

WORKSHOP

2006-2007 CITY OF PARKLAND BUDGET

AUGUST 16, 2006

3:30 P.M.

I PLEDGE OF ALLEGIANCE

CALL TO ORDER

ROLL CALL

Present:

Vice Mayor Tracey McGilvray
Commissioner Jay D. Smith
Commissioner Jared E. Moskowitz
Mayor Michael Udine

Also Present:

Mark Lauzier, City Manager
Caryn Gardner-Young, Assistant City Manager
Andrew Maurodis, City Attorney
Roberta Moore, Planning Director
Dave Carry, BSO Police Chief
Jim Berkman, Public Services Director
Sandra Couzzo, City Clerk

II PURPOSE:

1. DISCUSSION: 2006-2007 CITY OF PARKLAND BUDGET

Mayor Udine introduced City Manager Lauzier to present the budget.

PARKLAND CITY COMMISSION WORK SESSION MINUTES

AUGUST 16, 2006

PAGE 2

Mark Lauzier, City Manager, gave a power point presentation outlining the budget. He stated that the goals inherent in the formulation of the budget are to balance the budget as per state law, keep

the millage rate neutral or allow for a slight decrease, maintain the operating reserve and continue the commitment to capital improvement projects.

Mr. Lauzier continued by explaining the seven policy items covered within the budget: millage rate at 3.95, which represents a slight reduction of 1.5 from last year, no change in fire assessment, address critical needs, complete capital projects, and address existing issues without increasing revenues. The budget also includes Public Safety expansion for next year: the western fire station and a fourth patrol zone. Both will begin in April, 2007. There are also provisions for the expansion of support services at the parks, a 3% cost of living pay adjustment and adjustments indicated by the pay and classification plan. Mr. Lauzier also suggested they can use any extra funds in the CIP to begin Phase III of Pine Trails Park.

The City Manager did a five year financial analysis, including a review of the impact of a franchise fee. There is no electric utility franchise fee in the current budget. He did extensive analysis of neighboring city tax rates and found that Parkland is sixth highest out of 31 cities. If they eliminate the very small municipalities, then Parkland is third highest; the top two are by the water. However, if they sort by millage rate, Parkland is near the bottom and if they sort by total taxes, Parkland is at the top.

Mr. Lauzier suggested that there should be a distinction between general fund and capital outlay. Going forward, the millage rate should not be used for the CIP.

Mr. Lauzier stated that, currently, Parkland is the only city without the franchise fee. If they choose to institute this fee, the revenue can be used to finish out the capital program. It is also recommended that they not spend general revenues that everyone is paying only in specific neighborhoods. They can't create an inequitable funding system with general funding, so they need to start thinking about how they will finance water management projects. Total budget recommendation is \$44,026,000 minus \$450,000 in the general fund due to the purchase of the fire truck in the current fiscal year.

The City Manager explained where the revenue comes from: 61% are taxes, including utility tax, electricity and communication service tax. These are sources of tax revenue that everyone pays. Licenses and permits from planning, building and environmental are all self supporting. Additional funds come from fire assessments and service charges (i.e. park and recreation fees).

Mr. Lauzier gave a summary of the expenditures. Parkland collects taxes totaling \$12.8 million, of that \$8 million goes to public safety; \$3.5 million is allocated for maintenance and \$2.5 million for leisure and library. There is not enough tax revenue to meet all the City's obligations.

PARKLAND CITY COMMISSION WORK SESSION MINUTES

AUGUST 16, 2006

PAGE 3

Mr. Lauzier continued by saying that the City's growth rate for the past year is 18%. The four year average growth rate is 20%. Leading economic indicators usually lag two years behind for a municipality, so they won't see a marked slow down in the growth rate for two years. He projected a 15% growth rate for next year.

Mr. Lauzier showed the budgeted 15.6% increase of the total budget from last year for all funds. The increase in the general fund was 5.6% after taking out the fire truck. The amount budgeted for the general fund is \$21,033,000. Contractual obligations consist mostly of BSO and the Fire Department.

Mr. Lauzier stated that there is an increase in operating expenses, mostly caused by an increase in insurance costs; up about \$350,000.

The City Manager said that due to low ridership of the community bus they are recommending discontinuing services at end of the fiscal year. In addition, it is not environmentally sound.

Mr. Lauzier reviewed budget increases by department from the prior year.

Mr. Lauzier stated that the increase in the City Commission's budget was due to the general insurance allocation.

Mr. Lauzier further explained that the increase in the City Manager's budget is part of an organizational change. They split Audrey's position into two positions, the City Manager's Executive Secretary and the Commissioners' Assistant, and Ms. Gardner-Young was moved to the City Manager's Department. Staff includes the City Manager, Assistant City Manager, Executive Secretary, Commissioner's Aide and Community Services Specialist.

Mayor Udine commented that this change reflects an initiative from the Commission last year to add staff.

Mr. Lauzier continued to say that the increase in the Finance Department's budget reflects two recommended enhancements: first, they switched to ADP for payroll; second, they upgraded a part time position from 30 hours to 40 hours a week. They are currently doing an RFP for technical support and have narrowed it down to three firms. IT upgrades are included in the capital program. The net effect is a minor decrease in expenditures.

Next, Mr. Lauzier explained that the changes in the Human Resources budget are attributed to significant insurance increases as well as pay and class adjustments.

The City Manager stated the only changes in the attorney's fees represent \$25,000 for the special master.

PARKLAND CITY COMMISSION WORK SESSION MINUTES

AUGUST 16, 2006

PAGE 4

Mr. Lauzier reviewed the budget for Planning and Zoning. Operating increases are due to updating the comprehensive plan, a significant increase in contractual services and advertising budget. They are also recommending an additional planning position which came from a study to alleviate the bottle neck in plan review.

Mr. Lauzier stated that the Building Department's budget reflects general operating increases due to two primary reasons: first, enhancement of on line software, which will enable residents and contractors to make appointments and check the status of their projects; and second, an enhancement for overtime. The Building Department requested additional people but with the economic slow down it may not be necessary, so overtime was offered instead.

Mayor Udine asked how the City is planning on advertising the new permit connection software.

Mr. Lauzier responded that they will put the information on the web site, print fliers and ask the Building Department employees to promote the new software.

Mr. Lauzier reviewed the budget for Environmental Resources. There is beautification money in the CIP instead of the general fund. He recommended a second code enforcement officer to deal with issues in Pinetree, Ranches, etc., especially as they change the ordinances. This will allow Mr. Archer to focus on major projects grants, parks, landscaping and entry ways.

Mr. Lauzier advised the Commission that the Engineering portion of the budget summary was obsolete; he is now recommending position changes which will cost significantly less.

Mr. Lauzier stated the City Clerk's budget has no major increases aside from the pay and class study.

Mr. Lauzier said that the police services budget reflects a 5% contractual increase plus half a year of a new patrol zone. Most of the increase is for the additional patrol zone for half the year; the additional small increase is for school crossing guards. The Fire Department budget is \$1.3 million which includes an additional station mid year.

Mayor Udine asked if the amount includes grant reimbursements.

Mr. Lauzier responded that it was not budgeted right now; however it is in the projection for 2008-2009.

Vice Mayor McGilvray expressed concern about the need for the fourth patrol zone. She said that crime is down, the real estate market is slow and the schools' completion date is pushed back. She asked if the new station could wait until next year.

PARKLAND CITY COMMISSION WORK SESSION MINUTES

AUGUST 16, 2006

PAGE 5

Mr. Lauzier replied that he spoke to the Chief Carry, who supplied him with a Memorandum of Justification which is in the back of the budget book. The Chief believes because of size of the zones and the population of Parkland, he is comfortable with this recommendation. In 1995, the population of Parkland was 8,800 people and there were three zones. The current population plus the impact of the commercial development on 441 and anticipated commercial development in Parkland Village and the corner of University and Trails End necessitates the addition of a fourth

zone. In addition, they use police for school zone enforcement, directing traffic at the corner of University and community oriented policing.

Mayor Udine asked about the percentage change in crime between 2003 and 2004.

Chief Dave Carry explained that the increase in population skewed the percentages. One concern is the increase in commercial areas. Also, with the decrease in unincorporated areas around Parkland, there are fewer opportunities for outside back up. He does not want the crime rate to increase. Major business thoroughfares naturally cause increases in crime. He also wants to maintain response time. The increase in population has made Holmberg Road very difficult to transverse.

Vice Mayor McGilvray asked Chief Carry, given the new school and population growth, if he anticipated needing five patrol zones down the road.

Chief Carry responded that in two years they may need five patrol zones. This does not include the impact of annexation.

Mr. Lauzier continued by discussing changes in the library's budget. They made a part time employee a full time employee and included a conversion of the genealogy space into library space.

Mr. Lauzier next reviewed the parks maintenance budget. When they developed the Leisure Services Division, two positions from parks maintenance were eliminated and added to the Leisure Services Division, which is why parks maintenance shows a decrease. Money was moved from parks maintenance to leisure support to support this change. They also planned to contract out for median landscape maintenance.

Mayor Udine asked about defibrillators at the parks.

Mr. Lauzier suggested they get input from EMS as to where to locate defibrillators so they are easily accessible to anyone using park.

PARKLAND CITY COMMISSION WORK SESSION MINUTES

AUGUST 16, 2006

PAGE 6

Mr. Lauzier discussed the budget for the recreation programs. He stated that all programs are fully fee supported; excess fees go to labor and City Hall overhead.

Mayor Udine asked if there should be a different fee structure for non-residents.

Mr. Lauzier stated they will eventually need more money to institute new programs once the Community Center opens. This will be reflected in next year's budget.

Vice Mayor McGilvray suggested that they continue to look into corporate sponsorships.

Mr. Lauzier stated that the hurricane reserves are \$1,575,000.

Commissioner Moskowitz asked what would happen if there are no hurricanes next year.

City Manager Lauzier replied that the money would go back into the fund balance. If there is extra money in the budget, they can put it in reserves, capital improvement or allocate as the Commission sees fit. He explained the impact of FEMA fees and discussed how difficult it was to predict because FEMA was constantly changing the rules.

Mr. Lauzier explained the contributions and sponsorships budget line. There are three ongoing programs that the City funds: AAA (Area-wide Agency on Aging), Women in Distress and Family Central, and staff recommends meeting these requests, which total about \$6,000.

Mayor Udine stated that all three of these agencies offer services in Parkland.

Mr. Lauzier said that Broward Crime Commission also sent in a request for a contribution; however, he is not familiar with this agency.

Mayor Udine recommended keeping an additional \$1,000 in that line in the budget in case something comes up during the year.

City Manager Lauzier stated that the operating millage rate will be 3.95.

Vice Mayor McGilvray asked that they update the assessment for Terramar renovations.

Mr. Lauzier said he wants to work on improvements in the parks and hire a consultant to work with Scott Davidoff to set priorities and fund as necessary.

Vice Mayor McGilvray suggested the City institute a franchise fee, which can create enough revenue to support a bond for park improvements.

PARKLAND CITY COMMISSION WORK SESSION MINUTES

AUGUST 16, 2006

PAGE 7

Mr. Lauzier stated that \$22.9 million is budgeted for capital improvement projects, which reflects an increase of 6.2%, for projects such as: the public works facility construction, land use and zoning, possibly purchasing the land adjacent to the new public works facility and designing two fire stations this year to be built next year. Anticipated projects for 2008 include building the fire stations, finishing the community center and staffing at the community center.

Mayor Udine asked if there were funds provided for wedge acquisition issues.

Mr. Lauzier replied that there were funds available for parks, master planning and wedge acquisition issues. He informed the Commission that the budget hearing dates were scheduled for September 14 and 25 in addition to a presentation to citizens at 7:00 that evening.

Mayor Udine opened to the Commission for questions.

Vice Mayor McGilvray asked about the status of the water system improvement program.

Mayor Udine agreed it needs to be modified. He suggested the City analyze the costs of the fire hydrants and water service as compared with the fire hydrants as an add on.

Mr. Lauzier said that Coconut Creek has a main water line on Holmberg Road and they are looking at connecting service. He recommends asking providers to give cost estimates to the City.

Vice Mayor McGilvray asked for an explanation of the Holmberg Road expansion.

Mr. Lauzier said that it would include three lanes, the median and utility expansion.

Commissioner Moskowitz asked that the City purchase satellite phones in order to maintain communication during hurricanes. He also suggested that the City begin to plan their road improvement projects.

Mr. Lauzier stated that he will be presenting funding options to the Commission for paving roads. They are trying to create a scenario in which the City pays less than 50% of the project. They have already taken the first step by completing a right-of-way map.

Commissioner Smith asked why such a large percentage of the budget is dedicated to parks and if they would be done in one year.

Mr. Lauzier replied that phase two of Pine Trails Park will be completed in one year.

Mayor Udine thanked Mr. Lauzier for an excellent budget presentation. He asked for a memo to be compiled listing the status of WCI's projects that they owe the City.

PARKLAND CITY COMMISSION WORK SESSION MINUTES

AUGUST 16, 2006

PAGE 8

Jim Berkman, Public Works Director, is working on the sidewalk project. They will be piggybacking on a similar project in Weston and will be presenting the details to the Commission in September.

Mayor Udine stated they need to be vigilant in the State's desire to raid local taxes, i.e. for the satellite fees. He also warned that Save Our Homes portability could be a huge problem for the local municipalities. The Mayor thanked City Hall staff for putting the budget together.

Commissioner Smith also thanked everyone.

III ADJOURNMENT

Motion made by Commissioner Moskowitz to adjourn the meeting at 5:18 p.m. Seconded by Vice Mayor McGilvray.

Motion passed unanimously.

ATTEST:

SANDRA COUZZO, C.M.C.
CITY CLERK