

**Town of Surfside**  
**FIRST BUDGET HEARING**  
**TOWN HALL COMMISSION CHAMBERS**  
**9293 HARDING AVENUE**  
**MEETING MINUTES**  
**SEPTEMBER 13, 2011**  
**5:01 PM**

**1. Opening**

**A. Call to Order**

The meeting was called to order 5:02pm.

**B. Roll Call of Members**

The following members of the Commission were present upon roll call: Mayor Daniel Dietch, Vice-Mayor Joe Graubart, Commissioner Edward Kopelman, Commissioner Marta Olchyk, and Commissioner Michael Karukin.

Also in attendance were: Town Manager Roger M. Carlton, Town Attorney Lynn M. Dannheisser, Finance Director Martin Sherwood, Budget Consultant Carl Berkey-Abbott, TEDACS Director Duncan Tavares, Public Works Director Bill Evans, Parks and Recreation Director Tim Milian, Building Official Paul Gioia, Police Chief David Allen, Assistant Police Chief/Interim Town Clerk John Di Censo.

**C. Pledge of Allegiance**

The pledge of allegiance was led by a visiting Girl Scout Troop 465.

**2. Discussion Regarding Millage Rate and Budget**

Mayor Dietch read the below statement:

In accordance with Florida Statute 200.065(2) (e) 1, the first substantive issue discussed shall be the percentage decrease in the millage over the rolled-back rate necessary to fund the Fiscal Year 2011-2012 budget and the specific reasons for the proposed decrease over the rolled-back rate.

For Fiscal Year 2011-2012, the Town of Surfside, Florida is considering the levy of a millage rate of 5.5000 mills (\$5.50 per one thousand dollars of taxable value). The millage rate is 2.78% less than the rolled-back rate of 5.6573 mills.

The decrease in the Fiscal Year 2011-2012 millage is largely attributable to:

- An increase in non-Ad valorem revenues such as red light violations and Building Department related revenue projections
- A Capital Projects Fund transfer of \$150,000
- A reduction in Pension Plan contributions of nearly \$100,000 due to the fiscal health and good oversight of your Pension Board
- The use of \$188,000 from the sale of surplus real estate

After a series of Commission Workshops the revised tentative budget totals \$29,946,810.

This includes:

- A General and Capital Projects Funds Budget totaling \$9,788,305;
- Special Revenue Funds Budget including the Tourist Resort Tax, Police Forfeiture and Confiscation and Transportation/CITT Tax totaling \$513,312 and, finally;
- Enterprise Funds including Water/Sewer, Municipal Parking, Solid Waste and Recycling and Storm water utility Budget totaling \$19,645,193.

Establishment of both tentative millage rate and the tentative budget require two public hearings which have been scheduled for today and Monday, September 26, 2011 at 5:01pm.

Town Manager Roger Carlton discussed the preparation of the budget. He said that the first budget workshop was held in late June and as a result of that meeting 6 summer studies were conducted. He discussed the second workshop, held on September 1<sup>st</sup> 2011 where the Commission gave staff direction based upon those studies. He indicated that the Commission had before them, today, a budget which proposes a reduction of 1/10 of a mill. He said that this is as a result of conservative spending in the Town and recognition of financial difficulties faced by many property owners in the Town. Roger Carlton informed the Commission that, in the proposed budget, they have reduced the millage and that the enterprise funds, water and sewer, solid waste, and storm drainage rates were all staying the same. He said that the parking rate will increase to \$1.25 from \$1.00 because some of the reserves have been used for land acquisition and renovating parking lots. He indicated that the desired transparency means that the staff is fully disclosing the finances of the Town, all of the bills paid are being placed on the Town website, there are more detailed audits, and for the first time they are incorporating the reserves at the beginning of the year, what the reserves will be at the end of the year and tying into a 5 year financial and strategic plan. Roger Carlton said that the mill valuation is higher than staff anticipated so there was an additional \$85,000 in the general fund and staff recommends placing the money into the reserves.

Carl Berkey-Abbott presented the 5 year property tax history and went over the current and proposed millage rate.

Mayor Dietch acknowledged and thanked the staff for developing an improved budget process.

### 3. Millage Rate Page 1-2

**A RESOLUTION OF THE TOWN COMMISSION OF THE TOWN OF SURFSIDE, MIAMI-DADE COUNTY, FLORIDA, ADOPTING THE TENTATIVE LEVYING OF A MILLAGE RATE AGAINST ALL TAXABLE REAL AND PERSONAL PROPERTY IN THE TOWN OF SURFSIDE, FLORIDA FOR THE FISCAL YEAR 2011-2012; AND REAFFIRMING SEPTEMBER 26, 2011 AS THE DATE OF ADOPTION OF THE FINAL MILLAGE RATE.**

Recording Clerk, Sarah Johnston read the title of the resolution.

**Commissioner Karukin made a motion to approve. Commissioner Kopelman seconded the motion.**

Mayor Dietch opened the public hearing. \*No speakers were present. Mayor Dietch closed the public hearing.

Vice Mayor Graubart stated that he has some concerns regarding the Clerk, Parks and Recreation, and Legal department budgets. He said that he feels that the Parks and Recreation and Town Clerk department budgets seem high. He also expressed concern stating that there are contracts that have not gone out to bid and there does not seem to be a performance appraisal associated with those contracts.

Mayor Dietch indicated that there were previous meetings where the Vice Mayor made no mention of these concerns regarding the budget and he asked the Vice Mayor to specifically address his concerns.

Vice Mayor Graubart declined the request to be more specific but did state he would like to see contracts go out to bid.

Commissioner Olchyk asked a question regarding page 6 citing 3 items related to health insurance for water/sewer/solid waste and storm drainage.

Roger Carlton responded that those enterprise funds cover employee expenses which are paid from the same fund. He indicated that they were working with Stan Bershad (the Town's insurance agent) and that they were able to get United Healthcare to reduce their proposed increase. He explained that the numbers Commissioner Olchyk referenced is the cost being spread throughout the budget. He also stated that he will give a report on the health insurance costs at the upcoming Commission meeting.

Commissioner Olchyk asked a question regarding page 10, specifically asking about the expenditure for physical environment and to clarify what was included in the physical environment category.

Carl Berkey-Abbott explained that “physical environment” generally refers to the programs managed by the Public Works department.

Commission Karukin said regarding Vice Mayor Graubart’s comments about a performance audit for the three referenced departments, he reviewed each department’s listed objectives and accomplishments and they looked well defined to him. He said regarding the Vice Mayor’s comments about contracts going out to bid, the Town has pre-selected vendors and those vendor items have remained pretty flat in cost from year to year. Commissioner Karukin said in terms of the Legal Department, he is aware that adjusting for inflation the current cost of the Legal Department is the same as the cost in 2001/2002. He also said that if the Town was to add up the items completed by the Legal Department, the cost would be much greater. Commissioner Karukin reiterated that he shared the same concern as the Vice Mayor, however after review he does not see a cause for concern any longer and would like to know about the Vice Mayor’s continued concern.

Vice Mayor Graubart responded that out of deference to the Town Attorney he does not want to pursue it this evening.

Commissioner Olchyk indicated that she is also concerned with legal fees. She said that she has met with the Town Attorney several times and, although she does not like what is being spent she doesn’t see any other way to do it and having an in-house attorney seems to be the best way to do it. Commissioner Olchyk also stated that she has been negotiating with the Town Attorney and that she has agreed to forgo some items such as conferences and seminars, a \$3000 reduction. She said that she was trying to reduce the car allowance which would have been a \$6,000 reduction. Commissioner Olchyk said that because the Town is being sued, there is little they can do to reduce costs.

Lynn Dannheisser stated that the reason the conference and seminars was able to be removed is because she is unable to attend due to time constraints. She indicated that the department was allocated \$4000 and, as of September 2 only \$366 was spent. She stated that she had offered to provide legal services hourly, but felt it would not be in the Town’s best financial interest.

Mayor Dietch stated that going into the budget workshops the Commission was asked to be specific with suggestions for reducing expenses and he does not feel it is beneficial when Members are not specific and do not give clear direction for staff.

Mayor Dietch read the below statement into the record:

In accordance with Florida Statute 200.065(2) (e) 1, the first substantive issue discussed shall be the percentage decrease in the millage over the rolled-back rate necessary to fund the Fiscal Year 2011-2012 budget and the specific reasons for the proposed decrease over the rolled-back rate.

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**The motion carried with a 4-1 vote with Vice Mayor Graubart opposed.**

#### **4. Public Comment**

\*No speakers were present.

#### **5. 2011-2012 Tentative Budget Page 3-10**

**A RESOLUTION OF THE TOWN COMMISSION OF THE TOWN OF SURFSIDE, FLORIDA, APPROVING AND ADOPTING THE TENTATIVE ANNUAL BUDGET AND MAKING APPROPRIATIONS FOR THE FISCAL YEAR 2011-2012; ATTACHING A SUMMARY COPY OF SAID BUDGET MARKED EXHIBIT "A"; PROVIDING FOR AN EFFECTIVE DATE.**

**Commissioner Kopelman made a motion to approve. Commissioner Karukin seconded the motion. The motion carried unanimously.**

#### **6. Public Comment**

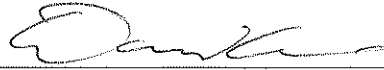
\* No speakers were present.

#### **7. Adjournment**

**Vice Mayor made a motion to adjourn. Commissioner Kopelman seconded the motion.**

**The meeting adjourned at 5:43pm.**

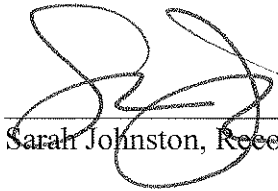
Accepted this 10 day of October, 2011



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Daniel Dietch, Mayor

Attest:



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Sarah Johnston, Recording Clerk