

Detailed Minutes - Final

City Commission

Lamar Fisher, Mayor

Charlotte J. Burrie, Vice Mayor

Rex Hardin, Commissioner

Barry Moss, Commissioner

Beverly Perkins, Commissioner

Michael Sobel, Commissioner

Gregory P. Harrison, City Manager

Mark Berman, City Attorney

Asceleta Hammond, City Clerk

Tuesday, September 19, 2017

5:15 PM

Commission Chamber

Special City Commission Meeting

CALL TO ORDER

The Honorable Lamar Fisher called the meeting to order at 5:15 p.m.

ROLL CALL

Present: Commissioner Rex Hardin
Commissioner Barry Moss
Commissioner Beverly Perkins
Commissioner Michael Sobel
Vice Mayor Charlotte Burrie
Mayor Lamar Fisher

INVOCATION

Lamar Fisher, Mayor, City of Pompano Beach offered the invocation.

PLEDGE OF ALLEGIANCE

Led by Asceleta Hammond, City Clerk

APPROVAL OF AGENDA

A motion was made by Commissioner Hardin, seconded by Vice Mayor Burrie, that the Agenda be APPROVED. The motion carried unanimously.

A. PUBLIC HEARINGS

Greg Harrison, City Manager stated this is the first of two required public hearings and the second meeting will be held on September 25, 2017. This is culminating all of the one and one meetings that staff had with the Commissioners, and the work that staff started last January. Therefore, Erjeta Diamanti, Budget Officer will make the presentation.

Erjeta Diamanti, Budget Officer, stated that this is an updated budget from the July budget workshop, which reflects the new numbers. Also, the millage rate will remain the same for both operating millage rates, to include the Emergency Management Services (EMS) millage rate. The metric shows the budget process step by step and how they arrived where they are to date. This is a tentative public budget hearing that will adopt the tentative millage and the budget, as well as the final adoption of the fire assessment fee. Every year staff faces different challenges while preparing the next fiscal year budget; in fact this year required the adoption of a different mortality table in relation to the pension contribution. The City Commission and staff have been notified about the challenges since 2015. She then outlined all the meetings that were open to the public at which they had the opportunity to attend, express their concerns and ask questions.

Continuing, Ms. Diamanti stated the fiscal year 2018 recommended budget is \$266,195,613, overall it represents a \$9.9 million increase or 4% increase from the adopted fiscal year 2017 budget. The increase is primarily associated with the mandated pension contribution increase, utilities and storm water capital improvement projects, as well as the capital replacement plan. Attached is a copy of the presentation that will provide in details a breakdown of the allocations of city funds.

Ms. Diamanti highlighted the variances and noted that the internal service funds increased by 7%, which is mainly associated with an increase in the Building Inspection Fund budget, due to the growth of the department with new employees, and the replacement of capital improvement items. Also, the EMS budget contributed to the increase, which is mostly connected with the pension contributions. The 5% increase in the Enterprise Fund is related to the renewal and replacement, as well as storm water capital improvement projects. Moreover, the budget for all other enterprise funds are compatible to fiscal year 2017 adopted budget. The 61% decrease in General Capital Fund is for a one-time transfer of fund from the Florida Department of Transportation (FDOT) for road improvements to Dixie Highway, from McNab Road to Sample Road. The budget for all internal service funds except for the Health Fund are comparable to fiscal year 2017 budget. The Health Fund increase is primarily associated with a normal inflationary increases. She then highlighted all the department's general fund variances, which has an increase from fiscal year 2017 budget of \$7 million or approximately 6%. A breakdown of the variances are included in the attached copy of the presentation in detail.

In addition, she presented a chart that illustrates a five year General Fund non-ad valorem revenues to which she focused on the last two fiscal years. She noted that from 2017-2018, they experienced an increase by \$713,000. Therefore, staff is not recommending the use of fund balance for fiscal year 2018. The main reason for the decrease in transfers is due to a reduction from the Sanitation Fund. Also, the Sanitation Division was moved from the General Fund to the Sanitation Enterprise Fund. Furthermore, franchise taxes and fire fee increases are solely associated with the fire assessment fee increase, and for fiscal year 2018 staff has recommended, which the City Commission has already adopted the preliminary fire rates in July 25, 2017. There is an increase in all the proposed rates to include residential, commercial, industrial and institutional. The estimated revenue that the City is expecting to collect is \$15.8 million for fiscal year 2018. The difference in the residential rate is \$29 from \$134, and this current year it will be \$163. The purpose of this recommendation is to cover a larger share of eligible costs such as the mandated pension cost increase and to maintain service levels. Finally, when compared to the 26 municipalities in Broward County, the City maintains the fourth lowest position for the residential fire assessment rate.

In continuation, the property taxes for fiscal year 2018 has increased by 8.7% or \$967 million. The fiscal year 2017 taxable value is \$11 billion, adding the existing tax base growth and new construction will total a fiscal year 2018 taxable value of \$12 billion and net mil will be \$11.4 million. Calculating the millage rate for fiscal year 2018 estimated expenditures of \$131 million, reduced by non- ad Valorem revenues of \$74 million which will total \$57 million in ad Valorem revenues to balance the general fund, divided by the net mill will total a tentative millage rate for fiscal year 2018 at 4.9865. Compared to fiscal year 2017 adopted millage rate, the fiscal year 2018 millage rate at 4.9865 represent a 3% increase. Also, this recommended millage rate represents an 11.21% increase in property taxes when compared to the roll back millage rate of 4.4837. The EMS millage rate will not change from 0.5 and the EMS millage rate for fiscal year 2018 represent a 8.01% increase in property taxes when compared to roll back millage rate of 0.4629. Compared to 31 other municipalities, the City of Pompano Beach still remains the tenth lowest for the aggregate millage rate of 5.4865. Finally, the tax impact, if the average value of a house is \$200,000 and has Save Our Homes (SOH) and Homestead exemption, for fiscal year 2018, the tax impact will be \$20.18. If the property is not homesteaded, then the impact will be \$32.26.

B. CONSIDERATIONS

1. [17-608](#) Adoption of tentative millage rate for the City of Pompano Beach for Fiscal Year 2017-2018 reflecting a General Fund operating millage of 4.9865. The proposed millage rate represents a 11.21% increase in property taxes when compared to the rolled-back millage rate of 4.4837.
(Fiscal Impact: N/A)

Doug Matthes, Pompano Beach, FL, stated in 2008 the millage was 3.4861 and the current proposed millage rate is 5.4 mils, which is a 62% increase since 2008. He noted that a few residents, if any, net income has not increased by 62% since 2008. Also, in 2008 the EMS assessment was \$75 compared to the proposed residential of \$163, besides that is a 117% increase since 2008. The properties with the homestead exemption property taxes are based on the assessed SOH value which has increased by 12.6% since 2008. He suggested that the Commission end the golf course subsidy, suspend all capital improvements every year and review them. Also, end all charitable giving because they need some fiscal responsibility and a major tax relief.

Mike Skversky, 1630 SW 5th Ave, Pompano Beach, FL, asked if there is ever going to be a freeze in taxes because every year it increases.

Mayor Fisher replied that they have lowered the millage rate for many years but this current year they are increasing the millage rate.

Mr. Skversky reiterated what Mr. Matthes stated regarding the 62% increase. He also expressed that for the last 5 or 6 years, the people who have homes that are paid off and is paying homeowners insurance has pretty much doubled. The storm that just passed through the state will cause the homeowners to foresee an increase in insurance costs. The continuous increase in taxes by Pompano Beach, the County and homeowners insurance will cause foreclosures. He suggested that they should think about freezing the taxes instead of raising it every year.

Predrag Patrick Jovanov, Pompano Beach, FL, stated that he must reserve his comments because he does not have permission.

Sarahca Peterson, Pompano Beach, FL, resident, stated that the Commission voted to deduct \$5.5 million from the Emergency fund and she asked what was the fund used for and what is the remaining balance of the fund.

Greg Harrison, City Manager responded that it was called a Hurricane Disaster fund, the Commission approved borrowing funds temporarily until those funds can be repaid.

Ms. Peterson questioned the approval because the city was recently hit with a hurricane.

Mr. Harrison responded to Ms. Peterson's question stating that the planned reserves is still in that account and answered her question on what the funds was used for, which was to buy a property for a youth sport complex at 10th Street.

Ms. Peterson noted the funds were transferred from the hurricane fund during the hurricane season, and asked was there any discussion with any meteorologist on what the expectancy for a possible hit from the storm, because the City is currently in a place where it is still suffering.

Mayor Fisher asked what is the remaining balance in the hurricane fund?

Mr. Harrison replied currently, there is \$9.5 million remaining.

Ms. Peterson inquired if any of the funds remaining is being used to aid in the relief of putting the City back to where it needs to be, or are the funds being deducted from the general fund.

Mr. Harrison replied that there will be as soon as they start paying bills.

Luciana Penuela, Pompano Beach, FL, stressed she has been trying to reach people but it has been impossible. She lives in Orchid Grove in a townhouse that cost her \$215,000, and she paid property taxes of \$6,580 and would like to know why. Moreover, no one informed her when she purchased the property as to, why they are paying an additional \$2,500 in addition to the property taxes for something that belongs to everybody?

Mayor Fisher explained it is called a Community Development District (CDD) which was started by a developer when Orchid Grove was being built, which is separate from the City's cost and the CDD has additional fees that must be paid if someone lives and own in Orchid Grove, which has nothing to do with the City.

Ms. Penuela asked why because it seems crazy to pay such a high amount.

Mayor Fisher indicated that at the time the developer took those dollars and constructed the infrastructures.

Ms. Penuela stated that the developer declared bankruptcy and he is still building all over town.

Mayor Fisher clarified that the developer did not declare bankruptcy but instead another developer did; however, the CDD still continues because that is a separate board and a separate entity.

Comr. Sobel stated the City is spending \$266 million of taxpayers' money and is sure that they all have questions and discussion. He advised Ms. Diamanti that he has questions as well as questions from residents of district one, and if there is anything that she does not know, he would be more than happy if she tells him that she would research into it and get back to him before the next budget meeting. He commented on Mr. Skversky's earlier comments regarding the Commissioners not caring, and expressed that each of the Commissioners sitting on the dais cares deeply about trying to do the right thing and it is a very delicate balance. Besides, they all just received their tax bill in the mail and they are looking at the different dollar amount and what is increasing and trying to understand why. There is always room for improvement but he thinks improvement comes with discussion. This whole process in his first year has been surreal and he give kudos to the staff who worked on the budgeting all year, for both the ongoing expenditures and planning for the subsequent year expenditure which was complicated. The Commissioners are not Accountants or Certified Public Accountants (CPA's) they are just lay persons who have been assigned the task of trying to oversee as best they can. He added that a resident expressed that property values have increased and if the millage rate was left exactly the same, there would be several more million dollars to spend. He asked if that is correct.

Ms. Diamanti responded that she thinks so, but it would not be up to the level that balances the fund.

Comr. Sobel inquired if the millage rate was left exactly the same as 2017 and froze it, what the residents mentioned is that they would have somewhere between \$6 and \$9 million additional just because property values in Pompano Beach has increased. He asked if that is correct.

Ms. Diamanti replied that she would need to get back to Comr. Sobel on that.

Comr. Sobel asked why there was not enough money to cover the budget in 2018. There are lots of good answers that are potential, he know of one in particular that he learned, which is the state mandated increase that forced each of them to pay a significant amount of additional money to pensions for both the fire department, police and city employees. However, that is something they have no control over which is forcing them to have an increase demand. He asked Ms. Diamanti what else is causing additional need to spend more than those additional funds.

In response to Comr. Sobel's question, Ms. Diamanti responded that the pension increase is definitely one of the main reasons plus they needed to maintain the same service levels. There are more facilities in the City that need to be maintained to include the cultural center building, other activities, plus the increase in the number of public events in the City. Also, the increase in the number of non-profit funding requests, merit and salaries and health benefits. Therefore, those are the main reasons why the millage rate was increased. Moreover, the scenario was sought to keep the millage rate the same as fiscal year 2017 but considering all the increases especially the mandated pension increase, they would not have been able to make it without use of the fund balance. Subsequently they are recommending to use the fund balance, which is why they are recommending to return to the adopted millage rate of 2016. Basically, in 2017 they recommended a decrease by 3% and for fiscal year 2018 they are recommending to return to that millage rate of 3% increase. Also, another option in

2017, staff utilized \$1.2 million from the fund balance, which she explained earlier is not recommended to use for fiscal year 2018, that would have helped in better ways but because they were using the fund balance to accommodate capital improvement projects in the City, they are trying to save it for that purpose.

Comr. Sobel inquired approximately how much more in the 2018 budget is being added into the budget for the Cultural Center and asked if it is more than \$1 million.

Ms. Diamanti replied that staff has created a new division which is the Cultural Affairs Division. They will be hiring a cultural affairs manager and there is a budget that is related to other activities and to that division. She added that she has the total budget for that division.

Mayor Fisher advised Ms. Diamanti to speak on the Broward Sheriff's Office (BSO) and Public Safety contract increase. He commented that Ms. Diamanti outlined in the presentation several reasons why, which she could reiterate with facts.

Ms. Diamanti explained the contract amount has not changed but the new position amount was added, which includes an extra cost to the division. As Mayor Fisher mentioned in the operating expenses, there was an increase in the City's BSO services by \$2 million or approximately 5%, which is also another increase that staff calculated when the millage rate was recommended for fiscal year 2018.

Comr. Sobel noted that there are some expenses that they can control while some they have no control over such as the state pension mandatory increase percentages and the BSO contract increases, but there are some that they know are forthcoming like the Cultural Arts Center (CAC) which will be open for 12 years and he assume they are anticipating it. He asked how much they are going to spend from the budget in 2018 in the CAC with the new position.

Ms. Diamanti responded that the total budget for the Cultural Affairs Division is \$1.5 million, of that, approximately \$1.4 million is in operating expenses and almost \$100,000 is personnel expenses.

Comr. Sobel asked who is responsible for trying to make that profitable and is there a master plan that will help them for the future in terms of the CAC to turn the cost around in the budget.

Mr. Harrison responded there is no master plan, furthermore, staff had informed the Commission through this process of the budget what the changes would entail. The one and one meetings that staff had with the commissioners in the formulation of the budget that led up to the public meetings. As for the new professional position at the cultural center, they will be taking that operation under the umbrella of the City. Staff will be able to come up with a more professional plan when they get staff into place, then they will be able to meet with the Commission to see if they are in agreement with what they would be recommending with the cultural events at the center and to move forward.

In response, Comr. Sobel commented on an example of the same type of scenario but on a different level is the Pompano Beach Water Management Master Plan. The Commission did a great job in 2013 and spent \$1.2 million to put together a prioritized plan for the future, which was a 10 year plan on 25 projects, if he understood correctly what he read.

Mayor Fisher replied yes, the storm water plan.

In addition, Comr. Sobel noted that on the plan the City prioritized 25 projects that were going to be designed, paid for and built within 10 years. Since that time he learned that none of those projects were built, but about 6 of them are in various stages of planning and that would leave the City with approximately 5-6 years left on the 10 year plan. He assumed that there is money in the current budget and that money is in the reserves in the prior budget anticipation of fulfilling that commitment within the next 5-6 years. There is going to be 25 capital improvement projects in the master list that are going to be completed. He asked are they still on track for the current proposed budget?

Mr. Harrison explained, yes and that it would be under the utilities section of the budget.

Comr. Sobel suggested that perhaps they should put together a 2 or 3 year plan on what they hope to accomplish and invest in some parameters with the appropriate experts on what needs to be done, in order to get to where they are not always going to be supplementing or underwriting the CAC for \$1.5 million.

Mayor Fisher mentioned that Comr. Sobel made a point regarding the CAC contract and proceeded to clarify, stating the CAC contract that is currently in place manages the Amphitheater as well as the Cultural Center. The Commission had made a move and put out an RFP to be able to go out and now they are negotiating with AEG, which will take away a large percentage of the over \$1 million and actually make a profit for the City. Secondly, the CAC contract is expiring in September and if an extension is done, it will phase out as well, so a lot of those dollars will be recaptured, hopefully 50% will be recaptured when they break out the Amphitheater and if they go in-house with the Cultural Center hopefully they have additional savings there.

Comr. Sobel inquired if anyone specifically have been assigned to evaluate other sources of tax revenue such as non-ad valorem or other districts that might be available in addition to just increasing the millage rate every year. He asked if there is any indication of that somewhere in writing as to what additional option they might have for the residents. Is there any analysis in terms of a long-term need in trying to look into those additional sources of possible revenue?

Mr. Harrison replied that when Suzette Sibble was still the Finance Director, she went through an array of different thoughts and ideas. One of the idea that she came up with, which was ultimately presented to the commission was the Naming Rights Project, to come up with new sources of revenue based on naming rights. However, the finance office is constantly researching which includes attending finance meetings state and national to come up with new professional ways to handle finances. They are constantly on the watch out for those opportunities.

Comr. Sobel asked if there is anything in writing with regard to an analysis of the current years' budget in terms of cost cutting. How can we save money? Are there employee positions that are no longer necessary? Are there one-time expenses that maybe incurred and are not going to be incurred again like the redundancy backup program on the EOC which was high priority on the strategic planning list? Is there anybody responsible besides Mr. Harrison analyzing the operations of the City to determine where cuts can be made? He added that someone mentioned the Golf Course and he read that they have dissolved the enterprise fund

because it was ultimately not going to be self-sustaining. Also, he asked if there is a decision that is being made to perpetuate the Golf Course at significant losses while they continue to raise taxes. Is there other options available to them and why do they need two golf courses. Now that they have moved it into the general fund, he read that there is \$2.4 million higher charges for services as of July 31 and it is mostly due to the Golf Course, according to Andrew Jean-Pierre's memo to the Commissioners. He asked why is that being done and is money so tight that maybe it is time to have somebody take a careful look at all the expenditures, starting with the significant losses and decide what options they have and how can they improve upon it and he asked who is doing that.

Mr. Harrison explained that every department head oversees their staff that was assigned to formulate the budget, so what Comr. Sobel is describing, all of the individuals there is probably close to one hundred individuals in the City that goes through the process for the City's one thousand employee work force.

Comr. Sobel probed why Mr. Harrison does not ask all the department heads to cut department expenditures by 5-10 percent and to provide their proposals. How would that work? What options do they have? And ask the department heads to submit to the City Manager some written concepts of how they could reduce their department expenditures by 5-10 percent in 2019 and ask would that be possible?

Mr. Harrison responded that staff does that every year.

Comr. Sobel asked has anyone come up with potential losses or reductions.

In response, Mr. Harrison stated there were reductions in some areas of the City's operations, and he would be more than happy to get in to the details with Comr. Sobel and go back prior to the one and one meetings with him.

Comr. Sobel asked how much staff spent on the backup system for the high priority emergency operation center. Following Hurricane Andrew the backup communication systems were not working. Besides, they budgeted to spend an enormous amount of money on the backup for Windstream and AT&T, neither of which worked during hurricane Irma. How much did staff spend on the isolated redundancy backup expenditure that they are not going to have to deal with next year?

Gene Zamoski, IT Director, responded to Comr. Sobel's question stating that in 2010, AT&T was used exclusively for all phone services to which they are spending about \$150,000 a year. Since then a VOIP system was bought and consolidated some of the phone lines and created a fiber redundancy. In that time, they have saved from \$150,000 a year down to \$70,000, which is what they pay Windstream. During the hurricane season after hurricane Irma, even with the redundancies having Windstream, AT&T and Comcast, they still lost phone communication because when outgoing calls are made, they are reliant on AT&T because they are the phone service provider. The communications within the City was fine but outgoing calls to the public was hindered just like every individual within Pompano Beach and across the State of Florida who lost phone communication, the City was no different. Moreover, communications was up as soon as possible because of the redundant lines and if those redundancies were not in effect there would be no phone service at present.

Comr. Sobel expressed his sympathy to all the residents and businesses that are still without power, even

though other cities have suffered so much more. However, when it comes to the budget there is an understanding that money has to be spent because there are certain circumstances where only government can rise and shine and do what is necessary to protect the people, whether it is police, fire department or the city government. When the City has such a high priority in its strategic plan as the emergency operation center, the City lucked out without a direct hit or worst hit with the hurricane. Furthermore, the City went by four days without any internet or telephone and the residents were at risk; besides, a lot of money was spent for two backup systems. Currently, there is a lot of debris and the City is doing a phenomenal job to get it cleaned up but the contractor with whom staff had made a prior agreement with to remove the debris has walked off the job for reasons that are still unclear to him.

Mayor Fisher clarified that the contractor did not walk off the job and noted that they did fulfill their contract.

Mr. Harrison explained the incident that occurred between the contractors who were responsible for the debris pick up.

Comr. Sobel expressed that it is in times of emergency when the residents need government the most. He does not understand how a contractor knowing the dire needs of the citizens could possibly feel it would be morally or legally appropriate to walk off the job, and thinks there should be repercussions. He discussed at length the situation relating to the two backup IT systems.

Mr. Zamoski explained that staff did not lose 911 emergency communications. Also, the Fire department had radios and were dispatched by Broward County and there was never any safety issues.

A discussion ensued between Comr. Sobel and Gene Zamoski relating to the emergency phone and internet backup services during hurricane Irma.

Comr. Sobel asked why the phone and internet service did not work when they were needed the most.

Mr. Zamoski clarified that they did not work because staff do not have any control over the service providers because they provide the voice service and when their system is down it affects them as well.

Comr. Sobel followed up by asking if Mr. Zamoski does not anticipate any precautionary measure that can be exercised in the future.

Mr. Zamoski explained that he did come up with extra ideas since the incident, they are planning to input internet from a dish satellite and utilize that as an emergency. They will also ask Comcast to see if they could provide voice service in an effort to have more redundancy. He added that other cities have done the same thing that Pompano Beach did and they all struggled to get communication going as fast as possible while still relying on the outside companies to provide the services.

Comr. Sobel requested that the City Manager analyze all the problems that the City encountered during hurricane Irma and return to the Commission with a written recommendation for the future, and an analysis of why the problems occurred so that they do not happen again.

Mayor Fisher expressed to Comr. Sobel that he does not think it is fair to portray to the public that staff could have done anything better at that particular time. Staff did what they thought was the best to do. Besides, one cannot discount "Mother Nature" and it will do what it can to include winds, rain, trees etc. and will destroy the best of the best plans. Moreover, it was not just Pompano Beach, it was the entire State of Florida and they should be giving thanks and for the fact they were up and running in 4 days and he applauded staff.

Continuing, Comr. Sobel noted that this budget consist of a hundred pages as well as a strategic plan where many things were prioritized. He examined the strategic plan that was put into place for 2013 and the priorities were highlighted and got funded over the 5 year plan. Then, those items got amended in 2017 and some of the top priorities such as the Broward Outfall (Sewage line into the ocean), Homelessness, Sober homes, Traffic and the Senior Housing needs. Some of these top priorities does not match up when a search of the budget is conducted. There are no references relating to funding of these issues. He thinks that they need to rectify the disconnect within the budget, and it should start reflecting the priorities. He noted that in the budget there was a reference made to multiple capital improvement project cost of \$255,000- \$300,000 of unfunded capital improvement projects. He asked if there is anyone that is prioritizing the unfunded projects the same as the water management masterplan in 2013. If so, what is the priority? If not, why not?

Ms. Diamanti explained that when the City Commission approved the 2013 strategic plan, staff ensured that those initiatives were reflected in the budget. She understood that there is a disconnect between the revised strategic plan because it was recently adopted. The time that staff had to put the 500 pages book together was too short. So, in the budget book, there is already a section with the strategic plan showing the progress that has been made since 2014; however, what they are trying to accomplish while they put the adopted book together is to connect the new strategic plan that was adopted recently, with the fiscal year 2018 budget, and that is something that they are working on. She ensured that there will be some progress when the book becomes available online and there will be a section regarding the strategic plan. In regards to the unfunded list, it has been revised with the penny sales tax, and they have also reviewed the projects, which are not new projects, and the public has been notified about those projects. Also, they already included them in the budget book and it is available to the public for them to see what are the needs in regards to unfunded projects. There is a CIP engineering team that always revises the scope of the projects, the needs of the projects and relate them to the strategic plan as well.

Comr. Sobel asked was any part of the prioritizing done with regard to the proposed \$179 million bond that the voters would vote on. Did they remove some of those unfunded projects out of the group and prioritized them into what is potentially going to be the bond ballot.

Horacio Danovich, CIP Program Manager, responded they did prioritize a series of projects and those projects will be brought to the commissioners for review and evaluation. These are the projects that have a higher sensitive need such as the fire station that they believe may need to be replaced sooner than other projects. They have come up with a package for a certain amount of dollars that staff believe the City can fund through a Government Obligation Bond (GO Bond), which will be presented to them.

Additionally, Comr. Sobel noted that the current proposal has several pages of a list of unfunded projects but it provides no priority to them or details as to the cost. He asked Mr. Danovich if he has a complete list beside the one that highlights the bond.

Mr. Danovich stated he will be more than happy to share the list but he explained that the GO bond would have that list for him to evaluate and discuss with the Commission.

Ms. Diamanti added that the unfunded projects are separated by funds and are already listed in the budget books.

Comr. Sobel asked if they are separated by reserve funds.

In response, Ms. Diamanti explained by a particular fund, for example, the utilities renewal and replacement fund, stormwater capital fund and general capital has the list of all unfunded projects but the GO bond has a separate list. All the unfunded projects have been included in the book by fund.

Comr. Sobel queried if there is anything in the budget that anticipates the termination of the Northwest Community Redevelopment Agency (NWCRA) or the East Community Redevelopment Agency (East CRA), in particular the NWCRA in light of multitude of things that are pending. Particularly, if there are debts and liabilities, bonds and loans in the NWCRA.

Ms. Diamanti replied that she would need to get back to Comr. Sobel on the question.

Mayor Fisher noted that this is the 2018 budget and the CRA did not continue and ends in 2019.

Suzette Sibble, Assistant City Manager, stated that the NW district does have bonds outstanding, however, the current bonds on the books are scheduled to mature in November 2019. She said she cannot get into details about the lawsuit but that that would coincide with the initial life span of the NW district so that would not be in question. Furthermore, she is not aware of any changes to have any kind of contingency plan if the lawsuit were to be unsuccessful for the CRA. She would imagine that there would be a planned approach to grade down operations for the CRA in terms of programmatic expenses and administrative expenses to operate the NW district. However, as it relates to the bond liabilities on the books, those would coincide with the initial life span of the NW district so that would not be an issue.

Comr. Sobel asked why staff is not planning for that contingency. It is nice to hope for the best case scenario but as a city government they want to protect the residents from the worst case scenario. He reiterated his questions as to why staff is not planning in the 2018 budget to protect against the contingency of something going south with the NWCRA.

Mayor Fisher clarified that there is no liability because it ends in 2019 as for as the bonds.

Ms. Sibble stated that going forward with the operational expenses staff would start a grade down process. So, there have been general discussions with Ms. Breisemeister about how staff would go about framing that but certainly there would be cut backs on operational expenses and that would grade down over time and assess it going forward.

Mayor Fisher advised that the CRA would continue but just would not be funded by Broward County.

Comr. Sobel added that as always, it has been his position that the City Commission has the option to continue the CRA without the TIF funds but no decision has come before the Commission.

Mayor Fisher explained it would not come before the Commission unless they had lost the lawsuit or whatever the case maybe.

Comr. Hardin stated they did extend the CRA, so, yes they made that policy decision and the CRA is extended as far as the City is concerned.

Comr. Sobel asked when did the City make that Resolution, to which Mayor Fisher replied in 2010.

Comr. Sobel asked to extend it for how much longer, to which Mayor Fisher responded for another 30 years and noted to Comr. Sobel that he would want funding to continue in the NWCRA, whether it is from the City.

Comr. Sobel added that continuing the CRA without some source of funding is going to be a difficult scenario, if not impossible.

Mark Berman, City Attorney advised that with litigation pending and the problem with public discussion on the future of the CRA win, lose or draw, he would respectfully suggest it be limited.

Comr. Sobel asked how is the City doing on the parking enterprise revenue for 2017-2018 and where are they in the current year revenue in terms of Citywide parking revenue to cover the parking garage.

Ms. Sibble responded that they are currently analyzing the operations of parking. There were impacts with Irma which caused the loss of parking revenues. However, they are working with their parking consultant and assessing the impact and will certainly report back to the Commission.

Comr. Sobel on behalf of the residents thanked Ms. Sibble for providing the City parking for the safety of the residents' cars during hurricane Irma. He asked if the revenue was for the parking in 2017 fiscal year and where is the City with regard to the lease payment of \$1,250,000.

Ms. Sibble replied that the debt service on the garage is not impeded, they have contingency fund in reserves for that, so it is a combination of projected current revenues for the system as well as reserves that they supposed to have in the parking fund to accommodate that.

Comr. Sobel asked "how short are we?"

In response, Ms. Sibble reassured they are not short because the funds are available in totality to cover the debt service payment for 2018 that is projected.

Comr. Sobel asked how much money was generated in terms of parking revenue citywide from the enterprise fund to pay towards the lease.

Ms. Sibble responded that the debt service payment is \$1.2 million, so about \$600,000 was generated from current revenues and about half of a million from reserve funds.

Comr. Sobel asked how much is in reserves for risk management and lawsuits.

Mr. Berman advised that currently they refrain from publicly discussing what is in reserves for lawsuits, as it would interfere with the lawsuits. However, if he has questions, staff will be happy to get him the information.

Comr. Sobel asked is the City Commission entitled to receive a copy of the monthly bank statement and all the bank depository for the City. If so, he would like to request that he starts receiving a copy of the monthly bank statement.

Mr. Berman and Mayor Fisher informed that it is public records and he would be able to get that information.

Mayor Fisher stated that the City Commission had a lengthy discussion on the homeless issue in the budget workshop in July, which he believe staff is looking into ways to raise some funds that are not tax burden funds to initiate some future plans for the homeless, as well as senior housing. They are working with the Heritage Square at Flagler, for a 116 affordable housing senior living opportunity. Although, he does not think that the City should get involved with the housing business, he believes staff could encourage a private development for senior housing and he is aware of others that are looking to build senior housing not just Heritage Square.

Comr. Sobel stated that he thinks that they do have an obligation as a city and there is no one that is sitting on the dais who has not repeatedly said at almost every meeting that there is a problem in the City addressing the homelessness, the veterans and a multitude of problems that stems from it. He suggested putting money in the budget towards the homeless issue. He added that when Broward County announced they evacuated 20,000 residents from the Barrier Island, he later learned that the City only opened the Pompano Beach High School that was capable to shelter about 280 people, which was appalling. He asked why did they not open up the Cultural Center and noted that they all have an obligation to ensure that the residents are protected in a place that is safe and sound.

Mayor Fisher commented on a statement made by Comr. Sobel earlier regarding St. Lawrence, and explained that the City do have programs and funding through several sources in Broward County where they can place people in emergency shelters if they want the help.

Comr. Sobel stressed that the Commission need to do something as a City because this is our problem.

John Hale, Police Chief, explained that the Homeless Outreach Deputies attend monthly coalition meetings and there are service providers throughout the County where they can refer people who are in need. Some desire the assistance and some unfortunately do not, and that is something they deal with daily within the County.

Comr. Perkins asked if there was an increase of 3% for taxes, to which Ms. Diamanti replied that there is a 3% increase in the millage rate, not in the taxes.

Comr. Perkins asked for a copy of the breakdown of all of the departments that are getting an increase such as BSO who will be getting a \$2 million increase.

A motion was made by Commissioner Hardin, seconded by Vice Mayor Burrie, that the Item for Consideration/Discussion be ADOPTED. The motion carried by the following roll call vote:

Yes: Hardin
Moss
Perkins
Sobel
Burrie
Fisher

2. [17-609](#) Adoption of tentative budget for the City of Pompano Beach for Fiscal Year 2017-2018 totaling \$248,938,842.
(Fiscal Impact: \$248,938,842)

Doug Matthes, Pompano Beach resident stated that earlier a slide had showed the Budget as \$266 million and noted that his paper showed \$248 million and asked what is the difference.

Ms. Diamanti explained that is for the EMS budget and that they are adopting the EMS budget separately.

Patricia H. Williams, State Representative District 92, asked why after 4-5 days after the hurricane, there were residents that did not have water or power. She inquired why the money was not used to assist the residents.

Mr. Harrison assured Ms. Williams that they did not lose water in Pompano Beach and that the water was on for every water account they have, unless there was a broken line to interrupt the flow.

Ms. Williams insisted there were residents that did not have water, light and food and if there was money in the reserves for emergency situation she felt some of those funds should have been used to assist the residents.

Mayor Fisher asked Ms. Williams to provide him with all the residents that did not have water, because it would help them to do an assessment.

Comr. Perkins commented that this was something that should have been put in place before the hurricane because they knew it was coming, and the first thing that needs to be done is to accommodate the residents in Pompano. Therefore, it should not have taken 4-5 days for people to get ice or water. Besides, she does not think that the residents received any hot food and those are things the money should have been used for. She expressed that district four has basically been without lights for a longtime. She has been speaking with the City Manager at least 2-3 times a day after the hurricane and there was difficulty getting ice and hot food to the residents. After the hurricane, the residents did not have any money because they used their money for emergency necessities. She said a lot of people were suffering but there is no excuse that ice and hot food should not have been distributed to residents as soon as possible.

Ms. Williams stated that she does not know who was the contact person for Broward County, furthermore, she had the opportunity to speak with one of the representatives who stated that the City of Pompano Beach did not request to have a pod in the City to provide ice and water after the hurricane.

Mayor Fisher clarified that Broward County made Deerfield Beach the staging area for the adjoining cities.

Mr. Harrison explained the reason for doing that was because Deerfield Beach water system was not working.

Ms. Williams stated that as the City's state representative, she would love to sit with each of the commissioners to discuss some of the things that she learnt about that was put in place to assist some residents that were not served.

Vice Mayor Burrie added that she would definitely like to sit down with her. Besides, she represents a district that is not on the City of Pompano Beach water system and if water went out she did not hear about it. She has seen a lot of things throughout the City, which could have been done better.

Comr. Moss mentioned that the idea that District Four was the only district that suffered is a little bit insulting. He said about 40% of Palm-Aire was without power, and for every senior citizen in District Four, there are five in Palm-Aire. There were 88 and 102 year old people living on the 10th floor of a building with no power, so there is plenty of pain to go around.

A motion was made by Commissioner Hardin, seconded by Vice Mayor Burrie, that the Item for Consideration/Discussion be ADOPTED. The motion carried by the following roll call vote:

Yes: Hardin
Moss
Perkins
Sobel
Burrie
Fisher

3. [17-610](#) A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF POMPANO BEACH, FLORIDA, RELATING TO THE PROVISION OF FIRE RESCUE SERVICES, FACILITIES AND PROGRAMS IN THE CITY OF POMPANO BEACH, FLORIDA; IMPOSING FIRE RESCUE ASSESSMENTS AGAINST ASSESSED PROPERTY LOCATED WITHIN THE CITY OF POMPANO BEACH FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2017; APPROVING THE RATE OF ASSESSMENT; APPROVING THE ASSESSMENT ROLL; AND PROVIDING AN EFFECTIVE DATE.
(Fiscal Impact: \$15,854,927.00 in Revenue)

Ms. Diamanti stated the City cancelled the first public budget hearing that was initially scheduled for September 13, 2017 but was reschedule due to hurricane Irma. Based on the Department of Revenues' guidelines staff had to re-advertise for the fire assessment fee. They had initially advertised on August 15 and another advertisement was submitted to Sun Sentinel on September 15th. Also, advertisement was placed by the door of the Commission Chamber, therefore, proper notice was given to the residents that the final adoption of the fire assessment fee will be done at the tentative budget hearing on September 19, 2017.

A motion was made by Commissioner Hardin, seconded by Vice Mayor Burrie, that the Resolution be ADOPTED. The motion carried by the following roll call vote:

Yes: Hardin
Moss
Perkins
Sobel
Burrie
Fisher

Enactment No: RES. No. 2017-314

C. ADJOURNMENT

The meeting was adjourned at 6:49 p.m.

COMMENCE MEETING AS EMS TAXING DISTRICT**TUESDAY, SEPTEMBER 19, 2017****(To commence immediately after the Special City Commission Meeting)**

Mayor Fisher commenced the meeting of the EMS Taxing District at approximately 6:49 p.m.

A. PUBLIC HEARINGS

Ms. Diamanti stated that as mentioned at the beginning of the tentative budget hearing in regards to the EMS budget as well as the EMS millage rate, there are no changes in the EMS millage rate. It remains at 0.5000 for fiscal year 2018 budget.

B. CONSIDERATIONS

1. [17-611](#) Adoption of tentative millage rate for the Emergency Medical Services District for Fiscal Year 2017-2018 at a millage rate of .5000. The proposed millage rate represents a 8.01% increase in property taxes when compared to the rolled-back millage rate of .4629.
(Fiscal Impact: N/A)

A motion was made by Commissioner Hardin, seconded by Vice Mayor Burrie, that the Item for Consideration/Discussion be ADOPTED. The motion carried by the following roll call vote:

Yes: Hardin
Moss
Perkins
Sobel
Burrie
Fisher

2. [17-612](#) Adoption of tentative budget for the Emergency Medical Services District for Fiscal Year 2017-2018 totaling \$17,256,771.
(Fiscal Impact: \$17,256,771)

Predrag Patrick Jovanov, 411 NE 18th Ave, Pompano Beach, FL, stated that he has some knowledge about Pompano Beach Fire Rescue, which he visits once a month with his family. However, he wished to reserve his comments because he does not have permission.

Ms. Penuela asked if the residents have any option on the increase in millage for the City, to which Mayor Fisher explained to Ms. Penuela that the millage she is referring to is pertaining to EMS.

A motion was made by Commissioner Hardin, seconded by Vice Mayor Burrie, that the Item for Consideration/Discussion be ADOPTED. The motion carried by the following roll call vote:

Yes: Hardin
Moss
Perkins
Sobel
Burrie
Fisher

C. ADJOURNMENT

The meeting was adjourned at 6:53 p.m.

Lamar Fisher, Mayor

Asceleta Hammond, City Clerk



City of Pompano Beach

Tentative Budget Hearing

September 19, 2017

How did we get here?

	Time Frame	Time	Meeting	Purpose
Past Meeting	Since 2015	Various	Various	The City Commission and staff were notified that the City must adopt the mortality table used by Florida Retirement System and its impact on FY 2018 Budget.
	January-February, 2017	Various	Budget Kickoff/Department Meetings	Staff began working on the development of the Fiscal Year 2018 Budget.
	May, 2017	Various	*Advisory Board Meetings	To discuss the Five Year Capital Improvement Plan (FY 2018-2022) with four Advisory Boards: Airpark, Parks & Recreation, Golf and Planning & Zoning.
	May 25, 2017	9 a.m.	*May Budget Workshop	To introduce the City Commission to the estimated budget and millage rate. Policy discussions.
	June-July, 2017	Various	Individual Meetings with the City Commission	To solidify the fiscal policies through which the budget would be developed.
	July 17, 2017	9 a.m.	*July Budget Workshop	To discuss with the City Commission the FY 2018 recommended budget and seek Commission direction on the millage rate and fire assessment fee.
	July 25, 2017	6 p.m.	*City Commission Meeting	Adoption of the Proposed Fire Assessment Resolution.
Current	September 19, 2017	5:15 p.m.	*Tentative Public Budget Hearing/Adoption of the Final Rate Resolution (Fire Assessment)	Adoption of the tentative millage and budget Adoption of the Final Fire Assessment Fee.
Future Meetings	September 25, 2017	5:15 p.m.	*Final Public Budget Hearing	Adoption of the Final millage and budget.
	October 10, 2017	6 p.m.	*City Commission Meeting	Adoption of the Five Year CIP (FY 2018-2022). Adoption of Non-Profit Funding for FY 2018.

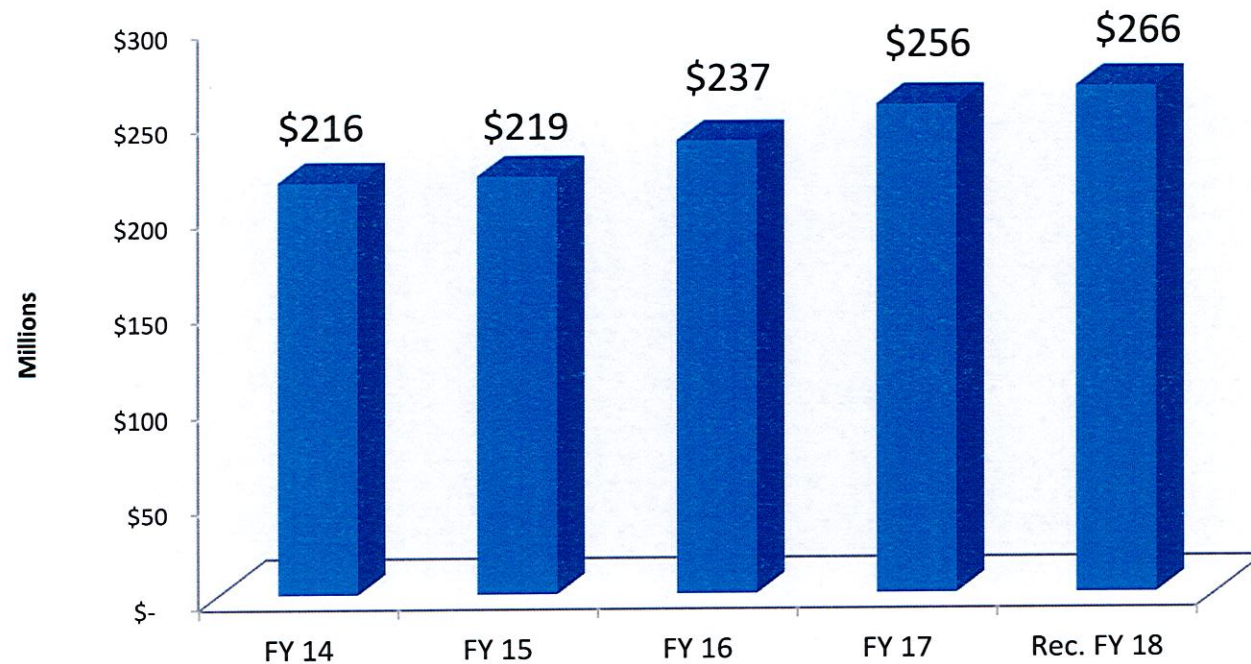
FY 2018 Recommended Budget

\$266,195,613

FY 2018 City Funds Allocation

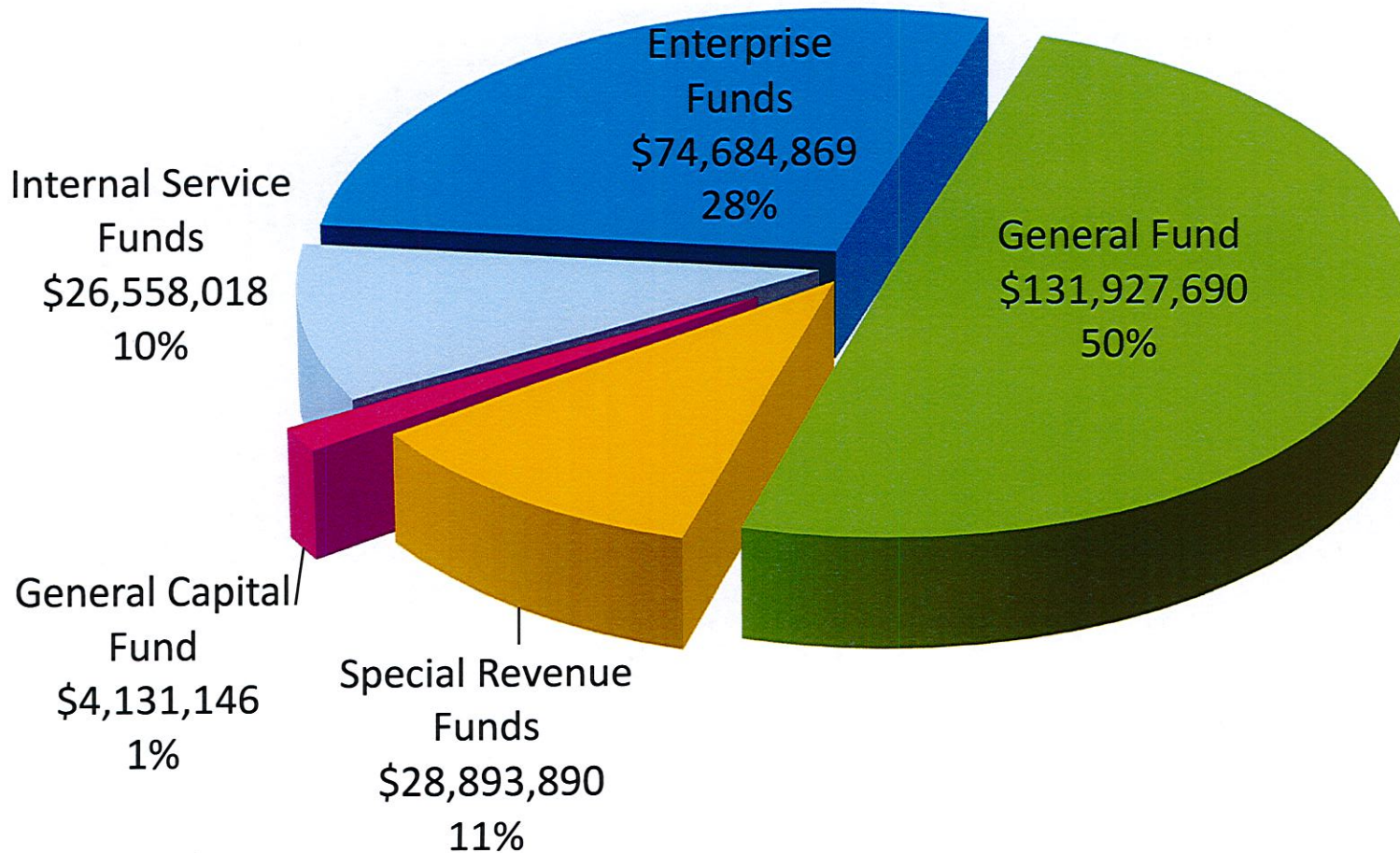
+\$9.9M

+4%



City Funds Allocation

\$266,195,613



FY 2018 All Funds Variances

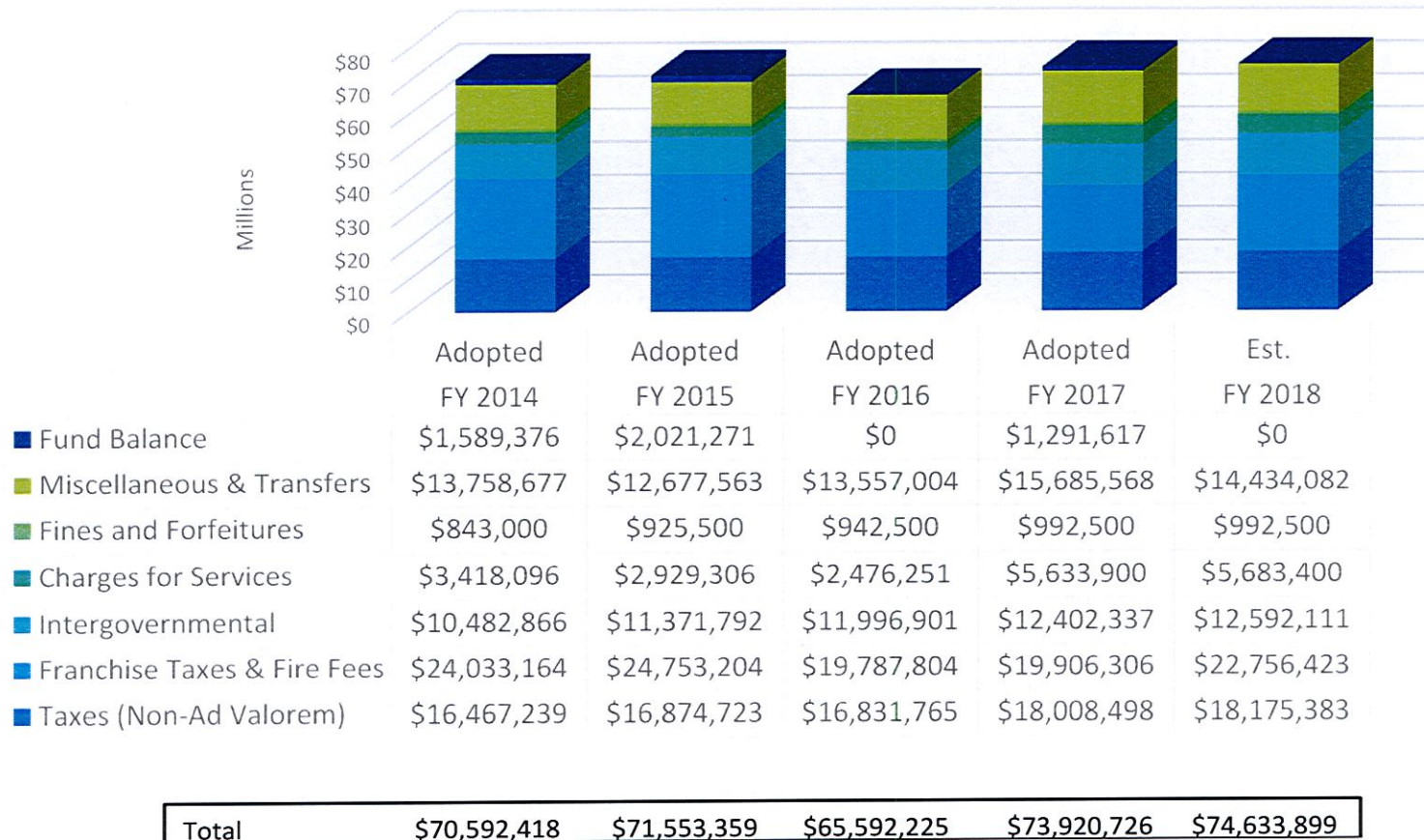
Funds	Adopted FY 2017	Rec. FY 2018	Variance	% Change
Internal Service	\$24,822,631	\$26,558,018	\$1,735,387	7%
Special Revenue	\$25,013,818	\$28,893,890	\$3,880,072	16%
Enterprise	\$70,826,885	\$74,684,869	\$3,857,984	5%
General Capital	\$10,681,743	\$4,131,146	-\$6,550,597	-61%
General	\$124,922,115	\$131,927,690	\$7,005,575	6%
Total	\$256,267,192	\$266,195,613	\$9,928,421	4%

FY 2018 General Fund Variances

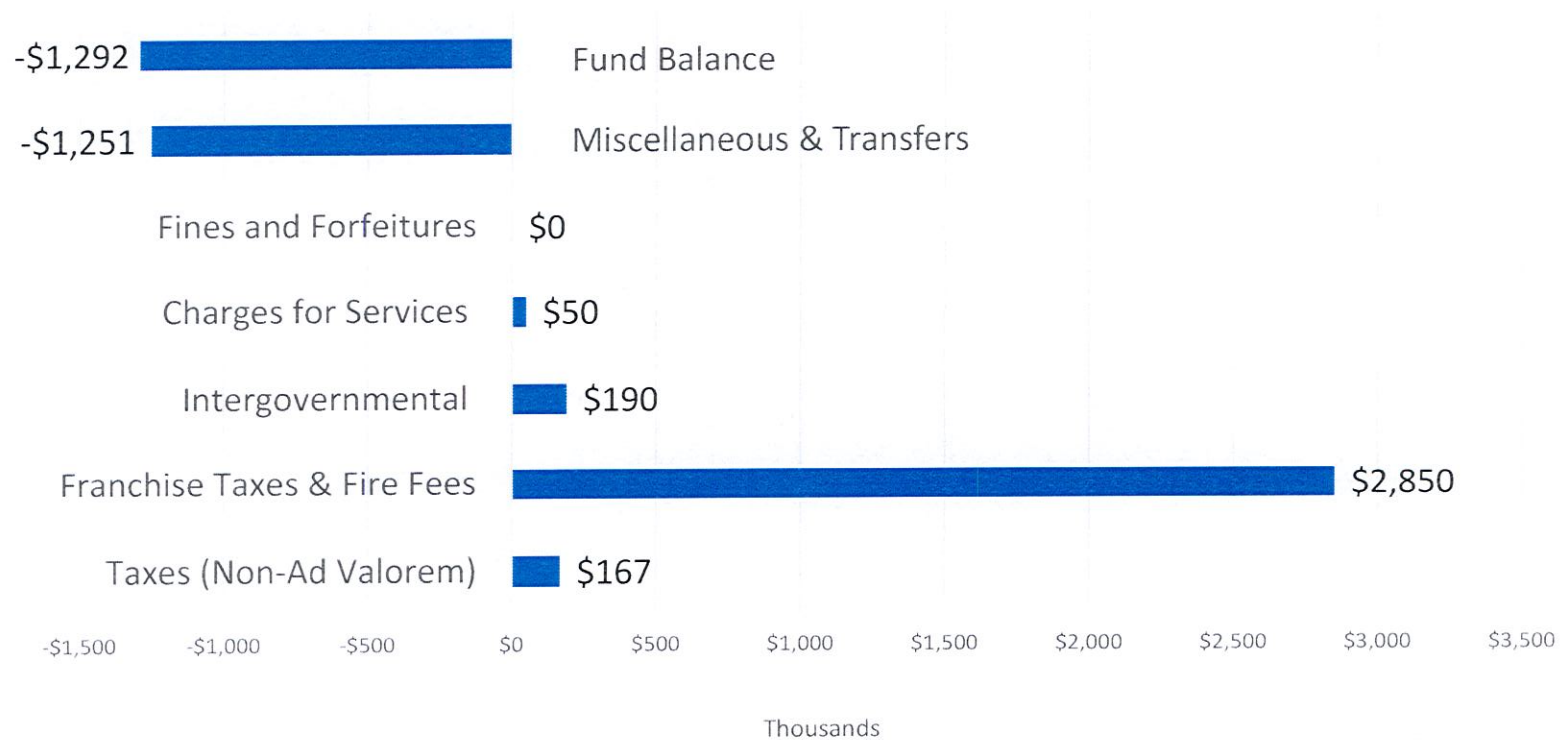
Departments	Adopted FY 2017	Rec. FY 2018	Variance	% Change
General Government	\$10,623,918	\$8,088,073	-\$2,535,845	-24%
Finance	\$2,357,382	\$2,665,126	\$307,744	13%
Development Services	\$4,456,640	\$4,616,001	\$159,361	4%
Police Services	\$41,750,635	\$43,949,349	\$2,198,714	5%
Fire	\$20,720,630	\$22,378,779	\$1,658,149	8%
Public Works	\$17,313,713	\$22,003,205	\$4,689,492	27%
Parks and Recreation	\$11,496,274	\$10,981,201	-\$515,073	-4%
Non-Departmental	\$15,668,979	\$16,435,079	\$766,100	5%
CDBG Admin	\$0	\$317,177	\$317,177	100%
Total	\$124,922,115	\$131,927,690	\$7,005,575	6%

Five Year General Fund Non-Ad Valorem Revenues

+\$713K



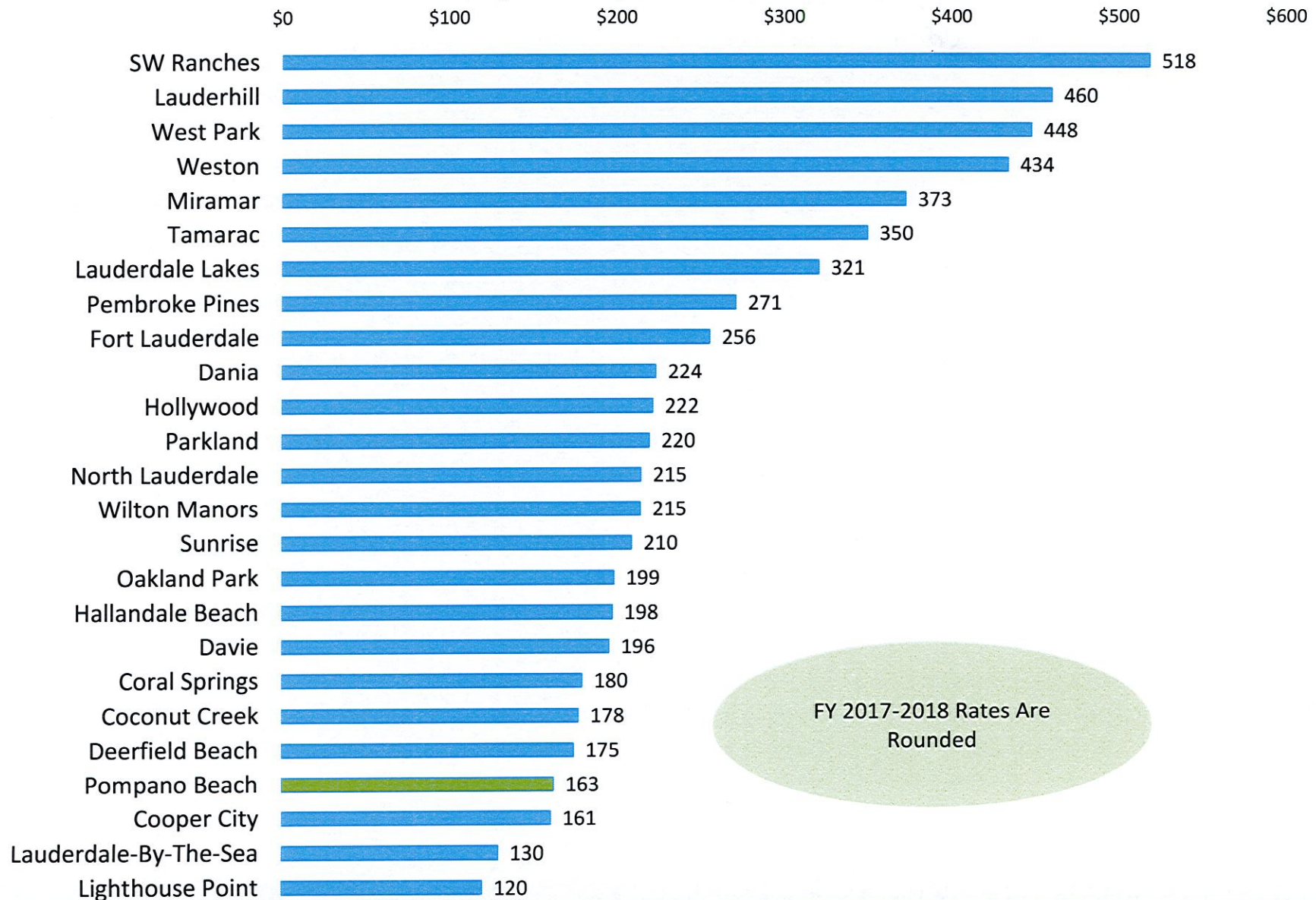
General Fund Non Ad-Valorem Variances



Proposed Fire Assessment Rates

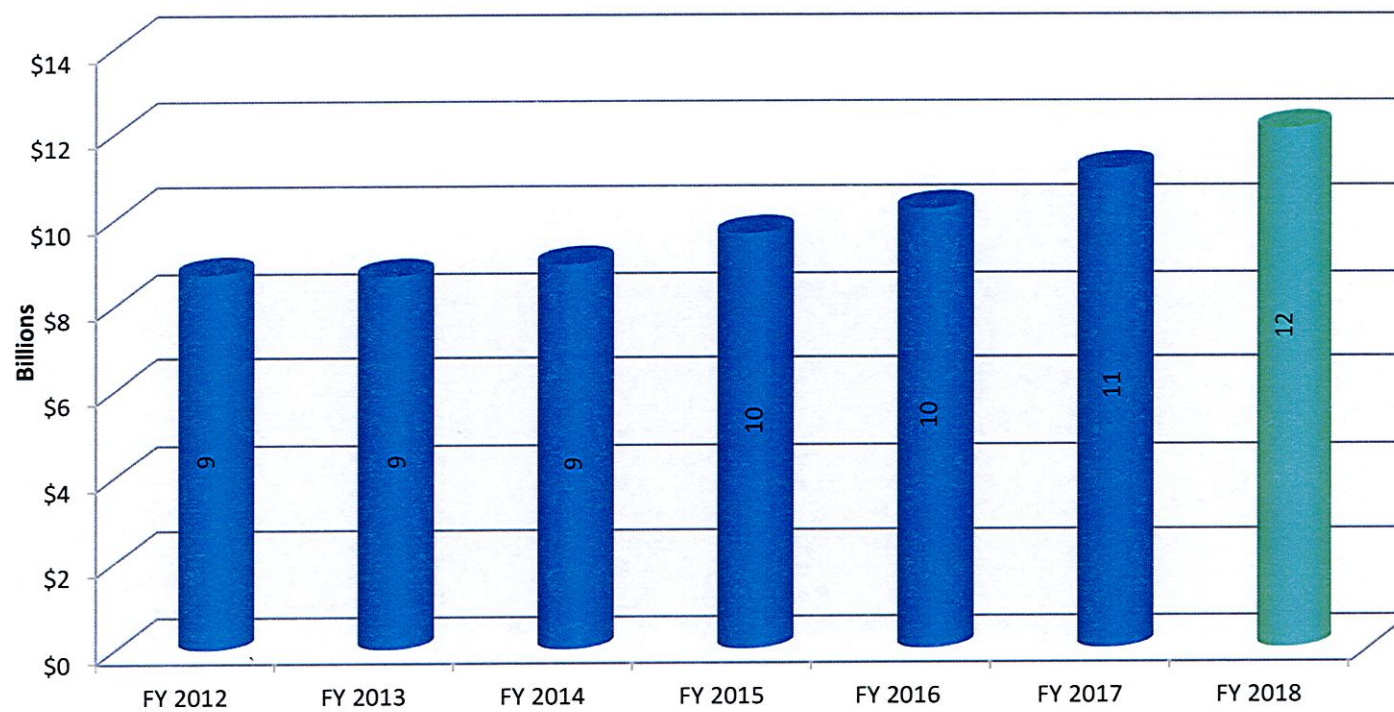
	Rates				Estimated Revenue
	Residential	Commercial	Industrial	Institutional	
FY 2018 Proposed	\$163	\$0.23	\$0.12	\$0.28	\$15,854,924
FY 2017 Adopted	\$134	\$0.19	\$0.10	\$0.23	\$12,382,406

Broward County Municipalities Residential Fire Assessment Rates



Property Values

+ \$967,867,866 +8.7%



General Fund Ad Valorem Revenues Tax Base

FY 17 Taxable Value	\$11,119,957,885
Existing Tax Base Growth	\$834,001,496
New Construction	<u>\$133,866,370</u>
FY 18 Taxable Value	\$12,087,825,751

Net Mill = \$11,489,781

FY 18 Millage Recommendation

FY 18 Estimated Expenditures \$131,927,690

FY 18 Estimated Revenues (Non-Ad Valorem) \$74,633,899

(\$57,293,791)

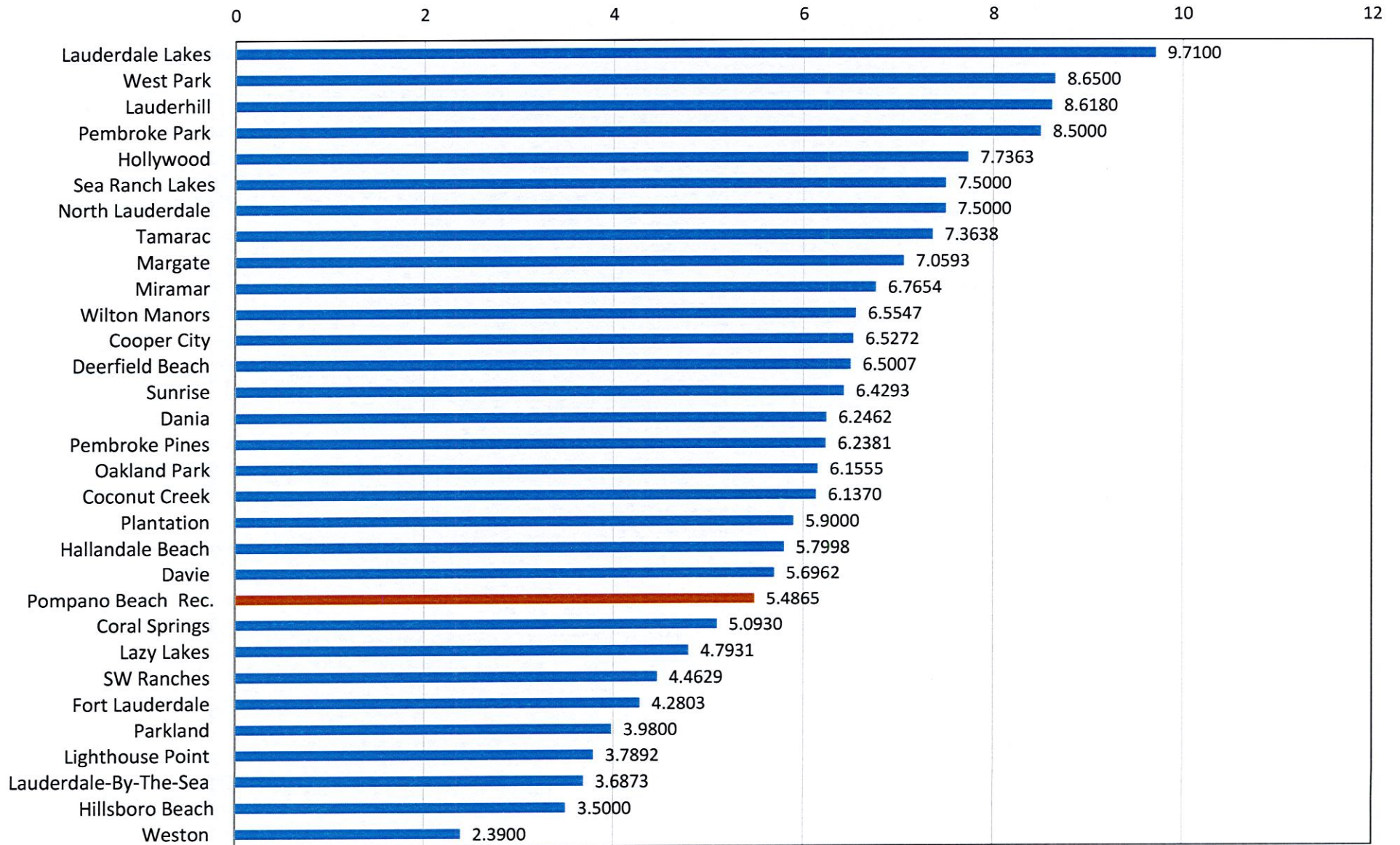
\$57,293,791 (Ad Valorem) / \$11,489,781 (Net Mill)

= **4.9865** (Tentative Millage Rate for FY 2018)

FY 2018 Recommended Millage

	FY 2017 Adopted	FY 2018 Rec.	Variance	% Change
Operating	4.8252	4.9865	0.1613	3%
EMS	<u>0.5000</u>	<u>0.5000</u>	=	<u>0%</u>
Total	5.3252	5.4865	0.1613	3%

Broward County Municipalities Millage Rates



FY 18 Tax Impact



Avg. Value = \$200K SOH

FY 2017

\$803.80

FY 2018

\$822.98

Tax Impact

\$20.18



Avg. Value = \$200K

\$965.04

\$997.30

\$32.26

