

**Town of Surfside  
Town Commission First Budget Workshop  
July 20, 2010  
7 p.m.**

Town Hall Commission Chambers - 9293 Harding Ave, 2<sup>nd</sup> Fl  
Surfside, FL 33154

**MINUTES**

**1. Opening**

**A. Call to Order** Mayor Daniel Dietch called the workshop to order at 7:00 pm.

**B. Roll Call of Members** Town Clerk, Debra Eastman called the roll with Commissioner Michael Karukin, Commissioner Edward Kopelman, Commissioner Marta Olchyk, Vice Mayor Joe Graubart and Mayor Daniel Dietch in attendance.

**C. Pledge of Allegiance** Chief David Allen led the pledge of allegiance.

- 2. Introduction – General Preview of Workshops – Gary Word, Town Manager**  
Town Manager Gary Word addressed the commission and presented the workshop overview. He noted that in March the Town's Department Heads began preparing the process for the 2010-2011 Fiscal year budget and added that in May the Commission expressed their goals and objectives in a meeting with staff. In June a draft of the balance budget was presented to the Commission, in accordance with the town's charter, with a millage rate of 5.2372. At the July Commission meeting the Town Commission approved the preliminary millage rate at 5.9499.

The Town Manager noted that the objectives of the budget workshops are to 1) Review the budget components of each service function and 2) to determine the actual level of service to the public and the community for the coming fiscal year. He added that during this workshop, revenues and general funds expenditures would be discussed and added that each department head would make a presentation of their Department's budget projections and that at the next budget workshop meeting on August 9<sup>th</sup>, capital projects fund, special revenue funds and enterprise funds will be discussed.

**3. General Fund - (Finance Director / Budget Consultant)**

- a. History of Reductions and Property Tax Trends ("roll-back" vs. "roll-up")

Finance Director, Martin Sherwood introduced Mr. Carl Berkey-Abbott. Mr. Berkey-Abbott gave a PowerPoint presentation and noted that the total proposed budget is

\$29,726,000. He noted the enterprise funds of -- water/sewer funds (\$11,702,501), Municipal parking fund (\$2,412,040), Solid Waste Fund (\$1,345,844), and Storm Water Fund (\$1,840,442) and that they are considerably higher than they have been in the past due to proposed capital improvement projects. He added that in order to fund capital improvement projects, financing might be required and noted that this would be a new concept for Surfside since general obligation bonds have never been previously issued by the town.

b. General Fund Summary (Overview) by Department / Allocation Center

Mr. Berkey-Abbott presented a pie chart indicating the distribution on a tax bill in Surfside and noted that 22.82% represents the portion of the bill relating to Surfside. Mr. Berkey-Abbott briefly explained which services are included in the various municipal departments in his presentation.

c. Summary of Unfunded Items

Finance Director, Martin Sherwood informed the Town Commission that he would now present the unfunded items that were not previously presented to them at the July 13<sup>th</sup> meeting. Sarah Sinatra with Calvin, Giordano and Associates presented the Downtown Improvements Master Plan to the Commission. She gave a brief history of how the project came about and the vision for the downtown area of the project.

Sarah Sinatra reported to the Commission about the Capital Improvement Update and the request for \$5,000 to update this element of the Comprehensive Plan. Sarah Sinatra noted the request of \$7,500 for an update of all the permitted uses in the Zoning Code. She added that this is directed by the Comprehensive Plan, which requires the town to address the issue by March, 2011. She added that the uses have not changed in over 20 years. Ms. Sinatra mentioned that the update in code could be useful when determining permit approval for businesses in close proximity to other similar business. Sarah Sinatra further discussed the Parking Study in the business district to determine the vacancy rates of the parking lots. She noted that this will help with the Parking Trust Fund since it will assist in determining appropriate fees.

Finance Director, Martin Sherwood noted to the Commission that the following projects that would be discussed are all unfunded items. He reiterated that the millage rate of 5.2372, which was used to present the proposed balanced budget, does not include these items.

Town Manager, Gary Word presented Community Center and Aquatic Facility. He noted that this is an item that staff identified as being of most importance in order for the community center to open. He added that the anticipated completion date for the community center is May, 2011.

Finance Director, Martin Sherwood presented the Lien Recovery Outside Counsel item and noted that there is a request for \$50,000 for this item. Mr. Sherwood noted that the cost is to cover special counsel required to pursue advanced delinquent cases, which might require up to foreclosure action.

Finance Director, Martin Sherwood then discussed the Document Imaging Scanners and Software item. He noted that this is a joint item requested by the Town Clerk and the Building Services Department. Town Clerk Debra Eastman explained that the cost of the Document Imaging Scanner and Software for the Clerk's Office is \$18,000 and that there is a request from the Building Department for a scanner for larger blue prints.

Finance Director, Sherwood asked Eric Wells, IT Manager with Calvin, Giordano to present the phone systems upgrade item, \$30,000 equipment and also \$24,000 annual service costs. Mr. Wells mentioned that he recommends upgrading the phone systems and noted that the frequent power outages are causing failures in the phone system, which is causing service interruption. He further noted that the parts in the system are almost obsolete.

Finance Director, Martin Sherwood presented the item dealing with the repainting of Town Hall. Public Works Director, Fernando Rodriguez explained that there is visual deterioration in the condition of the paint on the Town Hall building, which was painted seven years ago. He added that some portions of the exterior of the building are corroded. He noted that the \$18,000 cost to paint the building is based on a proposal and not on quotes.

Finance Director, Martin Sherwood presented the vehicle replacement item. Police Chief David Allen noted that the vehicles request was removed from the budget last year. He also noted that the two vehicles requested would be replacing two vehicles that the town is trying to sell.

Finance Director, Martin Sherwood presented the accountant position. Mr. Sherwood noted that despite Surfside being a small town it has multiple funds, tourist revenue collection, utilities, a parking fund, and unique areas of businesses.

Duncan Tavares, Tourist Bureau Board Director explained the Tourist Resort Tax Audit item. He explained that presently the Tourist Bureau Board does not have a system for auditing the resort tax that is being collected. He added that the local businesses submit their portion of the resort tax, but that there is no additional documents required and no auditing process. Finance Director, Martin Sherwood explained that in a start-up scenario, it is best to have a certified independent auditor to do the work who is familiar with systems and procedures in place to ensure accuracy.

Building Official, Paul Gioia presented the Code Enforcement Hours item. Mr. Gioia explained the technique being used by the town to catch and fine individuals performing work without a permit and suggested increasing the Code Enforcement Officer's hours to 40 hours per week.

Departmental Reviews:

1. Legislative (Town Manager)

Town Manager, Gary Word presented the Legislative Department budget. He noted that the difference is the inclusion of capital items in the budget that include the clean-up stations for dog waste removal and the community gardens at the pump stations and spoke about the telecommunications expense increase.

2. Executive (Town Manager)

Town Manager, Gary Word presented the Executive Department-Town Manager's budget. He noted that there is a significant difference between the projected 2010 expenses and the proposed 2011 budget due to the relocation of the special projects coordinator from the Town Clerk's office back to the Executive department.

3. Town Clerk (Town Clerk)

Town Clerk, Debra Eastman presented the Town Clerk's Department budget. She noted that the estimated revenue to the Clerk's office for the copying of records is \$6,200 and added that a large portion comes from copying blue prints and that this amount would offset the expense of the scanner. She added that the operating budget is less than the projected 2010 and that it includes \$22,000 for charter election and \$5,500 annual cost of storage of town records at Iron Mountain.

4. Public Works (Public Works Director)

Public Works Director, Fernando Rodriguez presented his department's budget. Mr. Rodriguez noted that the Public Works Division, within the Public Works Department, is the only division that is non-enterprise. Mr. Rodriguez noted that the proposed budget for 2011 is \$696,000. He stressed that this proposed budget supports the current level of service and contains no unfunded programs.

5. Finance Support Services (Finance Director)

Finance Director, Martin Sherwood presented the budget for the Finance Services Department. He mentioned that the expenses have increased by \$10,000 and noted that a special audit is required in compliance with the BBC Grant contract.

6. Non-Departmental (Finance Director)

Finance Director, Martin Sherwood presented the budget for the non-departmental items. Mr. Sherwood noted that the e-mail archive is utilized by every department and unemployment compensation is budgeted in this department because the town is not aware beforehand of which department will be affected by unemployment.

7. Building Services (Building Official)

Building Official, Paul Gioia presented the Building Services Budget and noted the rise in the number of permit applications since he joined the department. Mr. Gioia stated that he recommends bringing the code enforcement officer to a full-time status.

8. Public Safety (Chief of Police)

Police Chief David Allen presented the Public Safety Department budget. Chief Allen spoke about the decrease in the personnel expense due to the loss of two positions. He further added that the other expenses have not changed significantly.

8. Parks and Recreation (Parks and Recreation Director)

Tim Milian, Director of Parks and Recreation presented his department's budget. Mr. Milian noted that the proposed budget for the Parks and Recreation Department is \$935,713. He noted that it is 10% less than the projected expenditures for 2010 and 30% lower than what was budgeted in 2009. Mr. Milian noted that the community center funding is proposed to be \$219,430.

**4. Special Revenue Fund**

Tourist Resort Fund (Tourist Bureau Director)

Tourist Bureau Director Duncan Tavares presented his department's budget. Mr. Tavares gave an explanation of the functions of the Tourist Bureau and noted that the Tourist Bureau is projecting to reduce its cost based on a lower projected resort tax funding.

**5. Capital Projects Fund Overview / Recommended Projects (Finance Director)**

**6. Public Comments** The Mayor opened the floor to Public Comments.

Lou Cohen suggested that the new different computer systems proposed should be integrated in order to promote efficiency. He also commented that the Parks and Recreation and Police Departments are very important agencies in the town. He also spoke highly of the respect and professionalism shown by the Police officers.

Seeing no other residents wishing to speak, the Mayor closed the floor to Public comments.

**7. Wrap Up – Additional Commission Direction**

- a. Town Commission Second Budget Workshop, August 9, 2010 7 p.m.

Commissioner Karukin presented a spreadsheet in order to review the current budget and the effects the unfunded items will have on the millage rate. He visited each item based on priority and discussed how the millage rate is affected by the item's inclusion in the budget. Commissioner Karukin indicated that funding every item would increase the millage rate to approximately 5.8, which falls within the 5.9499 approved preliminary millage rate. Finance Director, Martin Sherwood mentioned that the approval of 5.9499 millage rate requires a simple majority (3/5) of the commission's votes to pass and added that a higher millage rate of 6.5449 would require a super majority (4/5) of the commission's votes to pass.

Mayor Dietch asked the commissioners to state any items they would like to remove from further funding consideration.

Commissioner Kopelman mentioned that he would like to renegotiate the contracts on some of the items, but agrees with proceeding with funding the items, which he considers necessary. Commissioner Karukin agreed with funding the proposed items, but expressed reservations about the downtown master plan. Vice Mayor Graubart mentioned that the highest millage rate he would agree on is 5.603.

Commissioner Kopelman spoke about the town not having set aside money for the reserve. Town Manager, Gary Word noted that \$35,000 is budgeted to be put aside for reserve.

Mayor Daniel Dietch proposed giving direction to the Town Manager to carry forward to the next budget meeting the items discussed excluding, the zoning code permitted uses and the downtown master plan. The Commissioners agreed with the Mayor's direction to the manager. Town Manager, Gary Word indicated that his staff will also review the items that were discussed and the commission's concerns and prepare a proposal that is closer to the commission's goals and objectives.

Note: At the September 14, 2010 Town Commission Meeting, Commissioner Marta Olchyk requested that her strong opposition to increasing the millage rate be reflected as part of this record.

**8. Adjournment** The meeting adjourned at 12 midnight.

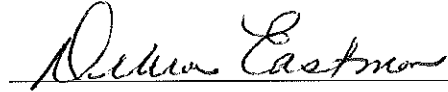
Accepted this 14 day of Sept., 2010.



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Daniel Dietch, Mayor

Attest:



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Debra E. Eastman, MMC  
Town Clerk