

VILLAGE OF PALMETTO BAY
Minutes of the Special Council Meeting
First Budget Hearing of September 9, 2013
Village Hall Chambers
9705 East Hibiscus Street

1. CALL TO ORDER, ROLL CALL, PLEDGE OF ALLEGIANCE

Mayor Shelley Stanczyk
Vice Mayor John DuBois
Council Member Patrick Fiore
Council Member Tim Schaffer
Council Member Joan Lindsay

Staff present:
Village Manager Ron E. Williams
Village Attorney Eve A. Boutsis
Village Clerk Meighan J. Alexander

Mayor Stanczyk called the meeting to order at 7:05 p.m.

2. VILLAGE ATTORNEY'S REPORT: Attorney Boutsis advised the Council concerning the proper procedures for the budget hearing.

3. VILLAGE MANAGER'S REPORT

4. ORDINANCES FOR FIRST READING / PUBLIC HEARINGS REQUIRED

A. AN ORDINANCE OF THE MAYOR AND VILLAGE COUNCIL OF THE VILLAGE OF PALMETTO BAY, OF MIAMI-DADE FLORIDA, ADOPTING THE TENTATIVE MILLAGE RATE OF THE VILLAGE FOR THE FISCAL YEAR COMMENCING OCTOBER 1, 2013, THROUGH SEPTEMBER 30, 2014, PURSUANT TO SECTION 200.065, FLORIDA STATUTES; PROVIDING FOR NOTICE; PROVIDING FOR CONFLICTS; PROVIDING FOR SEVERABILITY; AND PROVIDING FOR AN EFFECTIVE DATE.

Vice Mayor DuBois moved this item forward. Seconded by Councilman Fiore.

Village Manager Ron Williams provided staff report. He stated that the balanced budget provides a high level of service, while keeping the millage rate the same. He reported that the Village is an 11-year old government and it is time to focus on economic development, as the commercial area has not grown.

Manager Williams reviewed the revenues and explained the tax dollar distribution. He explained the history of the ad valorem values over five years. He noted that with regard to General Fund Revenue and Expenditures, the Village spends less than it brings in consistently.

Building Official and Capital Projects Manager Ed Silva was recognized and provided a presentation concerning the Downtown Redevelopment Task Force (DRTF.) He thanked the 40+ members of the DRTF who assisted in the effort. He explained that the purpose of the DRTF is to assist in finding a solution in the commercial sector of the Village in order to reduce the residential tax burden by providing opportunities for local businesses to succeed. Members of the DRTF, Mr. David Zisman and Mr. Stanley Stanczyk, were recognized and expressed their support and their desire to listen to all suggestions.

Following brief comment, Mayor Stanczyk opened the public hearing on the millage rate. The following individuals addressed the Council: Eric Tullberg, 7884 SW 179 Terrace; and Tonya Rubin, 14500 SW 88 Avenue. Mayor Stanczyk closed the public hearing.

Councilman Schaffer moved to table the Ordinance concerning the millage. Seconded by Vice Mayor DuBois. All voted in favor.

- B. AN ORDINANCE OF THE MAYOR AND VILLAGE COUNCIL OF THE VILLAGE OF PALMETTO BAY OF MIAMI DADE COUNTY, FLORIDA, APPROVING AND ADOPTING THE PROPOSED BUDGET FOR THE VILLAGE FOR THE FISCAL YEAR COMMENCING OCTOBER 1, 2013 THROUGH SEPTEMBER 30, 2014; PROVIDING FOR EXPENDITURE OF FUNDS; PROVIDING FOR CONFLICTS; PROVIDING FOR SEVERABILITY; AND PROVIDING FOR AN EFFECTIVE DATE.

Councilman Schaffer moved this item forward. Seconded by Vice Mayor DuBois.

Manager Williams thanked the Council for noting a scrivener's error in rounding.

Attorney Boutsis asked the Council to incorporate the Manager's report by reference.

Vice Mayor DuBois moved to incorporate the Manager's Report, including the DRTF report, into this discussion. Seconded by Councilwoman Lindsay. All voted in favor.

Mayor Stanczyk opened the public hearing. The following individuals addressed the Council: Howard Tendrich, 16500 SW 74 Avenue; Oscar Fonseca, 14250 SW 72 Avenue; Linda Robinson, 15605 SW 77 Court; Sheila Frazer, 9305 SW 181 Street; David Singer, 8360 SW 154 Terrace; Anthony Gorman, 14140 SW 72 Avenue; Carol Vega, 8845 SW 178 Terrace; Eric Tullberg, 7884 SW 179 Terrace; Gary Pastorella, 6940 SW 142 Terrace; Henry Clifford, 8875 SW 171 Street; Julie LaVoie, 7461 SW 175 Street; and Rex Lehman, 17300 SW 87 Court.

Councilman Schaffer asked if funds had been set aside for the water themed-element and soccer fields. Manager Williams noted they were marked "To Be

Determined,” as there had been discussion for those items, but no determined the source of the funding.

Councilman Fiore suggested moving the soccer fields’ dollars to reserves, as he believed \$500,000 for fields was excessive. He opined that the funds set aside for the DRTF are also problematic.

Manager Williams stated that \$1.6 million is available; however, each procurement item returns to the Council for final approval. He clarified that authorizing an item in the budget requires further action to expend the funds.

Vice Mayor DuBois stated that the general fund is showing projects being funded by reserves and until the issue of depreciating assets is addressed, he will not agree to spend the funds.

Manager Williams asserted that staff is not opposed to having specific dollars set aside for depreciation of assets; however, there are significant reserves to consider that will address depreciation. He stated that the Council may wish to consider a policy as to what our reserve level should be. He opined that the spending of reserves must be done through a systematic policy direction.

Vice Mayor DuBois stated that there are several funds classified as reserves.

Manager Williams stated that, initially, \$2.75 million was reserved as a rainy-day fund with no commitment as to spending. He noted that those funds increased to \$2.7 million due to investments.

Vice Mayor DuBois stated that a policy should be created, based upon a baseline number established by the Council. He stated that terms used to define reserves must be carefully chosen. He opined that the Council may have difficulty knowing the funds in reserves, if they don’t know the extent of the disrepair of the capital items. He suggested an analysis be performed and until one is perform, he does not feel comfortable taking funds from reserves.

Councilwoman Lindsay remarked that she would like to see capital funds spent for security cameras at the parks.

Village Policing Commander Gregory Truitt was recognized. Commander Truitt advised that cameras are a deterrent if the criminals know they are there. He stated that staff is installing signs warning people to leave their valuables out of site.

Parks and Recreation Director Fanny Carmona-Gonzalez stated that staff is currently working on installing security cameras, as part of the operating budget.

Councilwoman Lindsay asked if the budget includes funding to help with the appearance of US-1 and Old Cutler Road.

Manager Williams stated that staff is considering whether it is feasible to assume this responsibility. He explained that Public Works Director Corrice Patterson has met with Florida Department of Transportation (FDOT) representatives to determine the cost to the Village. He advised that FDOT would enter into an agreement and credit the Village for work performed; however, there will be a gap that the Village would have to cover.

Director Patterson advised that in the Village of Pinecrest, Pinecrest spends \$10,900 to supplement the excess maintenance that FDOT does not reimburse. She advised that the same process could be done with Old Cutler Road.

Councilwoman Lindsay asked if the same agreement would be done with the County. Manager Williams advised that the agreement is slightly more complex, as there is a revenue base associated with the revenue the County collects.

Councilwoman Lindsay asked the audience to raise their hands if they would like the Village to use tax dollars to enhance US-1. (Approximately half the audience raised their hands.)

Councilman Schaffer asked if the figure on page 42 was accurate - \$415,000 would be taken from reserves. Finance Director Desmond Chin noted that the estimate was prepared in mid-June; actually, the Budget to Actuals report indicates that \$1,000,000 will be returned to reserves.

Councilman Schaffer asked for clarification. Director Chin noted that for the estimated versus proposed for 2013, the Village will be under budget by \$1.7 million.

Councilman Schaffer asked if that meant that for two years, with \$996,000 out of reserves for 2013, and \$1 million into reserves, the Village will experience a "break even." Director Chin stated that it would – the Village will be refunding the \$996,000 from last year with \$1 million this year.

Vice Mayor DuBois stated that with regard to the DRTF, staff should consider a government grant or private investment to improve infrastructure, as he is not in favor of putting "tax payer dollars at risk."

Manager Williams stated that the DRTF is a private/public partnership. He stated that the infrastructure on public rights-of-way will encourage development within the Village. He opined that the Village has not received private investment dollars, because the Village has not spent any money to encourage development.

Following brief discussion, Manager Williams asserted that the purpose of the DRTF is to encourage and support the business community by investing in public right-of-way infrastructure improvements that will encourage commercial investment. Brief discussion ensued.

Attorney Boutsis stated that the Council may make motions to modify the budget; however, the final vote on the budget may not be held until the Council has approved the Ordinance concerning the millage.

Councilwoman Lindsay moved to table the budget discussion. Seconded by Councilman Schaffer. All voted in favor.

Councilman Schaffer moved to re-open the Ordinance concerning the millage. Seconded by Councilwoman Lindsay. All voted in favor.

Councilman Schaffer moved to approve the Ordinance concerning the millage on first reading. Seconded by Councilwoman Lindsay. All voted in favor. The Ordinance passed first reading unanimously (5-0.)

Councilwoman Lindsay moved to re-open the budget. Seconded by Councilman Schaffer. All voted in favor.

Councilwoman Lindsay moved to remove Item P24, the Bermuda turf soccer fields. Manager Williams stated that the TBD's are not funded. Attorney Boutsis stated that those items would be considered at the Capital Improvement Projects (CIP) hearing.

Vice Mayor DuBois moved to remove the \$1 million DRTF item. Seconded by Councilman Fiore. The motion failed (2 to 3, Mayor Stanczyk, Councilman Schaffer, and Councilwoman Lindsay being opposed.)

Vice Mayor DuBois moved to remove the \$480,000 capital transfer from the General Fund. Seconded by Councilman Fiore. The motion passed (3 to 2, Mayor Stanczyk and Councilwoman Lindsay opposed.)

Vice Mayor DuBois moved to remove \$996,779 of expenses that exceed revenue in the General Fund Operating Account. Seconded by Councilman Fiore. The motion passed (3 to 2, Mayor Stanczyk and Councilwoman Lindsay opposed.)

Vice Mayor DuBois moved that the police department budget not be reduced in order to balance the budget.

Manager Williams stated that the Vice Mayor's motions have eliminated a vehicle, eliminated the refurbishment of the playground at Palmetto Bay Park, eliminated the gutter system at the Quad at Palmetto Bay Park, and stopped repairs to the damaged arch at Ludovici Park. He noted that if the Council approves the motion to not reduce police, the Village will be closing some parks, as parks is the only viable source to reduce in order to re-coup general fund dollars.

Mayor Stanczyk asked if layoffs would be necessary. Manager Williams replied that the Director would have to lay off a parks manager and many part-timers.

Manager Williams asserted that Director Chin indicated that the budget will be balanced; and, if the Council removes \$1 million from a budget that it is not required to do, and does not allow reduction in the police budget, parks must close.

Councilman Fiore seconded the Vice Mayor's previous motion.

Vice Mayor DuBois asked for clarification concerning the \$1.6 million remaining from the final street sign loan. Manager Williams stated that it can be used in accordance with CITT standards. Discussion ensued as to whether the \$1.6 million could be used for the DRTF project. Manager Williams and Director Chin indicated that the funds were specifically allocated by the Council for infrastructure projects, not to subsidize the DRTF.

Councilwoman Lindsay asked if the \$1.2 million in line W-40 was sufficient.

Manager Williams stated that the Council can remove capital dollars and not fund park repairs. He added that such action would effectively close parks.

Vice Mayor DuBois stated that this budget will return for final reading with the amendments and the Manager can indicate where the \$996,779 can be allocated without cutting services.

Mayor Stanczyk called the question. The motion passed (3 to 2, Mayor Stanczyk and Councilwoman Lindsay opposed.)

Councilman Schaffer moved to reconsider allocating the \$1 million for DRTF. Seconded by Vice Mayor DuBois.

Councilman Schaffer stated that the funds come from two areas: W-40 and W-41-DRTF and traffic infrastructure. He expressed that he does not wish to reduce the parks budget and if there are sufficient funds, then the projects should be funded.

Manager Williams noted that with the \$1.6 million, the project can define the scope, but it must be related to CITT-approved projects, such as traffic calming and roadways. He explained that "soft costs", such as a financial analysis to provide a report concerning a potential development, would not be allowed under CITT.

Councilman Schaffer confirmed that line W40 would be only for infrastructure. He asked about the \$480,000.

Manager Williams noted that lines P21, P23, P28, and P31 make up that expenditure.

Vice Mayor DuBois remarked that perhaps the amount spend on studies could be reduced.

Councilman Schaffer asserted that he has no intention of eliminating park projects.

Following brief discussion, the Council voted on the motion to reconsider. The motion carried (4 to 1, Vice Mayor DuBois opposed.)

Councilman Schaffer moved to remove the \$1 million line item for the DRTF. The matter failed (2 to 3, Mayor Stanczyk, Councilwoman Lindsay and Councilman Schaffer voting in opposition - \$1 million line item remains.)

Councilman Schaffer moved to reconsider the removal of the \$480,000 capital transfer from the general fund. Seconded by Councilman Fiore. The motion carried (4 to 1, Vice Mayor DuBois opposed.)

Councilman Schaffer moved to remove the \$480,000 capital transfer from the general fund. The matter failed (2 to 3, Mayor Stanczyk, Councilwoman Lindsay and Councilman Schaffer voting in opposition - \$480,000 capital transfer remains.)

Councilman Schaffer moved to reconsider the motion to remove the \$996,779 of expenses that exceed revenue in the general fund operating account. Seconded by Councilman Fiore. The motion carried (4 to 1, Vice Mayor DuBois opposed.)

Councilman Schaffer motion to remove the \$996,779 of expenses that exceed revenue in the general fund operating account. The matter failed (2 to 3, Mayor Stanczyk, Councilwoman Lindsay and Councilman Schaffer voting in opposition - \$996,779 remains.)

Councilman Schaffer explained that in order for Director Chin to close the budget, staff pulls from reserves; however, reserves will not be needed. He noted that Council will hold the manager accountable should the Council need to use the reserve funds.

Mayor Stanczyk called the question on the budget as a whole. The motion failed (2 to 3, Vice Mayor DuBois, Councilman Fiore, and Councilman Schaffer opposed.)

Attorney Boutsis advised that the failure of the budget would indicate that it cannot move forward.

Councilman Schaffer moved to reconsider the budget. Seconded by Councilwoman Lindsay. The motion carried (4 to 1, Vice Mayor DuBois opposed.)

Mayor Stanczyk called the question on the budget. The budget passed on first reading (4 to 1, Vice Mayor DuBois opposed.)

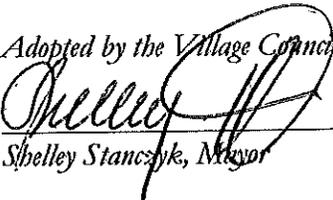
5. **NEXT MEETING AND ADJOURNMENT:** The meeting was adjourned at 9:40 p.m.

Prepared and submitted by:



Meighan J. Alexander, CMC
Village Clerk

Adopted by the Village Council on this 7th day of October, 2013.



Shelley Stanczyk, Mayor

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