling money.

ASSISTANT FINANCE DIRECTOR DIAZ clarified that \$45,000 a year was received from recycling and went into the General Fund.

COMMISSIONER PEERMAN reiterated that the money was from the Resource Recovery Board Recycling money the City was getting. She said that the City went from \$50,000 to about \$100,000.

ASSISTANT FINANCE DIRECTOR DIAZ stated that \$100,000 was being received from recycling, and that revenue continued to go down in the last few years. She said that currently it was about \$25,000 for the year. She stated that it had something to do with co-mingling and market demands. She clarified that the Road Fund had \$5.6 million in Fund balance as of September 30, 2015.

MAYOR RUZZANO mentioned the 1.5 percent discussed with Waste Management.

ASSISTANT FINANCE DIRECTOR DIAZ clarified that the Franchise Fee was \$1.3 million dollars for Waste Management.

- POLICE OFFICER TRAINING FUND

There were no comments made.

- FEDERAL FORFEITURE FUND

There were no comments made.

- STATE FORFEITURE FUND

There were no comments made.

- PUBLIC SAFETY IMPACT FEES FUND

There were no comments made.

- GENERAL OBLIGATION DEBT SERVICE FUND

There were no comments made.

- CAPITAL PROJECT FUNDS

COMMISSIONER SIMONE questioned whether the Firefighters Parking lot expansion for

\$200,000 was really needed now. She also asked whether it was needed on a day-to-day basis or was it needed only when there was a special event that needed extra parking. She asked whether it could be moved back another year.

PARKS AND RECREATION DIRECTOR MIKE JONES stated that the Basketball Program was there 5 months out of the year. He noted that cones and barricades were set out to keep people from parking in the grass, because there were not enough striped parking spaces for the amount of people recreating. He said that the Soccer Field overlay was done on the roller rink; therefore, that portion of the parking lot was heavily used. He stated that the use for Firefighters Park was at the all-time high. He noted that in the Master Plan, the Commission indicated that Firefighters Park was the number one used park. He believed it was necessary to have it done now. He noted that he was looking to have it done this year but there were engineering and design delays; however, he believed it was a necessity for the City to have those parking spaces.

COMMISSIONER SIMONE asked whether it was less expensive to do it all at one time as opposed to doing a little now and a little next year.

DIRECTOR JONES stated that the more involved with design and projects, doing it once was a cost savings rather than doing it in phases.

VICE MAYOR BRYAN noted that the growth at the Firefighters Park was phenomenal. She agreed that with the Soccer Field added, the spaces were being taken.

DIRECTOR JONES mentioned the Tennis Tournament, and that programs were growing as well as the day-to-day use. He explained that the Tennis Program reached out to him and informed him that there were some Grant opportunities available being discussed. He noted that the Master Plan restricted that the Grant money could not be Tennis only and must be more multi-purpose. He stated that he was still working with the Tennis Program to still provide the same amenities that would be received from the Grant through the City's Budget. He said that would allow more versatility and flexibility to the public for not just Tennis, but future activities.

COMMISSIONER PEERMAN asked about Capital Projects for \$12,000.

DIRECTOR JONES did not believe that \$12,000 could be taken out of Capital Projects in terms of Budget. He said that he did not know if it would be expensed at the end of the year because some projects came in under and some came in over, as recently seen with the Dog Park. He hoped the money currently allocated was enough to meet the needs of all the projects.

COMMISSIONER SIMONE said that she might make a suggestion for 2018, regarding the impact windows planned for the Community Center. She noted that there were shutters, and that over the next few years the Community Center would not be used as a Community Center, which was \$40,000. She said that it would be used to house people temporarily.

COMMISSIONER PEERMAN asked what the Perimeter Road median beautification was.

DIRECTOR JONES explained that the Perimeter Road Median Beautification project was the section in front of Toscana. He said that there was an antiquated irrigation system recently repaired as it was obsolete for over a decade. He stated that the landscaping was trees and weak turf and grass, which he wanted to strip down, add new grass, new sod and replace some broken sprinkler heads to upgrade the system and keep it clean

as it was the entryway into the City.

COMMISSIONER PEERMAN asked about the \$250,000 for the playground equipment at Firefighters Park, and asked whether the curb and sand would be eliminated.

DIRECTOR JONES agreed and said that it would be a full remodel. He said that he proposed a design build so that the entire playground area would be ripped out with a whole new design with new equipment and everything installed. He said that it would be handicapped accessible with shade canopies. He noted that the playground was 20 years old and was previously built in phases. He said that the initial surfacing was shredded tires. He stated that the goal was to not have sand surfacing for the playground.

COMMISSIONER PEERMAN mentioned the City Hall bathrooms on the first and second floor.

CITY MANAGER SMITH said that the chart he provided to the Commission with the Parks and Recreation Master Plan Projects would have the playground remodel incorporated into the draft Budget.

DIRECTOR MAY explained that the total restoration was planned for 8 bathrooms at \$20,000 each. He noted that two of the bathrooms were moved to next year's Budget. He said that the first floor bathroom was in very bad shape, and that the flooring was coming apart. He added that the stalls had met their useful life expectancy.

VICE MAYOR BRYAN asked whether they were ever done before.

DIRECTOR MAY replied that they were the original bathrooms; therefore, they were 30 years old.

COMMISSIONER PEERMAN asked whether the reason to have hurricane windows at the Senior Center was so that the Senior Center could be used for hurricanes.

CITY MANAGER SMITH noted that there was also a current issue with the windows because the seals were no good.

DIRECTOR MAY clarified that the same problem was at City Hall, and that the seals were starting to deteriorate. He stated that the windows could be removed and resealed to stop leaks; however, it did not make sense to do so when new windows could be installed to increase the emergency efficiency for the building, as well as providing storm protection.

MAYOR RUZZANO asked whether the shutters were accordion or hurricane shutters.

DIRECTOR MAY said that they were the old panels.

MAYOR RUZZANO questioned how many days it took to go around the City to install those panels.

DIRECTOR MAY said that it took almost two days with Public Works crews to do all the windows. He noted that with impact windows, none of that installation was needed and other items could be concentrated on during hurricane preparedness. Director May clarified for Commissioner Simone that with regard to the 16 vehicles needed, he originally requested 21 vehicles; however, the City Manager had already cut that down to 16 vehicles, which was the bare bones minimum.

- **STORMWATER UTILITY FUND**

VICE MAYOR BRYAN noted that expenses decreased.

- **WATER AND WASTEWATER FUND**

COMMISSIONER TALERICO asked how many water storage tanks there were.

ENVIRONMENTAL AND ENGINEERING SERVICES (DEES) DIRECTOR REDDY CHITEPU said that there were three tanks. He noted that to paint the tanks was an expensive task. He noted that there were two storage tanks in the Water Plant with one at Coral Gate Park. He added that there were large diameter pipes in the Water Plant. He noted that one of the storage tanks was metal and because of the condition of the existing paint, it must be sandblasted inside and out. He said that it would have to be tented and scaffolds were needed. He added that concrete tanks might also need to be sandblasted because the interior paint was coming off.

VICE MAYOR BRYAN mentioned the cracked tanks, which she found scary.

DIRECTOR CHITEPU said that he was looking into a solution for that. He stated that sometimes concrete tanks had cracks, which cost a lot of money to take care of. He noted that he was testing a solution to see if it worked as well.

- **INSURANCE FUND**

COMMISSIONER PEERMAN asked whether this included all insurance in the City.

CITY MANAGER SMITH said that it covered Worker's Compensation, General Liability and Property.

COMMISSIONER PEERMAN mentioned saving money when going to the \$350,000 cap.

COMMISSIONER TALERICO asked whether the City was self-insured anymore.

CITY MANAGER SMITH said that only Worker's Compensation and a lot of the automobiles.

LAURA PASTORE, Human Resource Department, clarified that the City was self-insured for all automobiles and there was \$25,000 deductibles on some of the other coverage. She explained that for accidents with any vehicle, 100 percent of all costs were paid. She noted that liability was Florida Statute limited at \$200,000 to \$300,000. She said that all other property was covered. She stated that it was a significant fleet and was all managed in house.

COMMISSIONER TALERICO questioned litigations involved.

MRS. PASTORE said that there had been litigations, primarily on the liability side. She stated that most of the property damage was handled in house.

COMMISSIONER TALERICO mentioned personal injury.

MRS. PASTORE said that a lawyer would be hired, which the City would pay for.

- CAPITAL IMPROVEMENT PROGRAM

COMMISSIONER TALERICO asked whether any of the projects would be incorporated in the new plan with the CRA, because some of the projects were within the boundaries of the CRA.

CITY MANAGER SMITH said that the Fire Station referenced was the Rock Island Road Fire Station.

COMMISSIONER TALERICO said that he thought the other Fire Station was also being done.

CITY MANAGER SMITH explained that it was not currently in this plan for replacement now, but it was included with the infrastructure projects. He said that it was included with some renovation and roof restoration work projects.

COMMISSIONER SIMONE referred to the chart given to the Commission by the City Manager and clarified that she did not receive Florida Retirement Service (FRS) benefits from the City.

ASSISTANT FINANCE DIRECTOR DIAZ clarified that if any employee retired and was never going to receive money from the FRS, the State set a rate that the City still had to pay for that position based on the salary.

COMMISSIONER PEERMAN asked whether \$12,000 was being paid into a retirement fund that Commissioner Simone could never collect from because she was already retired and collecting from the FRS Fund.

ASSISTANT FINANCE DIRECTOR DIAZ stated that there was a term that the State had for someone who was retired and they classify it because someone else could have filled that position and the State would have to have that liability in the future. She said that she herself did not understand the State's logic; however, there was a separate rate for people who were never going to get a dollar from FRS, that the City still had to pay into the program for that position.

COMMISSIONER SIMONE stated that the chart was deceiving because it looked like she was getting more money than she was.

ASSISTANT FINANCE DIRECTOR DIAZ clarified that the FRS rates shown were the City contributions and had nothing to do with the person. She explained that the City paid the same amount for people whether they were in the Investment Plan and only receiving a 3 percent benefit or someone in the Defined Benefit Plan who was receiving a much greater benefit. She reiterated that what the City paid had nothing to do with what the person was going to receive.

COMMISSIONER PEERMAN asked why the payments were not the same.

ASSISTANT FINANCE DIRECTOR DIAZ stated that it was based on the salary.

COMMISSIONER PEERMAN noted that the Commission did not receive the Margate Employee Benefit Trust Fund (EBTF).

ASSISTANT FINANCE DIRECTOR DIAZ agreed; however, she explained that the EBTF was written that 1 percent of all City salaries. She said that even if an employee was not

receiving the benefit, the City was still paying 1 percent of the salary. She noted that the numbers in the chart was what appeared in the Budget before last night's change occurred, which was the \$254,000 in savings to be received.

COMMISSIONER SIMONE asked the two Commissioners who received the \$17,521 from health insurance to reconsider for the benefit of the residents, though it had already been voted on, because they were making more than the other Commissioners.

COMMISSIONER TALERICO said that he was retiring; therefore, he felt it was not right for him to agree or disagree with the decision. He felt that it should be addressed at the next Budget.

COMMISSIONER PEERMAN said that she wanted to have Fire Station 58 done this year, but she understood that it could not be done. She asked whether it could be designed and then put out for bid to have it be a moving process; therefore, when it was in the 2018 Budget the project could keep moving forward.

CITY MANAGER SMITH said that with the Commission's support, he could get together whatever initial process was needed and ready for the architects.

CONSENSUS was taken and all agreed to get the Fire Station done.

COMMISSIONER PEERMAN questioned whether the Southeast Park and other parks were part of the Parks Master Plan.

CITY MANAGER SMITH agreed that the Southeast Park was one of those included in the Parks Master Plan.

COMMISSIONER TALERICO mentioned the major repairs to the water system and asked what the progress was and when it would be caught up.

DIRECTOR CHITEPU explained that when the Workshop was done previously, the projections were to complete at least 50,000 feet of pipe, which was mostly the 2 inch galvanized pipe. He noted that he was on target to meet that. He stated that almost 10,000 feet was being done this year, and another 10,000 feet was being proposed for next year. He noted that other water mains need to be looked at. He said that once this portion of the work was done, he would look into other types of pipes. He stated that the 50,000 feet of pipe was the most critical.

COMMISSIONER TALERICO clarified that all of the pipes had been located.

DIRECTOR CHITEPU agreed and noted that the map being provided by the City Manager showed the work for the next two years. He stated that one of the criteria used to develop the plan was the complaints regarding water pressure, color and the breaks. He added that he was waiting for the Contractor to start working on Cathedral Drive.

COMMISSIONER PEERMAN said that the City saved \$258,000, and received \$350,000 from the Fire Department; therefore, \$12,000 was needed. She asked whether the millage rate could be lowered by .25 if she dedicated \$8,000 of this year's Resident Project Fund to the General Fund. She stated that only \$4,000 was then needed.

MAYOR RUZZANO said he would love to give back to the residents; however, next year would be tough and the City would have to catch up.

COMMISSIONER PEERMAN said that the City could be making more money next year off the taxpayers.

MAYOR RUZZANO said nobody knew what was coming in the future, and that this was a big election year.

COMMISSIONER PEERMAN said that her concern was this year.

COMMISSIONER TALERICO asked whether the City Manager felt he could go into next year's Budget with the same millage or if the \$4,000 would have to be made up.

CITY MANAGER SMITH noted that it was the Commission's decision. He stated that this year the City was looking at budgeting more from reserves than it did the year before. He added that whatever costs were to increase next year would determine that due to increasing of health insurance and raises as negotiated.

COMMISSIONER PEERMAN asked whether raises would be given but the City would not give back .25 to the residents.

CITY MANAGER SMITH said that it depended on the future financial picture, which was still to be determined.

COMMISSIONER TALERICO expressed concern with being behind for the next Budget, and he wanted to be prepared so as not to have to take from the residents. He added that next year interest rates might also go up, which would cause a catastrophic effect on things.

VICE MAYOR BRYAN expressed concern regarding future possible catastrophies.

ARLENE SCHWARTZ, 7800 NW 1st Street, said that she was confused. She understood the FRS and understood that after retiring and sitting out a year, you could not go back into the Defined Benefit Program; however, you were entitled to belong to the Investment Fund. She did not understand why Commissioner Simone was not going to receive a pension if staying for 8 years.

ASSISTANT FINANCE DIRECTOR DIAZ stated that changed two years ago, and that it was now for new people coming in.

MS. SCHWARTZ asked whether the City was setting money aside in the eventuality that an individual might lose their job before they become vested. She did not understand the purpose of the 457 if the employees were already FRS employees. She questioned why they would be provided an additional benefit, the 457, assuming they would lose their job. She noted that everyone else in the FRS who lost their job had their years frozen; therefore, if getting a job with another FRS employer they could pick up where they left off and became vested. She did not understand why as a taxpayer she was funding \$12,000 a year in addition to three Charter members who were employed by the Commission.

COMMISSIONER PEERMAN said that was how their contract was written.

MS. SCHWARTZ wanted to understand why their contract was written that way and extended to two more people who came on after the City Manager.

COMMISSIONER PEERMAN said that it was because they would not be vested in FRS

for 8 years.

MS. SCHWARTZ said that it was not what anybody else ever got before. She understood it was part of the City Manager's contract; however, she was not sure it should continue once his contract came up. She stated that the residents should not be saddled with a clause protecting people who might lose their jobs so they did not lose a benefit they were not entitled to until they were vested. She stated that the FRS allowed the freezing of years so you could continue with another FRS. She suggested that when the contracts came up, that clause be taken out. She did not agree with waiting 8 years to review.

COMMISSIONER PEERMAN said that it could be discussed prior to the contract coming up.

CITY ATTORNEY GONZALES stated that the benefits he and the City Manager received were things that were used by Cities to attract personnel. He said that it was not something Margate made up. He noted that Police and Fire would get similar benefits that were used to attract personnel so as not to be saddled with people that would leave in a year.

MS. SCHWARTZ understood that with regard to travel allowances and vehicles; however, no one had ever offered a perk to someone in the event that the person might lose their job in 8 years.

CITY ATTORNEY GONZALES said that was not the reason it was offered to him and the City Manager. He clarified that it was what was being used across the board in South Broward and everywhere else to attract certain talent.

MS. SCHWARTZ mentioned \$6,000 for travel, and asked whether that was outside the City. She noted that she was paid for what she used and never got a stipend.

COMMISSIONER PEERMAN said that was for everything and what was not used went back.

MS. SCHWARTZ asked the City Attorney to look into the Ordinance stating that when there was new development that did not provide a park, they were charged per unit for the Recreation Trust Fund and the School Advisory. She noted that Celebration Point was already past the time, and that up to 968 units had been allowed, which would impact schools and parks. She asked that when the Budget was put out to the public, the Salaries were listed rather than a department.

COMMISSIONER PEERMAN said that she had requested that before.

MS. SCHWARTZ asked why the City would not want to be transparent as it always was.

COMMISSIONER PEERMAN noted that she did not have the support of the Commission when she requested that.

MS. SCHWARTZ said that as a 34 year resident, she was asking the Commission to be able to see what the salaries were on the Budget.

COMMISSIONER PEERMAN agreed that she wanted to see the names and salaries, because she found vacant positions for \$38,000 that were not being filled in the departments.

VICE MAYOR BRYAN understood; however, there was a different Finance Director and City Manager now.

COMMISSIONER PEERMAN said that it was the former Finance Director that made the change. She said that she agreed with having transparency and suggested that if the name was a problem, salaries could be shown by employee number.

COMMISSIONER TALERICO asked why it was not done.

CITY MANAGER SMITH said that one consideration was that it was not something that was found in most other City Budgets. He added that it would constantly be changing. He noted that the salaries were public information and could be provided upon request.

ASSISTANT FINANCE DIRECTOR DIAZ agreed that people were hired, retired and terminated, and that the list would have to be updated every day. She said that it would not be a problem to provide the vacant positions in each department.

COMMISSIONER TALERICO stated that there was already a list of positions, and that the salaries could just be added.

COMMISSIONER PEERMAN asked for a compromise and for the salaries to be added without the names.

CITY MANAGER SMITH noted that having the salary for vacant positions would not indicate what the person would be hired at when the position was filled. He added that positions changed over the course of the year. He said the salary ranges could be provided in the Budget as an addendum.

COMMISSIONER SIMONE mentioned reviewing other Budget Books, and she noted that Coconut Creek's Budget Book was extensive. She suggested obtaining a Budget Book from Coconut Creek. She said that it was full of information and left no questions about what was going on and how the money was being spent. She noted that she had spoken with the prior City Manager Jerry Blough about it and he was working towards making the change to that type of book.

CITY MANAGER SMITH agreed to look into that.

ANTHONY CAGGIANO, 7856 NW 1st Street, asked to view the slide about inflow and outflow, which he commented on. He felt that the millage needed to be kept the same rather than decreasing it.

CITY MANAGER SMITH clarified that the graph shown was a projection starting with the 2016 Budget and adding the percentage increase every year moving forward. He explained that it was just a percentage calculation off of what the revenues and expenses were now; therefore, it was not trying to project that Ad-Valorem would go up or down any specific amount in the future.

The motion to lower the millage rate by .25 failed by the following vote:

Yes: 2 - Commissioner Simone and Commissioner Peerman

No: 3 - Commissioner Talerico, Vice Mayor Bryan and Mayor Ruzzano

COMMISSIONER PEERMAN noted that the millage rate could still be lowered when the Budget came back for review. She stated that the maximum was being set now, which was staying the same.

CITY MANAGER SMITH asked for consensus that the operating millage would be 6.7054 and the debt service millage would be .6039 with the total millage at 7.3093, the same as Fiscal Year 2016. He noted that with the Bond refunding this year, Finance asked whether Concensus could be provided for the total millage at 7.3093, because the Debt Service Millage might need to change a little bit.

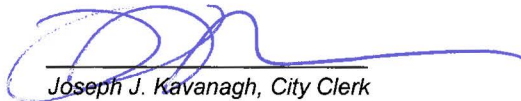
CONSENSUS was provided for the total millage of 7.3093, and all Commissioners agreed.

ADJOURNMENT

There being no further business, the meeting adjourned at 9:02 PM.

Respectfully submitted,

Transcribed by Carol DiLorenzo



Joseph J. Kavanagh, City Clerk

Date: 10/20/16