

SUMMARY MINUTES
Special City Commission Meeting – Second Budget Hearing
Thursday, September 22, 2005, 6:00 p.m.
CITY OF SUNNY ISLES BEACH, FLORIDA

ATTENTION ALL LOBBYISTS: CITY LAW REQUIRES YOUR REGISTRATION PRIOR TO ENGAGING IN LOBBYING ACTIVITIES BEFORE CITY STAFF, BOARDS, COMMITTEES OR THE CITY COMMISSION. PLEASE CONTACT THE CITY CLERK FOR FORMS AND ADDITIONAL INFORMATION.

AGENDA

1. CALL TO ORDER/ROLL CALL OF MEMBERS

The meeting was called to order by Mayor Edelcup at 6:00 p.m., with the following officials present:

Mayor Norman S. Edelcup
Vice Mayor Lewis J. Thaler
Commissioner Roslyn Brezin
Commissioner Gerry Goodman
Commissioner Danny Iglesias (arrived at 6:05 p.m.)

City Manager Christopher J. Russo
City Attorney Hans Ottinot
City Clerk Jane A. Hines

2. PLEDGE OF ALLEGIANCE

Action: Finance Director Jean Watson led the Pledge of Allegiance to the flag.

Mayor Edelcup gave opening remarks.

3. PUBLIC HEARING ON THE MILLAGE RATE AND BUDGET

3A. Millage Resolution (Public Hearing)

A Resolution of the City Commission of the City of Sunny Isles Beach, Florida, **Establishing the City of Sunny Isles Beach Ad Valorem Tax Millage Levy Rate** at 2.95 Mills per One Thousand Dollars (\$1,000.00) of Taxable Assessed Value Which is 5.65% Greater than the “Rolled Back” Rate of 2.7922 Mills, for Fiscal Year 2005/06; Providing for an Effective Date.

(First Hearing 09/08/05)

Action: City Clerk Hines read the title and City Manager Russo noted that he gave a presentation on Fiscal Year 2005/2006 Budget during the first public hearing on September 8, 2005. He said that there were a few changes to the budget that were a result of the comments at that hearing. He said there were a couple of minor column changes that we added \$15,000.00 to Special Events and Cultural and Human Services for some programs, and those were the only material changes that were made. He said that they did go through and did an analysis and if the Commission decides, and we are within budgeted numbers, we

will be able to open that fifth lifeguard stand during the course of the Fiscal Year. He said the other changes were to go through what we spent and what was left in each of those other accounts which Finance Director Jean Watson will go through.

Finance Director Jean Watson circulated a separate handout that showed the activity of the various funds. She said that it contained the activity from October 1, 2004 through August 31, 2005 on impact and other fees that are normally listed with just the fund balances in the budget book. She noted that it was requested at the last hearing to break it down from what the balance was on 10/1/04 of each revenue account, and she went through each fund. City Manager Russo noted that the Parks and Recreation Impact Fees Revenue Fund with a balance of \$1.9 Million would be used for the Active Park Project, as well as FY 2006/07. Ms. Watson noted that the TDR funds are for general capital, it is not specific in its choice and the balance in 10/1/04 was \$163,000, and the expenses were \$1,498,339.00, of that amount she said she invested \$1 Million. She noted that she took \$500,000 from that account for the Alamo land.

City Manager Russo said to reflect the \$8.5 Million that is designated for the school. Mayor Edelcup said that or to show the amount expended was the \$498,000 and not mention the million so you don't have to add it back and we just know it is invested. He said that part of that projected revenue is for 2006 would also be interest on the \$1 Million. City Manager Russo said to separate that out and under the TDRs we should show \$8.5 Million as encumbered for the School District. Mayor Edelcup said where the projected revenues of \$7.9 Million we probably also should have a line that says encumbered for School District.

City Manager Russo said that we looking to do more of a score card than a financial statement where the bottom number would be the unencumbered balance. Mayor Edelcup said basically it is the unencumbered balance or what is available for undesignated at this point to be spent. He said the \$2.3 Million is going to get used for Parks and Recreation and it should show that it is earmarked for that. Ms. Watson said that the Commission should get a quarterly report on where we stand because if you are just looking at the list you are looking at real dollars and projected dollars. Mayor Edelcup suggested having a budget column and have an actual column that you can show at the end of the first three months and we can track it. He said it is not a formal accounting document, it is just a guide to help us keep track of what we have, and Ms. Watson agreed.

Ms. Watson said Public Parking started out with \$500,000 and expended \$600,000, income \$1.91 Million. Mayor Edelcup asked where that money went and Ms. Watson said that \$500,000 went to the Alamo land that we bought, she said she took a piece from everybody to mix it. She said the Bonus Parking, the beginning was \$62,000, expended \$300,000, income \$1.6 Million, and are projected to get \$3.37 Million next year.

Ms. Watson said Beach Enhancement is being looked into to see if we can use it for the Parks. City Attorney Ottinot said that he is currently looking into the Code that specifies that certain funds to be used for specific purposes related to that development project. Mayor Edelcup said the other thing we need to address is the future money that we are going to have to expend to pay the remaining balance to the Alamo, which fund is that going to

come out of so that we can earmark the fund. He said what we are trying to come down to is what is left that has been undesignated for us to invest in some capital project if we so choose. Ms. Watson said on Beach Enhancement we started out at \$1.2 Million, expended \$58,000 and that most of that was for the new life guards, the income was \$2.8 Million and projected \$2.7 Million. She said nothing was expended on the Beach Trust Fund and we brought in \$1.1 Million and project another \$1.1 Million. Vice Mayor Thaler asked what the Beach Trust could be used for, and City Attorney Ottinot said that our Code, which is part of the bonus program, those funds are to be used for on-site amenities that are related to those projects, such as Collins Avenue improvements, beach access improvements, etc.

Mayor Edelcup said there is some confusion between the Beach Enhancement and Beach Trust Funds and asked if they are distinct or should we combine them. City Attorney Ottinot said that he and City Manager Russo discussed this and eventually will have to bring it to the City Commission to decide. City Manager Russo said they were created under two different times of the Zoning Code, and another way to do that is to finish the analysis of the interpretation of what you can use the funds for because if there are overlapping purposes, you can probably resolve it easier that way. Vice Mayor Thaler asked for someone to lay out what each one was intended for, and City Attorney Ottinot said he would give them a report tomorrow. Mayor Edelcup said he would like to see them combined if they have similar uses. Ms. Watson said she is getting revenues on both, and Commissioner Goodman asked where the revenues were coming from and Mayor Edelcup said from the FAR Bonuses. Commissioner Iglesias said that he thinks one was for when we were contemplating the beachwalk and the other one was just for enhancement.

Mayor Edelcup noting the Investment Funds said he is still not clear as to how much of all of these dollars that are invested in CDs or interest bearing accounts, and asked Ms. Watson to identify each one of these as to how many dollars are invested and actually earned the interest, and on the income divide it into "interest income" and "other income". Ms. Watson said that there is \$4 Million invested in bonds which is not in any of these numbers, of which \$1 Million is General Funds, and \$3 Million is from your Capital (one from TDRs and the other two from overage). Mayor Edelcup said that this is over and above, and Ms. Watson said yes, and noted that General Funds is \$9 Million and Other Proffers is \$90,000.

Vice Mayor Thaler said that we will have roughly \$33 Million at the end of 2006. Mayor Edelcup said how much of that \$33 Million is earning interest. Ms. Watson said that the investments are earning more, and the others are earning 3.45% right now. Mayor Edelcup suggested that the financial people on the Commission sit down and rework a report for information, and distribute it at the next meeting.

Public Speakers: none

Commissioner Brezin moved and Vice Mayor Thaler seconded a **motion to approve the resolution. Resolution No. 2005-839 was adopted at 6:23 p.m. by a voice vote of 5-0 in favor.**

3B. Budget Ordinance (Public Hearing)

An Ordinance of the City Commission of the City of Sunny Isles Beach, Florida, **Adopting an Operating and Capital Outlay Budget for the Fiscal Year Commencing October 1,**

2005 through September 30, 2006, Pursuant to Florida Statutes Section 200.65 (Trim Bill) Authorizing Expenditures of Funds Established by the Budget; Authorizing Encumbrances; Authorizing Issuance of Checks; Providing for Grants and Gifts; Providing for Post Audit; Providing for Severability and Providing for an Effective Date.
(First Reading/Hearing 9/08/05)

Action: City Clerk Hines read the title and City Manager Russo reported.

Public Speakers: none

Vice Mayor Thaler moved and Commissioner Goodman seconded **a motion to adopt the ordinance. Ordinance No. 2005-233 was adopted at 6:25 p.m. by a roll call vote of 5-0 in favor.**

Vote:	Commissioner Brezin	<u>yes</u>
	Commissioner Goodman	<u>yes</u>
	Commissioner Iglesias	<u>yes</u>
	Vice Mayor Thaler	<u>yes</u>
	Mayor Edelcup	<u>yes</u>

4. ADJOURNMENT

Mayor Edelcup adjourned the meeting at 6:26 p.m.

Respectfully submitted by:

Approved by the City Commission on Oct. 11, 2005

Jane A. Hines, City Clerk

Norman S. Edelcup, Mayor