

**TOWN OF LAUDERDALE-BY-THE-SEA
TOWN COMMISSION
2nd PUBLIC BUDGET HEARING MINUTES
Jarvis Hall
4505 Ocean Drive
Thursday, September 26, 2019
6:00 PM**

1. CALL TO ORDER

Mayor Chris Vincent called the meeting to order at 6:00 p.m. Also present were Vice Mayor Elliot Sokolow, Commissioner Edmund Malkoon, Commissioner Alfred “Buz” Oldaker, Commissioner Randy Strauss, Town Manager Bill Vance, Town Attorney Susan L. Trevarthen, Assistant to the Town Manager Neysa Herrera, Finance Director Lucila Lang, Municipal Services Director Ken Rubach, Special Projects Coordinator Debbie Hime, Public Information Officer Steve d’Oliveira, and Town Clerk Tedra Allen.

2. PLEDGE OF ALLEGIANCE

3. PUBLIC COMMENT

At this time Mayor Vincent opened public comment.

Barbara Cole, resident, requested that the Commission consider adopting the rolled back millage rate unless the additional funds would be used toward a public project such as the El Mar Drive Greenway.

With no other individuals wishing to speak at this time, Mayor Vincent closed public comment.

4. RESOLUTIONS – PUBLIC COMMENTS

- a. **Resolution 2019-30 – A RESOLUTION OF THE TOWN COMMISSION OF THE TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA, ESTABLISHING AND ADOPTING THE FINAL TOWN AD VALOREM TAX MILLAGE RATE AT 3.5989 MILLS PER THOUSAND DOLLARS OF TAXABLE ASSESSED VALUE, WHICH IS 4.49% ABOVE THE ROLLED BACK RATE MILLAGE RATE OF 3.4442 MILLS COMPUTED PURSUANT TO STATE LAW, FOR THE 2019 TAX YEAR; PROVIDING FOR CONFLICTS; PROVIDING FOR SEVERABILITY; PROVIDING FOR AN EFFECTIVE DATE.**

At this time Mayor Vincent opened public comment, which he closed upon receiving no input.

It was clarified that if the Town adopts the rolled back millage rate rather than the proposed rate of 3.5989, there would be a loss of \$384,000 in revenue.

Vice Mayor Sokolow commented that the rate could be rolled back to a degree, although he was not in favor of adopting the full rolled back rate. He recommended a rate of 3.45 or 3.49.

Commissioner Oldaker stated that while he was in favor of maintaining a conservative millage rate, the Town must be able to save some funds. He pointed out that the rate of 3.5989 would have a net effect of \$30 to \$40 on homesteaded properties. He concluded that he was not in favor of lowering the rate only for the sake of doing so.

Finance Director Lucila Lang advised that a millage rate of 3.49 would result in a decrease of roughly \$370,000. Mayor Vincent added that a rate of 3.5179 would be the midpoint between the proposed rate and the rolled back rate.

Commissioner Malkoon asked if the entirety of the additional revenue generated by the proposed rate would be saved within the budget. Town Manager Bill Vance explained that the amount to be transferred to Capital Improvement Program (CIP) would be reduced by \$192,000, as the budget was calculated with the existing millage rate in mind.

Commissioner Strauss commented that he was in favor of extra funds in the Town's budget as a safety measure, while the savings created by a lower rate would be a symbolic gesture only. He pointed out that the Town has not increased the millage rate in recent years.

Vice Mayor Sokolow added that the millage rate has decreased every year except two for at least the last six years, and remained the same in 2017 and 2018. He felt the Town has sufficient reserves and should return to its trend of reducing the millage rate each year.

Commissioner Malkoon advised that the budget calls for a transfer of \$680,000 from the Parking Fund to balance the budget. Adoption of the proposed millage rate would

reduce the amount of this transfer. He did not feel it was necessary to adopt a rate other than the 3.4442 rolled back rate.

Vice Mayor Sokolow made a motion, seconded by Commissioner Oldaker, to approve Resolution 2019-30 with a millage rate of 3.500, which is a 1.68% increase over the rolled back rate. Motion carried 3-2 (Commissioner Malkoon and Commissioner Strauss dissenting).

b. Resolution 2019-31 – A RESOLUTION OF THE TOWN COMMISSION OF THE TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA, ADOPTING THE ATTACHED FINAL TOWN BUDGET FOR THE 2019/2020 FISCAL YEAR; PROVIDING FOR CONFLICTS; PROVIDING FOR SEVERABILITY; PROVIDING FOR AN EFFECTIVE DATE.

Town Attorney Susan Trevarthen advised that the final budget must be adjusted to reflect the difference created by the approved millage rate, as the budget was prepared using the 3.5989 rate. Town Manager Vance anticipated that Staff would review the marketing budget, which had increased significantly, as well as CIP investments to reflect the new rate of 3.5000. Finance Director Lang calculated that the rate change would reduce the budget from \$8,956,396 to \$8,710,268, which is a difference of \$246,126.

At this time Mayor Vincent opened public comment.

Barbara Cole, resident, noted that the budget reflected increases in the categories of Professional Services and Human Resources, totaling roughly \$75,000. She had been advised this amount was to update a manual, provide increases for employees, and other items. She also expressed concern with the Town's marketing budget, which she believed could be streamlined.

With no other individuals wishing to speak at this time, Mayor Vincent closed public comment.

Commissioner Malkoon commented that the budget reflects the need for a salary survey to determine if the Town's salaries are competitive. He continued that after discussing the increase with the Town Manager and Finance Director, he had been informed that the increase was intended to help the Town retain its talent on staff. He did not feel retention had been an issue, and reiterated that the salary survey should be

done before any increases are made. He concluded that the budget should be adopted minus the increases to which he had referred.

Town Manager Vance advised that the proposed budget would provide an across-the-board 5% increase based upon his observation that some positions, such as Public Services, are low in comparison to salaries elsewhere. He pointed out that a number of Town employees must take on outside work to make ends meet, regardless of tenure in their positions. He did not feel the Town should risk the loss of long-term institutional knowledge by removing the increase proposed in the budget.

Vice Mayor Sokolow stated that he strongly supported Town Manager Vance's position on this issue, and felt the Commission should provide him with the support he needs to manage Town Staff. Mayor Vincent and Commissioners Oldaker and Strauss agreed as well. Commissioner Malkoon stated that he felt the Town already provides a generous range of salaries, and that the increase should be based on specific criteria before it is approved.

Vice Mayor Sokolow made a motion, seconded by Commissioner Oldaker, to adopt the budget as amended, to reflect the reduction in the millage rate. Motion carried 4-1 (Commissioner Malkoon dissenting).

5. ADJOURNMENT

With no further business to come before the Commission at this time, the meeting was adjourned at 6:40 p.m.



Mayor Chris Vincent

ATTEST:



Town Clerk Tedra Allen



Date