

**TOWN OF LAUDERDALE-BY-THE-SEA
TOWN COMMISSION
SPECIAL MEETING MINUTES
2nd PUBLIC BUDGET HEARING
Jarvis Hall
4505 Ocean Drive
Monday, September 25, 2017
6:00 PM**

1. CALL TO ORDER, MAYOR SCOT SASSER

Mayor Sasser called the meeting to order at 6:15 p.m. Also present were Vice Mayor Mark Brown, Commissioner Alfred "Buz" Oldaker, Commissioner Elliot Sokolow, Commissioner Chris Vincent, Town Manager Bud Bentley, Deputy Town Manager Tony Bryan, Assistant Town Manager Sharon Ragoonan, Town Attorney Susan Trevarthen, and Town Clerk Tedra Allen.

2. PLEDGE OF ALLEGIANCE TO THE FLAG

3. PUBLIC COMMENT

At this time Mayor Sasser opened public comment.

Courtney Stanford, representing the Lauderdale-By-The-Sea Chamber of Commerce, advised that at the September 13, 2017 Town Commission meeting, she had not realized that the budget to be approved was based on hours cut back at the Visitors' Center. She requested that the Commission reconsider funding the Visitors' Center at \$26,000.

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

4. RESOLUTIONS – PUBLIC COMMENTS

Resolution 2017-38 – 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 3.6873 MILS PER THOUSAND DOLLARS OF TAXABLE ASSESSED VALUE, WHICH IS 6.23% MORE THAN THE ROLLED BACK RATE COMPUTED PURSUANT TO STATE LAW, FOR THE 2017 TAX YEAR; PROVIDING FOR CONFLICTS; PROVIDING FOR SEVERABILITY; PROVIDING FOR AN EFFECTIVE DATE (Tony Bryan, Deputy Town Manager)

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

Town of Lauderdale-By-The-Sea
Second Public Budget Hearing
September 25, 2017

Commissioner Sokolow commented that the millage rate should be reduced. It is currently the same rate as the previous year, although property values have increased slightly, particularly for part-time residents. He suggested that the rate be reduced to 3.5989, which is a 2.4% reduction. This would reduce the Town's contribution to the Capital Fund by \$199,918.

Vice Mayor Brown stated that at the previous Commission meeting, he had voted to keep the millage rate the same due to uncertainty regarding the extent of the damage from Hurricane Irma and the amount of funds required to repair it. He recommended reducing the millage rate to 3.6431, which would require the identification of \$100,000 in budget cuts in order to balance the Town's budget.

Commissioner Oldaker observed that as of Sunday, October 1, 2017, significant time still remains in this year's hurricane season. He concluded that the lower the millage rate, the less funding is available for capital projects. He felt the millage rate should remain the same.

Commissioner Sokolow clarified that the rate change he had proposed would not require the Town Manager to reconfigure the budget, as a surplus is budgeted and earmarked for the Capital Fund. He also pointed out that nearly \$2.5 million remains in the Town's Emergency Reserve Fund.

Mayor Sasser requested clarification that for every \$100,000 in property value, the difference in the millage rate for a single-family home would be roughly \$17.04. Deputy Town Manager Tony Bryan confirmed this is the median rate. He also confirmed that 100% of the \$488,940 increase, as well as a budgeted \$200,000 appropriation from the General Fund balance, has been earmarked for transfer to the Capital Fund.

Town Manager Bud Bentley suggested that the Commission identify and approve an amended millage rate at tonight's meeting, and then allow Town Staff to come back at a subsequent meeting to present reductions to budget items in the General Fund, as well as delays to some of the expenditures in the Capital Fund. He explained that money is being moved into the Capital Fund to pay for the upcoming El Mar Greenway and septic-to-sewer projects.

With regard to the Emergency Reserve Fund, Town Manager Bentley continued that some of the Town's storm-related expenses have been roughly calculated: for example, 5000 yards of debris have been hauled to a temporary site at an expense of approximately \$10/yard, where it will be reduced. There is an additional expense, calculated by tonnage, to haul the reduced material to a final disposal site. Two pieces of equipment are also being used to move sand from the portals and away from seawalls. These expenses will require Commission approval in order to pay for them from the Emergency Reserve Fund. The Town will then submit these totals to the Federal Emergency Management Administration (FEMA), from which they can expect 75% to 90% reimbursement of allowable expenses.

Town Manager Bentley advised that the State of Florida has also offered to pay 50% of local expenses. This means the Town will ultimately pay between 5% and 12.5%, depending upon FEMA's level of reimbursement.

Commissioner Oldaker noted that both FEMA and State reimbursement could potentially take years, carrying over into subsequent hurricane seasons. He encouraged the Commissioners to consider maintaining the current millage rate in light of this possibility.

Vice Mayor Brown asked if it would place Town Staff in a difficult position to reduce the millage rate to 3.5989. Town Manager Bentley replied that Staff can reshape the budget in the way the Commissioners and the community want, pointing out that the Town's budget is healthy and well-managed. He reiterated that he would like the opportunity to bring back an amended budget with specific recommendations if the Commission votes to change the millage rate.

Town Manager Bentley explained that one of the first places he would seek reductions in the budget would be discretionary services, such as the Town's marketing budget. Many reductions, however, would come from the Capital Fund, as some of these projects would be delayed.

Commissioner Sokolow pointed out that the budget includes a \$200,000 line item for post-hurricane cleanup. Deputy Town Manager Bryan confirmed that there is a contingency in the FY 2017-18 budget for this expense. Commissioner Vincent commented that he felt the Town should take this opportunity to reduce taxes since there are few issues of concern at the moment.

Commissioner Sokolow made a motion, seconded by Commissioner Vincent, to adopt a rate of 3.5989 mils per thousand, which is a 3.68% increase over the rolled back rate. Motion carried 4-1 (Commissioner Oldaker dissenting).

Resolution 2017-39 – A RESOLUTION OF THE TOWN COMMISSION OF THE TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA, ADOPTING THE ATTACHED FINAL TOWN BUDGET FOR THE 2017/2018 FISCAL YEAR; PROVIDING FOR CONFLICTS; PROVIDING FOR SEVERABILITY; PROVIDING FOR AN EFFECTIVE DATE (Tony Bryan, Deputy Town Manager)

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

Commissioner Sokolow asked if the Commission can grant Town Staff the ability to move monies from one fund to another within the budget. Town Attorney Susan Trevarthen replied that the budget must be approved either as written or with direct changes.

Town of Lauderdale-By-The-Sea
Second Public Budget Hearing
September 25, 2017

Town Manager Bentley proposed that \$199,918 be taken from the transfer to the Capital Fund, and that the Capital Fund's budget be reduced by this same amount in order to keep both funds in balance. Staff will bring back any other necessary adjustments to the budget at a later date.

Deputy Town Manager Bryan advised that with the new millage rate, Staff would reduce the budgeted ad valorem revenue in the General Fund to \$8,138,972, and reduce the budgeted transfer to the Capital Fund to \$489,022.

Vice Mayor Brown asked if the Town Commission would need to vote on all future budget amendments that will be brought back by Town Staff to accommodate the budget modifications accompanying the millage rate change. Town Manager Bentley confirmed this.

It was determined that the \$199,918 would be taken from the sewer project line item within the Capital Fund.

Commissioner Vincent asked if there is a record of the Town's ad valorem collection rate over the past four years. Deputy Town Manager Bryan replied that the Town typically collects 101% to 102% of budgeted ad valorem taxes.

Mayor Sasser addressed the Chamber of Commerce funding issue raised during Public Comment, requesting consensus from the Commissioners on whether or not to add \$6000 to the current funds budgeted for the Welcome Center. A majority of the Commissioners agreed by consensus to add \$6000 to this allocation.

Commissioner Sokolow made a motion, seconded by Commissioner Vincent, to adopt the budget as amended by moving \$199,918 out of the Capital Improvement Fund sewer item and reallocating the Capital Improvements to make up for it. Motion carried 5-0.

5. ADJOURNMENT

With no further business to come before the Commission at this time, the meeting was adjourned at 6:54 p.m.



Mayor Scot Sasser

ATTEST:



Town Clerk Tedra Allen

10-11-17

Date