



Life's Just Better Here

**MINUTES OF THE
BUDGET REVIEW COMMITTEE
CITY OF WILTON MANORS
CITY COMMISSION CHAMBERS, CITY HALL
2020 WILTON DRIVE
WILTON MANORS, FLORIDA 33305
THURSDAY, JULY 12, 2018 – 6:30 P.M.**

Committee Members	Attendance	Cumulative Attendance	
		P	A
Sal Torre, Chair	P	3	0
Mark Freeman, Vice Chair	P	3	0
Jon O'Connor, Secretary	P	3	0
Van Gosselin	P	3	0

City Staff

Leigh Ann Henderson, City Manager
Pamela Landi, Assistant City Manager
Bob Mays, Finance Director / Staff Liaison
Carol Conol, Assistant Finance Director
Faith Lombardo, City Clerk
Roberta Moore, Community Development Services Manager
John Anderson, Information Technology Manager
Brigitte Chiappetta, Recording Secretary, Prototype, Inc.

1. Call to Order

Chair Torre called the meeting to order at 6:30 p.m.

2. Roll Call

Roll was called at this time.

3. Public Comments – Limited to 3 Minutes

None.

4. Individual Department Budget Reviews

The following Item was taken out of order on the Agenda.

B. City Clerk

Assistant City Manager Pamela Landi recalled that the previous year, the City had considered moving to a new software vehicle for better tracking; however, they

ultimately determined that platform was not the best option. Since that time, City Clerk Faith Lombardo has assisted with the development of a contract tracker, which keeps track of the provisions of contracts and ensures that contract managers are aware of when certificates of insurance will expire.

Ms. Landi advised that State law requires the retention of certain documents according to a schedule. When it was determined the software did not meet the City's needs, it was discontinued and they instead created an in-house internal tracking system that does not require software.

City Clerk Faith Lombardo stated that within the last five years, paper documents can be scanned into an electronic system, which allows Staff to discard the paper copy. She noted, however, that because electronic documents do not take up physical space, they are typically retained for an even longer time.

Ms. Landi continued that the previous year's budget included approximately \$10,000 for temporary administrative assistance to help with scanning documents. The City is continuing this process into fiscal year (FY) 2019. It was estimated that the process is three to five years from completion. Finance Director Bob Mays noted that these funds appear under the Contractual Services line item, which covers records retention.

Ms. Landi noted that Ms. Lombardo's office also successfully serviced elections for the City, which includes several administrative requirements. They will oversee the 2018 elections in November. Other future plans include implementing a pilot project for closed captioning of livestreamed City Commission meetings, as well as integration of the agenda management and web hosting platforms.

Vice Chair Freeman requested clarification of what is required for elections. Ms. Lombardo explained that most funds for elections go toward the cost of ballots. The City pays a portion of this cost to the Supervisor of Elections based on voter turnout. This amount is typically estimated at or near \$5000. The City Clerk's Office is also responsible for candidates' filings and treasurer reports.

Ms. Landi added that the City Clerk's Office also plans this year to standardize and update the requirements of City advisory bodies. They will implement a cloud-based software system for social media retention, as the City is responsible for all posts on its social media pages, not only posts created by the City itself. These records are retained for a required amount of time so they can be provided if a request is made for them. Posts and comments are considered part of the public record and must be backed up. Social media outlets include Facebook, Twitter, Instagram, and a YouTube page.

Mr. Gosselin asked if social media backup creates significant costs or additional work. Ms. Landi replied that a company oversees social media archiving. City Manager Leigh Ann Henderson further explained that while some new programs make staff time more

efficient, this program does not reduce work for staff, as the implementation of new modules and tools can result in the use of more staff time. The social media contract is listed under Contractual Services and costs roughly \$3600.

A. Community Development Services

Community Development Services Director Roberta Moore reported that this Department encompasses four separate divisions, with several projects currently underway.

Mr. Gosselin asked if there has been consideration of creating a checklist for residents so they can determine what is needed in advance. Ms. Moore replied that the Department provides concierge service for the business community when they are going through the public hearing, site plan approval, or other processes. Checklists are available online and are specific to each type of application that can be submitted. A list of all checklists available is posted in the lobby and on the website. If a permit is denied twice, it is recommended that applicants schedule an appointment with staff to discuss what is needed.

Chair Torre pointed out that the line items for Professional and Contractual Services are not consistent with previous years. Ms. Moore replied that Contractual Services includes C.A.P. Government, which oversees building services. Fees were also increased in October 2017, resulting in a differentiation of fees to which C.A.P. Government is entitled based on the City's contract. Professional Services included re-evaluation of certain projects with which the City would like to move forward.

Chair Torre asked if preparations for the 2020 U.S. Census are underway. Ms. Moore confirmed this, stating that outreach to the community has begun to encourage residents to participate. The City has begun meeting with the Census Bureau.

Chair Torre also noted that the request for Economic Development is significantly greater for FY 2019. Mr. Mays reviewed the budget, including the following line items:

- \$20,000 for the Business Investment Grant program
- \$2000 for promotional items
- \$35,000 for an economic development consultant, with an additional \$25,000 for this consultant budgeted from the Parking Fund
- \$25,000 for the Master Plan for future use of City Hall property
- \$20,000 for business expansion
- \$15,000 for the Economic Development Task Force
- \$10,000 for the solar program
- \$5000 for additional implementation of the Economic Development Strategic Plan

Chair Torre asked if there were items the Department would have liked to include that were ultimately not requested as part of the FY 2019 budget. Mr. Mays clarified that all line items remain, but with reduced amounts from the original budget request. While the previous year's Economic Development budget was \$106,000, Mr. Mays pointed out that funds were carried over from the previous year.

Mr. Gosselin observed that the total Departmental budget has been reduced by approximately 12%. Mr. Mays stated that the previous year's operating budget was \$680,000, while the proposed budget for this year is \$775,000, with the greatest increase coming in contractual services related to building plan review.

Mr. Gosselin continued that judging from the amount spent thus far in the current year, last year's allocation was sufficient. Ms. Moore confirmed this, adding that invoices have not yet come in for all major projects that are underway.

Chair Torre addressed revenue sources connected to the Community Development Services Department. Mr. Mays advised that these projections are based on the current year's actual revenue. The existing fee structure is not expected to increase over the coming fiscal year. Building permit revenue for the current fiscal year is estimated at \$646,000. He characterized the budget for FY 2019 as conservative in light of this amount.

Mr. Gosselin asked if all vacation rental properties of which the City is aware are registered. Ms. Moore confirmed this, but pointed out that Code Compliance and the Police Department actively work complaints and new properties continue to come to light.

Chair Torre asked if wayfinding is expected to be complete during the next fiscal year. Ms. Moore replied that the City is still working with its consultant to finalize the location of wayfinding signage. \$100,000 is expected to be carried forward from the current year's budget for this expense.

Funding for a proposed rail station is in a separate assigned fund and is not available to be spent for any other purpose. Chair Torre clarified that these funds were committed as a sign that the City was interested in the development of a rail station in Wilton Manors.

C. Fire Department

Mr. Mays stated that the overview of the budget shows the City's estimated fire assessment fee. Since that time, they have received the final version of an assessment study, which returned slightly different figures. \$2.2 million of the Fire Fund's budget is collected through fire assessment fees. This year's figure is roughly \$4000 more than the previous year. Costs are determined in part by the percentage of non-Emergency

Medical Services (EMS) responses to residential properties as opposed to commercial or other properties. All EMS costs are included in the General Fund.

Mr. Mays continued that the City plans to reduce the exemption for tax-exempt properties from 80% to 65%, which means tax-exempt properties will pay an additional 15% toward the fire assessment fee in the next year.

An interfund transfer has occurred since 2003 between the Fire Assessment Fund and the General Fund. This transferred amount is being intentionally reduced for the second year, with the intent that there will be no such transfer in future years. This is because the City feels transfers of this nature should only come from the Enterprise Fund.

Mr. Mays noted that over the last two to three years, major improvements have been made to the Fire Station building, which is an older structure. He pointed out that most of the necessary renovations have already been completed. The Fire Department's single vehicle is 12 years old.

D. Information Technology

Ms. Landi provided an overview of the Information Technology (IT) Department, which has two full-time employees as well as an IT consultant. Since the previous year, the Department has made the following upgrades:

- Implementation of wireless access and camera system at Island City Park Preserve
- Reconfiguration of IT infrastructure at the Utilities building
- Replacement of 23 computers
- Addition new backup server for Police Department in-car cameras
- Selection of IT consultant
- Routine Florida Department of Law Enforcement (FDLE) audit, including certification and training
- Assistance in installation of wireless secure in-car Police Department video upload to remove Officer involvement in the upload of evidentiary video
- Decommission of all Windows 2003-supported operating systems
- Re-installation of wireless access points at the library, Hagen Park, and Richardson Historic Park after Hurricane Irma
- Reorganization of server room and improvement of firewalls
- Initiation of infrastructure assessment in preparation for a long-term IT Strategic Plan

Information Technology Manager John Anderson characterized the IT architecture and security as solid, stating that penetration tests are done as part of yearly compliance. Testing determines where strange traffic is coming from; the system blocks intrusions and only allows output, which provides for a very secure network. There are 21 servers

at present, including one server dedicated to Police Department video. As this Department becomes more active, more video is recorded and must be stored for a certain time frame. There are four physical servers, one of which is dedicated to backup.

Mr. Anderson continued that the City currently runs Windows 10 on its laptop and desktop computers. The equivalent server to this system is Windows 2012. One Windows 2003 server remains, although it is powered off. This server can be powered on to access certain Police records if necessary.

Ms. Landi stated that the proposed budget for FY 2019 includes an upgrade to communications systems in the emergency operations center (EOC), as the existing system was proved to be unreliable following Hurricane Irma. The IT Department will continue to assist with the evaluation of body-worn camera systems. She will continue to evaluate budgetary efficiencies associated with understanding the City's software needs. Systems with server room redundancies will continue to be upgraded. An infrastructure life cycle management system will be implemented, based on the results of the completed infrastructure assessment. This is expected to be similar to the personal computer replacement system.

E. City Commission, City Manager, and City Attorney

Ms. Henderson advised that there are few changes in this category, as these salaries are established by Ordinance and have not been updated in several years. Memberships include participation in organizations such as the Florida League of Cities and Broward League of Cities. The budget for meetings and conferences are established by asking the City Commission which events would be helpful to them. The Commission has not yet had an opportunity to address this proposed budget as a group due to considerations of the Sunshine Law.

Ms. Landi stated that the City Manager spends most of her time implementing a vision of service for the rest of the City organization. Goals include maintaining accessibility and a high level of service, as well as strategic planning for the future. Because the coming year is likely to be on the cusp of declining revenues, the focus throughout City Departments is on economic development through improved infrastructure, branding, and beautification. These elements will help attract new investment and improve the value of existing investments.

Accomplishments by the City Manager's Office in the past year include:

- Improving/shortening the Town Crier, resulting in savings of nearly \$20,000
- Maintaining the City's 100% rating by the Human Rights Coalition
- Applying to be an Age-Friendly Community as recognized by the American Association of Retired Persons (AARP) and World Health Organization (WHO)

- Increasing the City's direct message capacity through the Code Red system and through social media
- Marketing the City to key tourism audiences through economic development partnerships and social media outreach
- Completed a residents' satisfaction survey and created a municipal greenhouse gas inventory

Plans for the coming year include continued efforts to attract businesses to the City, increasing the tax base through thoughtful development, and enlarging the City's sense of place and small-town atmosphere. The City is working closely with its economic development consultant toward these goals. Gateway signs are expected to be installed during the coming year.

The City is working on a Site Master Plan for the City Hall property, as well as partnering with the Improvement District to oversee construction on Wilton Drive. They plan to implement a construction mitigation program, which will offer tools to businesses located on Wilton Drive during the construction phase. The City's Strategic Plan will be updated, and Staff is working to complete a Joint Climate Action Plan with the city of Oakland Park. An Action Plan will also be created to determine the processes necessary to be recognized as an Age-Friendly Community.

Chair Torre asked if the streetscape portion of the Wilton Drive project would be funded by the City. Ms. Landi replied that a consultant has been engaged, and has reduced their price substantially for the design phase, with the understanding that there will be a second phase. There is \$20,000 in the budget for this purpose. No funding is currently budgeted for capital improvements associated with this project. Construction of the street portion will take approximately one year, and work may not begin on the landscaping portion until the roadway complete.

Chair Torre continued that he found the response to the residents' survey to be disappointing, considering that there was significant outreach by the City. Ms. Landi stated that the next such survey will be offered online as well as on paper.

Chair Torre requested more information on items in the capital improvement budget. Ms. Henderson advised that a right-of-way renovation project could be included under a different department. The City hopes to use this area to create a sense of place. It is listed under this department because they are managing the streetscape portion of Wilton Drive. Funds are intended to help with demolition, design, and clearing of the site. Although the Leisure Services Department would oversee the maintenance of this parcel, it is not currently included in the maintenance budget for park space.

Mr. Mays estimated that the budget increase for the City Attorney's Office came to approximately 6%.

F. Non-Departmental

Mr. Mays continued that this category includes three account categories:

- Non-Departmental activities, such as contributions to private organizations
- Contributions to the Capital Replacement Plan
- City Hall debt service

Chair Torre asked how IT line item expenditures are divided among various Departments. Mr. Mays replied that these line items from the IT Department and City Hall are added together; the IT budget is then reviewed to determine if these specific line items are directly related to other Departments. If there are direct charges, these charges will be allocated to the appropriate Departments. The remaining charges are allocated proportionally to other Departments using a combination of the current year's budget, the previous year's budget, and the assets of that Department or fund. The assets of City Hall are determined according to their expenditure line items in the General Fund.

G. Finance Department

Mr. Mays stated that this Department will require an actuarial evaluation in FY 2019. The City allows its retirees to purchase health and/or dental insurance through the group plan: by doing so, these individuals pay a premium that is lower than what they would pay in the general marketplace. The Governmental Accounting Standards Board (GASB) states that the City must count the difference in these costs under "other post-employment benefits." Because the retirees pay these costs themselves, the City does not subsidize any payments and it has no effect on the budget.

Mr. Mays continued that the City hopes to provide more online payment capabilities for residents in FY 2019. This would affect building permit and parks and recreation fees, among others. There are several different payment methods involved, as there is no single provider for these platforms.

H. Parking

Mr. Mays reported that parking revenue has been very strong over the last two years. The proposed budget includes a new line item for ride-sharing incentives, which seeks to address the lack of available weekend parking during the tourist season by allocating funds to pay a small credit toward ride-sharing services used by individuals coming to the Arts and Entertainment District. While all details of this program have not yet been determined, he noted that similar systems are in use in other towns. The intent is to spend a small amount to relieve congestion rather than spending a large amount toward an additional parking lot or structure.

Mr. Mays continued that there are ongoing discussions with bar owners regarding the use of spaces in front of their businesses as a staging area for centralized valet service. This would allow users to go anywhere in the City, not just to those businesses. The owners are asked to bring forward an agreement, and the City would work with them if it is acceptable.

Chair Torre requested clarification of an interfund transfer of \$25,000. Mr. Mays replied this is intended to help fund the wayfinding program.

I. Revenues

Assistant Finance Director Carol Conol advised that in the previous fiscal year, most consumer-driven revenue items were projected to increase by 1%-2%. This is expected to improve to a 3% increase, or \$24,800, in FY 2019. Most of this revenue is brought into the General Fund through ad valorem taxes. One new item in FY 2019 is a franchise fee for the waste management contract, which is recorded under the General Fund.

The City's main source of revenue, assessment fees, is estimated to increase by \$26,000, or 0.95%. The fire assessment fee has changed only slightly. Grant funds budgeted for this year include Community Development Block Grant (CDBG) funds, Broward Marine Law Enforcement Grant (MLEG) funds, and \$1 million from the Broward Metropolitan Planning Organization (MPO) for road improvements.

The Water and Sewer Fund revenue estimate has decreased by \$55,927, with projected revenues for water and sewer services decreasing by \$487,811. These changes are primarily due to the net decrease in water and sewer rates. Average residential customers can realize monthly savings of \$2.59. A 5% increase in stormwater fees is proposed for FY 2019.

The total revenue estimate for the Recycling Fund has decreased by \$323,000 due to franchise fees. It is now being accounted for under the General Fund. Garbage and recycling service fees remain the same. The Parking Fund is expected to increase by \$154,000, primarily due to projected volume.

Chair Torre asked if the Supreme Court ruling allowing states to collect taxes on internet sales was expected to have any effect on the City. Mr. Mays replied that this would depend upon the State Legislature's response.

Chair Torre also requested additional information on transfers into the General Fund from the Water/Sewer, Fire, and Recycling Funds. Mr. Mays explained that this is the last year of a three-year transition period: no transfers of this type are expected next year. The policy was created because Enterprise Funds, which include parking, fire, water/sewer, and recycling, were expected to make contributions to the General Fund.

All parking monies remained in the Parking Fund, except for \$25,000 allocated for a specific parking-related purpose. The Drainage Fund has no transfer, as this fund will bear the majority of expenditures needed to mitigate climate change and should be built up for this future purpose.

Mr. Mays continued that Enterprise Funds are intended to operate like a business, but do not pay taxes or franchise fees and do not provide a return to the General Fund. Looking at the assets of these funds, the City determines an appropriate payment in lieu of property taxes and franchise fees. The final component is return on investment, which is determined by looking at sales of the funds. The total amount to be transferred to the General Fund from the Water/Sewer Fund, for example, is estimated at \$1,098,000.

The transfer policy has been in place in Wilton Manors since 2003. Mr. Mays advised that this is a universal procedure conducted by nearly every government that has an Enterprise Fund. There is no standard methodology used to determine transfer amounts, which means each government must determine the method that makes sense to them.

Chair Torre requested more information regarding the transfer of \$196,000 from the Recycling Fund. Mr. Mays explained that most of the revenue for this fund comes from solid waste collection. This fund was determined to be an Enterprise Fund two years ago. The City is now working to build up this Enterprise Fund so it will ultimately pay for itself.

Mr. Mays continued that he has looked at the recycling revenue generated over the past few years, which occurred when the City sent its recyclables to a facility for processing. The facility sold the materials, deducted their own costs, and paid the City a rebate. In some years, recycling revenues were even lower than they are at present. While he was not certain this fund could recover as fully as it has in the past, he did feel it would be able to bounce back to a degree.

Chair Torre requested an estimate of the cost for solid waste disposal and recycling per resident. Mr. Mays replied this is \$20.55/month for residential garbage, \$2.83/month for recycling, and \$1.65/month for the household hazardous waste program.

Chair Torre explained that he had raised the issue of interfund transfers because there may have been misunderstandings in the City in recent years regarding these transfers. He concluded that this accounting practice is fully justified and no funds are being spent incorrectly, as reflected in the City's annual audits.

Mr. Gosselin asked if there is a chance of water/sewer and waste fees being replaced by a standard property tax on an annual basis. Mr. Mays stated that one option is to

include solid waste and stormwater charges on the tax bill as non-ad valorem assessments. This idea has been discussed with the City Commission.

Chair Torre referred to the Unassigned Fund balance, which is not listed as a separate item. Mr. Mays explained that this works in a similar manner to a savings account: it takes prior fund balances into account and estimates that the Unassigned Fund balance at the end of the budget year will be a certain amount. For FY 2019, the entire General Fund balance is expected to be \$3.3 million, of which \$2.76 million would be unassigned.

This unassigned money can be spent for any purpose, such as disaster recovery. The goal is to maintain this fund between 15%-20% of the budget. It is currently expected to be at nearly 17% at the end of the current budget.

Chair Torre recalled that the previous year, the Committee made a point of recommending that the millage rate be slightly higher so more money could be placed in the Unassigned Fund balance to make up for the homesteading issue. Mr. Mays confirmed that this is another factor that is likely to contribute to a solid balance at the end of the current fiscal year, as \$50,000 was placed in a contingency to increase this fund balance. The City may have also realized some health insurance savings that could boost the fund higher than 17%.

Chair Torre asked if the legal services line item for Jenada Isle is fulfilled by the City Attorney. Mr. Mays confirmed this, noting that this refers only to legal work done to develop Resolutions for assessments and related work.

Mr. O'Connor requested additional information on proposed pay increases for general employees. Mr. Mays advised that this is proposed at 2.1%. Employees in the Police Benevolent Association (PBA) will receive a 1% cost-of-living allowance (COLA), as well as other merit-based and contractual benefits that can go up to a total of 6%.

5. General Discussion

It was noted that the final Committee meeting is scheduled for Monday, July 16, 2018 at 6:30 p.m. A report will be generated afterward and placed on the City Commission Agenda by Thursday, July 26.

6. Adjournment

There being no other business to come before the Committee at this time, the meeting was adjourned at 8:50 p.m.

[Minutes prepared by K. McGuire, Prototype, Inc.]

Minutes approved by the Committee at their meeting of August 21, 2018.