



City of Miami Springs, Florida

The Miami Springs City Council held a **WORKSHOP MEETING** in the Council Chambers at City Hall on Wednesday, August 20, 2008, at 7:00 p.m. (*This meeting was re-scheduled from Monday, August 18th due to Tropical Storm Fay*).

1. Call to Order/Roll Call

The meeting was called to order at 7:18 p.m.

The following were present:

Mayor Billy Bain
Vice Mayor Zavier Garcia
Councilman Bob Best
Councilman Paul C. Dotson
Councilman Rob Youngs

Also Present:

City Manager James R. Borgmann
Assistant City Manager Ronald K. Gorland
Interim Chief of Police Peter G. Baan
Finance Director Leacroft E. Robinson
Interim Comptroller Alicia E. González
Public Works Director Robert T. Williams
Human Resources Director Loretta M. Boucher
City Planner Richard E. Ventura
Elderly Services Director Karen Rosson
Programs Supervisor Patricia A. Bradley
Sports Supervisor Noel Acosta
City Clerk Magalí Valls

2. Invocation/ Salute to the Flag: Councilman Best/The audience participated. (during the Special Meeting at 7:00 p.m.)

3. Workshop on Proposed Fiscal Year 2008/2009 Budget (Continued from 8/4/2008)

City Manager Borgmann asked Council to first address Item IV - Information Technology followed by Item III - Building and Zoning. Mayor Bain agreed.

I. Parks and Recreation

i. Administration

Assistant City Manager Gorland stated that the trend within the State of Florida is to severely cut back on Park and Recreation expenses or increasing fees for activities. He explained that the Administration did not take the same approach but realizes that it will take a collaborative effort with Council to decide how to proceed in the future.

Assistant City Manager Gorland explained that Administration (5701) includes sports, special programming and the administrative office. The Administration is requesting authority to hire a Recreation Director and \$100,000 was included in the budget. He felt that the new community center would be a selling point to bring in a qualified director.

Assistant City Manager Gorland recommended reducing the salary for the Recreation Director to \$75,000 and eliminating the position of Recreation Coordinator totaling \$38,828. He explained that it would take at least three months to hire a Director and the Recreation Coordinator position became open because another full-time position was changed to part-time. The Recreation Coordinator moved into the Assistant Supervisor position.

Mayor Bain asked to proceed with the budget and make notes to come back to certain items like the recommendation to hire a Recreation Director.

Councilman Dotson asked if the additional pay for Assistant City Manager Gorland would be eliminated once a Recreation Director is hired.

City Manager Borgmann responded that three quarters of the \$6,156 would be eliminated if a Recreation Director is hired and begins working in January 2009.

Assistant City Manager Gorland explained that the Recreation Staff is very strong, but management takes a tremendous amount of time and the City would be well served by bringing in a professional.

Councilman Dotson commented that part-time year round salaries are budgeted at \$70,000 and salaries for seasonal employees are \$110,000, which totals \$180,000 compared to \$142,000 this year. He asked what the reason for the increase is.

Assistant City Manager Gorland clarified that the salaries are consistent with the amount for the past couple of years. His main concern when he assumed the position was safety and the pool and playing fields should be as safe as possible. He stresses safety and professionalism with no additional staff and to do this it takes stepping up to a competitive environment to get more teachers. The majority of the seasonal and part-time salaries were increased in order to obtain the right people and operate professional programs. He credited Staff for working hard and making the programs work.

Assistant City Manager Gorland explained that there is not an increase and a great amount of time was spent to determine the actual costs related to the ten-week summer program, which is not yet reflected in the financial statements. He prepared programs showing the revenue and costs associated with the programs, which helps to focus on reducing expenditures in certain areas.

Revenues for swim lessons totals \$30,289, other swim related revenues totals \$16,375 and total aquatic revenues totals \$46,600, with \$18,000 direct labor costs, according to Mr. Gorland. He said that the more that is spent on swimming lessons helps to better serve the community and it generates revenue. Child care is costing \$58,257 and the amount is more when it is fully allocated. Halloween costs \$6,700 and Christmas at the Gazebo costs \$6,400, which is a bargain because the events touch many people in the community. The Daddy/Daughter event generates \$1,480 and costs \$1,825, while Easter costs \$3,000 and July Fourth expenses are \$17,000. The annual Luau costs \$3,000.

In the athletic division, football costs \$11,514 of which \$7,200 is paid for referees; soccer costs \$35,000 and basketball costs \$21,000. Little League costs \$35,326 and the major sports programs together total \$103,000. Mr. Gorland explained that expenses can be cut, but they will not provide the same services. He would not recommend charging for the use of the fields, but more volunteers are needed to help prepare and manage the fields.

Councilman Dotson stated that the budget changes should have been brought to Council.

Mayor Bain said that Council is discussing the budget for next year. The point raised by Councilman Dotson is that the cost of labor is being raised by \$55,000. He requested a credible answer in order to be able to move forward.

Assistant City Manager Gorland clarified that the budget is not being increased; the numbers reflect the actual expenditures incurred last year.

Mayor Bain explained that the proposed budget does not reflect last year's figures and Council will need an explanation in order to understand what was spent last year and show justification for what is being requested this year.

Assistant City Manager Gorland confirmed that Councilman Dotson was correct in his statement that more funds were spent than were budgeted.

Vice Mayor Garcia commented that the budget process begins before the financial statements are released in November showing the exact numbers for the ten weeks.

Assistant City Manager Gorland stated that past experience has been that no one checked the numbers in November to see what happened; the Administration sat down and crunched the numbers and he is reasonably sure that the same amount of funds were spent this year for the ten weeks.

Finance Director Robinson stated that last year's actual numbers reflect that Part-time Year Round totaled \$65,000, Seasonal employees totaled \$101,000 and overtime totaled \$11,000. He explained that this year's budget was incorrect.

Councilman Dotson said that Council always compares the actual numbers for last year. He would like to know if the year-to-date figures that vary so much from what is being forecasted are wrong.

Finance Director Robinson clarified that the numbers are not wrong; the numbers are the actual numbers through June 30th. The numbers for seasonality are not reflected in the financial statements until after June 30th.

Mayor Bain commented that the numbers for fiscal year 2008-2009 are based on projections of what will be spent this year.

City Manager Borgmann stated that the Administration is correcting a problem so that the future budgets reflect the correct amounts. He explained that approving the same amounts that were in the old budgets would cause a reduction in quality or the level of service that the residents are accustomed to. The Administration professionalized the part-time summer staff in order to get teachers or college students who were working on education or recreation degrees, as opposed to fifteen or sixteen year olds that were being paid to watch twelve and thirteen year old kids.

Councilman Youngs said that based on the feedback from the residents he would like to include the funds in the budget in order to provide the same level of quality instructors for the seasonal programs.

Vice Mayor Garcia agreed that he would not want to cut back on the budget and jeopardize the quality of services.

City Manager Borgmann commented that the Administration may have to consider raising fees because the summer program is a bargain and it fills up fast every year.

Councilman Dotson stated that the purpose of asking questions is for him to determine why there is such a big difference in the budget numbers. He is interested in good service as well as good budgets with numbers that Council can rely on. The budget is an important control tool for the City and the Managers and without the correct numbers there is no credibility.

Councilman Dotson asked about the amount budgeted for Other Contractual Services.

Finance Director Robinson stated that \$35,000 is proposed for Other Contractual Services and last year's amended budget was \$36,000. The year-to-date projection of \$23,236 is only a calculation of the first nine months divided by nine and multiplied by twelve and this amount does not include seasonality.

Programs Supervisor Patricia A. Bradley stated that Contractual Services incorporates Waste Management, Snow White dust control and other products that are expected to increase next year.

Councilman Dotson commented that \$18,000 is included in the budget for fumigation. He asked which building this applies to.

Ms. Bradley responded that the fumigation funds were included for the entire complex, but it will not be done since Council approved a new facility, and the amount will be removed.

To answer Councilman Dotson's question, Ms. Bradley clarified that the Promotions line item incorporates all special events, including food, bounce houses, tents, etc.

City Manager Borgmann reminded Council that there were additional expenses that were previously budgeted in the Non-departmental account, including the expense for the fireworks.

Vice Mayor Garcia requested a list of those items that were reallocated from the Non-departmental account.

Ms. Bradley clarified that Recreational Activities includes funds to cover the cost of summer field trips and the cost is offset from activity fees that are charged during registration.

Councilman Dotson commented that the fireworks expense was included in the detail for Recreational Activities (48-01), not Promotions (48-00).

City Manager Borgmann explained that the City of Miami Springs issues a Purchase Order for fireworks in the amount of \$15,000, which is offset by revenue of \$3,000 from Virginia Gardens. He stated that the fireworks should be listed under Promotions (48-00) and there should be additional breakdown for \$35,000 under Recreational Activities (48-01).

City Manager Borgmann said that \$35,000 for Recreational Activities would decrease to \$10,000 and Promotions will decrease to \$35,000.

Councilman Dotson asked what items are included in Machinery and Equipment.

Ms. Bradley responded that the budget originally included funds for two trucks, but they will be purchased by Public Works.

Vice Mayor Garcia asked for a breakdown showing the cost of the individual activities, including summer camp, after school and Christmas.

To answer the Mayor's question, Assistant City Manager Gorland responded that two pick up trucks service the fields and carry equipment and one is no longer running.

Councilman Youngs commented that \$34,000 was included for replacement vehicles in this year's budget and the amount was carried over to next year.

ii. Pool

Councilman Dotson stated that the Part-time and Seasonal employees increased from \$97,425 to \$150,000.

Assistant City Manager Gorland said that the year-to-date projections will be more accurate by showing monthly activities.

City Manager Borgmann explained that the lifeguards are hired based on their experience and the salaries were increased in order to retain those people. The focus is on safety based on the recommendations of the Florida League of Cities.

Councilman Dotson reminded the Administration that he had requested a payroll comparison between this year and next year showing salaries for all positions.

Finance Director Robinson stated that he could provide information showing the projected salaries as of September 30, 2008 versus what the salaries will be next year.

Assistant City Manager Gorland explained that in addition to hiring a professional staff, he requested to adhere to the ratio of life guards to people in the water of 1 to 14 and the same with training of 1 to 8 students in the water.

To answer Councilman Dotson's question, Ms. Bradley stated that an additional amount was budgeted under Education and Training to have the life guards trained by Water Safety Instructors (WSI) and for two pool operator certifications.

Assistant City Manager Gorland added that they are cross training between the aquatics and the administrative side in an effort to reduce costs.

iii. Tennis

Councilman Dotson asked if the Tennis operation was going well.

Assistant City Manager Gorland responded that the tennis operation is going well, although Manny Fabian is disappointed in the condition of the courts.

iv. Maintenance

To answer Councilman Dotson's question, Mr. Gorland stated that Building Maintenance included the grounds maintenance and replacement of the field lighting.

Councilman Dotson noted that Operating Supplies and Field Supplies were up by a big percentage. He requested a breakdown of the items covered under these accounts.

Mayor Bain stated that he understands the Charter and realizes that the City Manager is responsible for hiring, but the Parks and Recreation Director is one of the most important positions and he would like Council to have the opportunity to participate in the interview process. He said that it had been difficult to find a qualified individual after Ray Stoltz and Ray Lopez left the position, although he knows that different Administrations were involved. He feels that Council should have some input and it should be a team effort to do what is best for the City.

In regard to the Machinery and Equipment request for \$34,000, the Mayor explained the budget format did not include a breakdown of the vehicles or equipment proposed for purchase. He said that the request for two trucks seemed odd and that he would have to review the Public Works budget and listen to what they are proposing.

Councilman Dotson stated that he recognizes the City Manager's authority under the Charter to hire Department Heads and that Council has some oversight responsibilities. He suggested that Council should not be involved in the selection, but maybe the candidates could appear before Council so that they could see the quality of the candidates.

Councilman Dotson added that he does not approve of hiring someone for \$100,000 and \$75,000 or \$80,000 would be more appropriate. He would like to find a high energy person, either male or female, that could work with the Optimist Club and the current Staff. He said that a lower salary might not appeal to a person with a lot of experience, but it could be a great opportunity for someone who is working their way up from an assistant to a director.

II. Senior Center

Councilman Dotson asked why Janitorial Services is 29% higher. The detailed breakdown is \$1,251 for twelve months with a 5% increase totaling \$15,763.

Elderly Services Director Karen Rosson responded that the City switched to a new contractor and the cost went up. The budget will be over this year and next year's budget was based on the actual cost plus 5%.

Councilman Dotson commented that the amount budgeted for Capital Outlay is the largest expense and Council already approved the west side entrance.

City Manager Borgmann responded that the expenses are shown in the budget, but hopefully the capital projects would be covered by grant funds. The interior renovations are covered by grants and the City applied for a \$38,000 grant for the cover, ramp and walkway to the door on the west side.

To answer Councilman Dotson's question, Ms. Rosson explained that the City received notification of the first grant totaling \$131,526, of which \$101,269 will be funded by the grant. The City's portion is made up of contributions from Commissioner Sosa, Grace Lutheran Church, and miscellaneous in-kind contributions.

III. Building and Zoning

Assistant City Manager Gorland stated that in previous years the functions of the Building/Zoning/Code Enforcement Department had been an expense to the City, but it is supposed to be self supporting from the permit fee collections, inspections, etc. He explained that the fees were increased and will result in an approximate \$40,000 excess for the coming year.

Assistant City Manager Gorland explained that the intention was not to replace the open position within the department, but keeping track of the numbers, it has shown that activity had increased due to more building activity in the City. He would recommend reinstating the Administrative Assistant I, which is an entry level position to handle filing, track reports and help to service the counter. He said that the Code Compliance Officers had been spending too much time helping at the counter instead of doing their own functions. He added that the funding for the position would be covered by the collections from the department, which would be \$34,000.

Mayor Bain stated that he is not in favor of adding any more positions right now.

Assistant City Manager Gorland reiterated that the position is funded from the collection of permitting fees, not ad valorem taxes. He said that there is a projected excess of \$40,000 and the City's permitting fees are still lower than other communities.

Councilman Dotson commented that the Assistant City Manager is shown as a temporary Building and Zoning Director. He asked if any consideration was given to hiring a full-time Director.

City Manager Borgmann responded that if the City were to hire a full-time Building Official that they would assume the responsibility of Department Head.

Councilman Dotson said that temporary usually means a short period of time.

Assistant City Manager Gorland stated that it was a cost effective decision to hire a part-time Building Official who works 29 hours a week. There is one full-time Building and Zoning Supervisor.

Assistant City Manager Gorland explained that as the temporary Department Head he does the administrative work for the department, including the budgeting and attending meetings that the Building Official would normally handle, which takes a lot of time. He said that if the City were to annex additional land that a full-time Building Official would definitely be needed.

Mayor Bain commented that the part-time Building Official makes \$124,000 and he would give consideration to placing an advertisement and interviewing for a full-time person. He said that there is an excess of \$40,000 and it could be utilized for this person.

City Manager Borgmann explained that after October 1st when other cities put their budgets into effect, there could be layoffs and the City might be able to attract candidates for the position of Building Official.

Human Resources Director Boucher added that other cities similar in size have gone with part-time Building Officials because full-time people are not available. Those cities that have full-time Building Officials are paying more than \$125,000 plus benefits. She said that the salary for the position of Building Official was previously in the \$75,000 range.

Councilman Best asked if the recommendation is to hire an Administrative Assistant for \$34,000 whose salary would be funded from the additional \$40,000.

City Manager Borgmann clarified that the Administrative Assistant position was an existing position that they decided not to fill when the person left the job.

Assistant City Manager Gorland explained that the person that left the job was working at a much higher level but the Staff was cross-trained and they advanced, which worked well. The bottom position was left open and now the Department is struggling.

Councilman Dotson expressed his opposition to filling the position because to him it is a new position and Council is trying to reduce expenses within the budget.

Vice Mayor Garcia asked if the Department is not running efficiently because of the vacant position.

Assistant City Manager Gorland responded affirmatively.

Vice Mayor Garcia said that the position was filled and now the Administration realizes that the Department cannot function without it due to the work flow.

Vice Mayor Garcia does not like the idea of subsidizing the salary by the fees that are collected, but the fact of the matter is that there is more work and the Code Enforcement personnel cannot concentrate on their job, which means the Department is not running efficiently.

Assistant City Manager Gorland explained that originally it was thought that the increase in building activity was a short term aberration and it turns out to be more structural because people are improving their homes instead of purchasing new ones. He said that customer service suffers as a result and they had worked hard to improve service to the community. He emphasized that the position should be filled; the Department should not be punished because the Administration took the initiative to not fill the position, when it should have been filled automatically.

Councilman Youngs stated that the position was not included in the proposed budget and now the Administration is suggesting adding it back, but it would have been better to have included the position showing it vacant. He appreciates the intention, but for future consideration the position should be included. He said that the person left the position during the fiscal year and he is curious to know how that affects the year-to-date projection for regular salaries.

Human Resources Director Boucher clarified that the position became vacant in March 2008 and the Administration was trying to see how the Department would operate without filling it. She said that the starting salary for a new employee would be \$26,063.

Councilman Youngs said that adding the position would increase regular salaries, FICA taxes and other benefits and Council should receive replacement pages reflecting the position in the budget.

To answer the Mayor's question, Mr. Gorland stated that the excess \$40,000 is a projection based on the current level of activity.

Mayor Bain said that the position was eliminated from the budget by the Administration and there could be a windfall of \$40,000, but filling the position could increase salaries by \$26,000. He would question whether or not the position is necessary.

Assistant City Manager Gorland clarified that the \$230,000 budgeted for regular salaries was planned for in the budget; the \$40,000 is over and above that amount. It is a projected number that could vary based on the level of building activity. He added that State Law restricts the use of Building Department revenues.

Councilman Dotson commented that \$4,567 is being paid out as other salaries and the totals for this year versus the projected totals reflect an increase of 18.9%. He said that Council is considering a budget that requires reductions and this activity center is increasing.

Councilman Youngs pointed out that \$242,424 is the total of the amended budget for regular salaries and the year-to-date projection is \$209,366 due to the unfilled position.

Councilman Dotson stated that there had never been regular salaries totaling more than \$209,000, which means that the budgets have been high, but it was apparently not necessary because the budget numbers were not reached.

Councilman Youngs felt that the figures should be accurate unless there are unfilled positions.

Councilman Dotson asked the reason for the increase in Other Contractual Services from \$74,719 to \$100,000.

Assistant City Manager Gorland stated that Other Contractual Services includes funds to pay the inspectors that have their own company, while others are paid as part-time employees.

City Manager Borgmann explained that \$30,000 is budgeted for building inspectors that are used as needed and they are being paid as employees because they do not have a company. Other Contractual Services totaling \$100,000 pays for those that have companies. He explained that previously all inspectors were being paid as contractors until the IRS audit when the City was advised that they must be treated as employees unless they have a company.

Further discussion ensued regarding additional expenses related to inspectors, including Workers' Compensation.

To answer Councilman Dotson's question, Finance Director Robinson clarified that Building and Zoning receives a 6.15% overall allocation for Workers' Compensation based on salaries.

Councilman Dotson felt that the increases for inspectors were high based on experience.

Assistant City Manager Gorland explained that the budget amounts were based on projected activity, considering a low, medium and high number, and the Administration decided on the middle number.

City Manager Borgmann explained that the inspections are paid from the permit fees and even though \$100,000 is budgeted and only \$75,000 is spent there would be a savings at the end of the year. The projection is that there will be more building activity because people are investing more in their homes as opposed to upgrading to a new home.

Mayor Bain commented that there is no control over the number of inspections and he understands the budget projection due to more activity.

To answer Councilman Dotson's question, Mr. Gorland stated that \$4,210 is the estimated budget for Office Supplies based on recent activity, which could be adjusted.

IV. Information Technology

Assistant City Manager Ronald K. Gorland stated that the Information Technology budget is straight forward, but there were some points that he would like to bring to Council's attention.

Assistant City Manager Gorland explained that Other Contractual Service totals \$19,620 including \$9,620 for the SunGard ASP set up fee and \$10,000 for web design. The \$9,620 is the lower of two options because the City is in a position of having to replace the AS400. The next level for the H.T.E. system is 6.0, which the current AS400 system is not capable of handling, SunGard will no longer be supporting 5.0 and a new AS400 would cost approximately \$50,000.

Assistant City Manager Gorland stated that an Application Service Provider (ASP) could host the software and SunGard H.T.E. has a major center in Atlanta, Georgia and Lake Mary, Florida. It is the same system that is used for emergency situations, which was tested and found to work. There are more than 70 communities that have already gone with the ASP alternative. He said that it would be a long-term contract and an analysis over ten years shows that it is a much better alternative than purchasing another AS400 that will not last ten years.

Assistant City Manager Gorland commented that he had previously worked with two corporate organizations that migrated from in-house to the ASP model and it worked extremely well in both cases.

Assistant City Manager Gorland said that the Administration had looked at web design alternatives and everyone agrees that the website has become very busy and they are trying to find a web design that will allow the Department Heads to control the contents for their respective department. He stated that the contents of a website cannot go stale or the information will lose credibility. The City's current website has a very low hit rate. An outside service would cost approximately \$25,000 and they feel that it can be done in-house for approximately \$10,000.

The Information Technology (IT) Manager has been working on a revision of the existing website, which is about 75% complete, according to Mr. Gorland. He explained that the City would have to purchase the software to allow the content to be controlled by the Department Heads.

Assistant City Manager Gorland stated that the full-time IT Manager is very qualified and has been doing a great job for the last three years. The Systems Manager is responsible for H.T.E SunGard and there is another part-time employee that is assisting and learning at the same time.

Councilman Dotson said that Internet Access is \$781.00 and he noticed there is a difference in the amount for other departments. He asked what would be the reason for the difference.

Assistant City Manager Gorland responded that the additional cost might be for an additional port, but that he would find out and report back.

Councilman Dotson asked about the \$900 amount listed for the Systems Manager under FY 2009 Other salaries.

Finance Director Lee Robinson clarified that \$900 is an additional 5% for additional duties.

Assistant City Manager Gorland stated that the Systems Manager has three functions; 50% of her time is allocated to IT functions, 25% as Purchasing Supervisor and 25% to accounting.

To answer Councilman Dotson's question, City Manager Borgmann clarified that the Systems Manager's salary is at the maximum level.

Councilman Dotson said that he would like to exclude additional salaries considering that it is a very tough budget year. He felt that the salaries should be the basis for calculating the cost of living allowance (COLA) and eligible merit increases, not awarding additional amounts of money for other activities.

Mayor Bain asked for an explanation of what duties the additional salaries entail.

City Manager Borgmann said that one example would be the Assistant City Manager who also receives 5% for watching over Building and Zoning and Recreation, which is for additional duties outside of the position's classification.

Vice Mayor Garcia asked how the percentage relates to the three functions that the Systems Manager is responsible for and if the amount is divided between each department.

City Manager Borgmann explained that the percentage is divided between each department and there is also \$900 in the Finance Department.

Human Resources Director Loretta Boucher stated that the additional 5% for the Systems Manager was added when the City was undergoing the process of hiring a Finance Director and she was given extra duties. She explained that the 5% would be removed automatically on September 30, 2008 when her duties will be reduced, but she will take on an additional function in another department.

Councilman Dotson reiterated that an employee should be paid for their primary position and any additional duties should be covered under their salary. He does not approve of pro-rating salaries because a person works 40-hours a week; additional allowances for other activities that are performed within the 40-hours would take away time from normal duties.

Councilman Best stated that Council should not micromanage an employee who can cross the line in Information Technology and assist in other departments because that person is doing a good job.

Councilman Dotson was of the opinion that a person's salary should be based on their job description.

Vice Mayor Garcia commented that the job description could constantly be changing.

Councilman Dotson felt that the Systems Manager's job description includes crossing over to different departments.

Councilman Youngs asked to consider if the 5% should apply to an hourly employee who works 40-hours a week.

City Manager Borgmann clarified that the 5% covers additional responsibilities. He explained that Public Works employees are used to work out of their classifications and receive an additional 5% and this is a similar situation.

To answer Councilman Youngs' question, City Manager Borgmann stated that he would like the additional pay in the budget to be used as a tool to give incentive to employees to perform additional tasks. He added that it allows the opportunity to see how employees perform with added duties and responsibilities for future promotional opportunities.

Councilman Dotson felt that a manager is a person who can be asked to perform extra duties in case of an emergency situation and the job description and salary should be adjusted if the extra duties are performed on a daily basis.

City Manager Borgmann explained that normally the extra duties are related to a temporary situation.

Councilman Youngs stated that the person might not be called upon to perform the additional tasks and the funds may or may not be used. He said that it might be an advantage to let the City Manager use his discretion instead of including the additional pay as part of the regular salary.

Councilman Youngs said that Councilman Dotson could be right about including additional pay in the salary if it is known that the additional pay will be spent.

City Manager Borgmann explained that the Systems Manager would come off the extra duties but there could be other duties as the water and sewer is transferred, which will affect the Finance Department, as well as other departments.

The City Manager added that the Administration is considering re-establishing the position of Purchasing Agent in order to keep better track of the purchasing activities. The Systems Manager has been responsible for purchasing and the responsibility is being shifted to a Public Works employee whose job duties will be decreasing because of the water and sewer transfer. The Administration selected a person who has purchasing experience and has been part of the Finance Department in the past. This person will develop the purchasing role throughout the year, but at the same time the Systems Manager would still be involved and she will have new accounting duties to meet the Finance Director's needs for the upcoming year.

City Manager Borgmann informed Council that the Finance Director had requested one new position for his department and that request will be pulled and there will be more responsibilities to the various Finance Department employees.

Councilman Dotson stated that other pay weakens the payroll policy and allows salary increases other than by merit, COLA or promotion. He felt that it lends itself towards favoritism and removes the constraints that a good policy would have. If a person has a job and there is a temporary reason for additional duties that are not included in their job description, then a permanent change should be made or otherwise it is a problem with the payroll administration system.

Councilman Dotson commented that Education and Training projects expenditures of \$1,053 this year and \$4,000 is budgeted next year. He asked if something specific warrants the increase.

Assistant City Manager Gorland responded that the Systems Manager will be the lead person on the introduction of ASP. She will attend training locally and in Lake Mary, Florida as well as attend the H.T.E. user group meetings.

Regarding the question on the internet charges, Finance Director Robinson said that there are several departments that get a monthly allocation for T-1 and Bell South, which is the reason for the additional expense.

(Mayor Bain called for a five minute recess at 9:21 p.m.)

V. Public Works

Public Works Director Robert Williams recognized his Staff and commended them for their assistance in preparing the budget.

i. Administration

City Manager Borgmann explained that Travel and Per Diem would be reduced to \$1,000 from \$6,000 because the Public Works Director will be driving a City car instead of taking a car allowance.

To answer the Mayor's question, Public Works Director Williams explained that the department is requesting two trucks because one truck was totaled in an accident, which was not replaced, and the second vehicle with excess mileage will be utilized by the Recreation Department.

Councilman Best asked how the department will be impacted by the loss of the water and sewer personnel that are transferring to Miami-Dade County.

Public Works Director Williams explained that the employees that are leaving assisted with the sidewalk repairs, cleaning storm drains, street light repairs, and preparation for special events. He said that it will hurt the department because they had special talents in addition to water and sewer.

To answer Councilman Dotson's question, City Manager Borgmann responded that the transfer involved twelve positions of which eleven were workers and one was an administrative position. Three vacancies were kept open, four opted to accept other positions with the City and one is in the DROP plan.

Public Works Director Williams explained that the three employees who are staying bumped out two employees, so he is asking for an additional Maintenance Worker position to keep the operation running efficiently.

To answer the Mayor's question, Human Resources Director Boucher clarified that salary for the Maintenance Worker position starts at \$22,000.

ii. Streets Division

Councilman Dotson asked for an explanation of the overtime totaling \$2,000 because the year-to-date projected amount is \$454.00.

City Manager Borgmann responded that overtime in the Streets Division is related to storm preparation and clean up that is normally reimbursed from the Federal Emergency Management Agency (FEMA).

To answer Councilman Dotson's question, Mr. Williams explained that he is requesting to purchase a grapple bucket attachment for the backhoe for clean up of material that is normally done by a tractor or another piece of equipment.

Finance Director Robinson and City Manager Borgmann explained the difference between capital projects and capital expenditures for accounting purposes.

iii. Public Properties Division

Councilman Dotson commented that the three vacant positions in the Public Properties Division would be filled by the water and sewer employees that were affected by the transfer. He noted that part-time year round is budgeted for \$36,400, overtime is \$10,000 and the budget shows three temporary employees for grass cutting and tree trimming. He asked why the year-to-date projections were so low.

City Manager Borgmann reminded Council that the year-to-date projections were through June 30, 2008, and the expenses for July and August would increase the amount because employees take summer vacations.

Councilman Dotson asked for an explanation of the expenses listed under Operating Supplies and why there is a difference between the proposed budget and the year-to-date projection.

Public Works Director Williams responded that the difference is because he now has two full-time crews to trim trees instead of one.

City Manager Borgmann explained for Councilman Dotson that there were previously five vacant positions, two were eliminated and three remained in the budget.

Public Works Director Williams clarified that three employees from the water and sewer will fill the vacancies in Public Properties and one will help with tree trimming. He stated that \$20,000 is budgeted for a new truck to replace Vehicle # 428 that will be transferred to the Recreation Department. There was also a sanitation truck that was totaled, which was never replaced because he utilized a supervisor's truck knowing that he could depend on the water and sewer vehicles, but now those vehicles are being transferred to Miami-Dade County.

iv. Building Maintenance Division

Public Works Director Williams stated that there is only one Building Maintenance Specialist in this division and there are times when he requires the assistance of an additional person who is pulled from another division.

Councilman Dotson asked what factor was used to compute the \$23,000 budgeted for operating supplies.

Administrative Assistant Tammy Romero explained that they used the 7% factor that was estimated by the Finance Department.

Assistant City Manager Gorland added that another factor was that last year's actual was \$21,000 and the projection does not include July, August and September.

Councilman Dotson asked the Administration to review the budget in order to make reductions in certain areas.

To answer Councilman Dotson's question, City Manager Borgmann clarified that the budget includes funds for painting City Hall, which had been delayed for the last three years. He added that the City is responsible for the Golf and Country Club building maintenance. The budget also includes funds for the replacement of bollards at Stafford and Dove Parks.

Councilman Dotson asked if the fleet maintenance contractual employees are doing a good job.

Public Works Director Williams explained that the Police Department is very happy with the service and he is also happy with their service. It is a large company with many resources and if they are unable to fix something they can bring in an expert to help.

Councilman Dotson inquired about the maintenance of the sanitation trucks.

Public Works Director Williams responded that the two sanitation cranes are rusting and they might require replacement next year. Two sanitation trucks were replaced approximately three years ago and there is a spare truck that is very old that will eventually be removed from the fleet.

Interim Comptroller Alicia E. González clarified that two sanitation trucks were purchased in November 2005 for \$147,056 each.

Finance Director Robinson added that the five-year plan includes \$150,000 for replacement of a sanitation vehicle in fiscal year 2009-2010.

Councilman Dotson commented that the total for the department shows a \$462,683 increase. He reiterated that he personally is against "Other" salaries paid to employees for additional duties.

Public Works Director Williams explained that maintenance workers cover the duties of the sanitation drivers who work under a higher classification on a temporary basis and the additional 5% pay is an incentive for the employees to become trained for the job.

Councilman Dotson agreed that additional pay is justifiable when an employee is covering a higher paying position. He asked Mr. Williams to go over the budget again to determine if there are any expenses that can be eliminated.

VI. Sanitation

Public Works Director Williams stated that there is one vacant position in Sanitation that is being filled by a person from Water and Sewer.

City Manager Borgmann explained that one of the City's former employees asked if there was any work for him to do. He had been a sanitation driver who knew the routes and was brought back for almost a minimum wage. The same situation happened with the water meter reader.

Dumping and Disposal includes a 5% increase imposed by the County, according to Mr. Borgmann.

To answer Councilman Dotson's question, Mr. Williams explained that damage to residential fences is caused due to overgrown hedges and trees along the alleys. He added that the regular drivers are familiar with problems along the route and there might be problems when other drivers cover for them when they are on vacation.

Vice Mayor Garcia commented that property damage causes other areas in the budget to increase such as fees for drug testing. He added that the use of smaller trucks also means more trips to the dump. He would like to consider the pros and cons of changing to curbside pick up and eliminating the pick up in the alley.

Councilman Dotson requested an explanation of the increase for administrative charges.

City Manager Borgmann stated that in past years the General Fund subsidized the Sanitation Fund to make up for operating losses, which was an issue with the bond rating services. The administrative charges were increased to cover the time that employees spend on the enterprise funds.

Finance Director Robinson explained that former Finance Director William Alonso determined the allocations for the past two years. He said that he was able to reduce the allocation percentage across the board because Water and Sewer was eliminated, which was a large portion. He clarified the amount of the allocations for the various departments throughout the budget.

Councilman Dotson was concerned with a 27% increase last year and 12% this year. He asked about the revenue forecast.

Finance Director Robinson responded that revenues total \$2,253,008 or a 2% increase over the amended budget for 2007-2008.

Councilman Dotson stated that total expenditures exceed the projected revenue amount and he is concerned about a deficit of \$4,000.

Finance Director Robinson explained that considering the total revenue, operating expenses, administration and depreciation charges the total net income would be approximately \$91,454. He added that the budget includes the principal and interest on debt, but the amount is not shown in the enterprise funds.

Councilman Dotson said that he would like to be conservative in order to avoid having to raise the sanitation fees.

To answer Councilman Youngs' question, Mr. Robinson responded that as of the third quarter the Sanitation Fund had a positive change in net assets of almost \$124,000.

VII. Road and Transportation

City Manager Borgmann noted that \$150,000 is budgeted for the Shuttle service. He explained that the budget also includes funds for the replacement of the asphalt bike paths with concrete to protect against root intrusion. He received a quote last year for replacing 83,736 linear feet for \$365,000 and \$104,000 for removing the existing asphalt and base on the Ludlam Road path.

The City Manager explained that the Road and Transportation Fund was developed to improve sidewalks, bikeways or anything that supports transit.

In response to Vice Mayor Garcia, City Manager Borgmann clarified that lighting would extend to Swan Avenue where the telephone poles stop. From that point on it would be a matter of getting new poles and having Florida Power and Light install the lighting. Curtiss Parkway and North Royal Poinciana would have the same lighting as the lights currently in the first block of Curtiss Parkway, which will be funded by a \$720,000 State grant.

Mayor Bain said that his recommendation would be to install taller lighting on North Royal Poinciana along the canal bank, which would be safe and easier to maintain.

Vice Mayor Garcia commented that the poles along North Royal Poinciana are across the street on the residents' side. He understands the Mayor's recommendation, but he would like to consider both options and the cost involved.

City Manager Borgmann said that Florida Power and Light would cover the maintenance on the lighting they install.

Councilman Youngs asked to consider whether or not taller lighting along North Royal Poinciana might be safer.

City Manager Borgmann was of the opinion that low lights would be better because the taller lights create shadows because of the vegetation. He offered to obtain prices for both and schedule an agenda item for discussion at a future meeting.

Vice Mayor Garcia asked if any funds for traffic calming measures were included in the budget.

The City Manager reported that Deer Run has new stop signs. He said that the signs will be more noticeable when the stop bar is painted and perhaps a sign should be installed to warn motorists that there is a stop ahead.

Vice Mayor Garcia felt that new lighting on North Royal Poinciana Boulevard would increase the use of the path, which is a safety concern due to speeding cars. He felt that this should be an area to consider for traffic calming measures.

Councilman Dotson asked if the pickup truck listed under Machinery and Equipment would be used for other purposes.

Public Works Director Williams said that the City would lose a Bobcat due to the Water and Sewer transfer, but there would still be functions that require this equipment and the pick up truck would be used to tow the Bobcat.

VIII. Stormwater

Councilman Dotson noted that a new position is listed for Operations Supervisor.

Public Works Director Williams clarified that the Operations Supervisor would be a project manager who currently deals with the contractors for various projects including stormwater, streets, the restroom construction, etc. This person is one of the Water and Sewer employees that will stay with the City.

City Manager Borgmann added that the salary would be funded from the Citizens Independent Transportation Tax (CITT) funds.

Public Works Director Williams clarified for Councilman Dotson that four employees affected by the water and sewer transfer would remain with the City.

Human Resources Director Boucher stated that two full-time employees from the Golf Course were laid off that have seniority under Civil Service and they will be moving to Public Works.

The City Manager explained that there would be a correction on page two in the Stormwater Fund under Improvements other than Building. The City received a grant for \$150,000 that is being reduced by \$30,000, but the City received an additional \$250,000 from the State, which totals \$370,000; there are additional monies in the fund balance and the City will go out to bid for Basin eight that has a price tag of approximately \$550,000.

Vice Mayor Garcia commented that grant funds are allocated to the City and if the dollars are not spent the State might take back the funds or refuse to fund future projects. He emphasized that every penny should be spent.

The City Manager stated that a \$250,000 grant is a wonderful thing but the City must have the matching funds to fulfill the project.

Councilman Youngs asked where the matching funds are included in the budget.

City Manager Borgmann responded that the City collects a stormwater utility fee every month on the utility bill and the fund has been accumulating dollars for many years that can be used for the match.

To answer Councilman Youngs' question, Finance Director Robinson said that there is approximately \$1 million in the fund reserve for stormwater as of Fiscal Year ending 2007. Once notification that a grant is forthcoming the revenue would be booked for the City's portion of the grant.

IX. Debt Service

City Manager Borgmann explained that this fund includes the principal and interest for the Golf Course bonds. The debt service and annual disclosure fee total \$401,971.

Councilman Dotson asked what SLGS stands for on the Debt Service Disbursement Schedule

Councilman Youngs moved to extend the meeting until 11:15 p.m. Councilman Best seconded the motion, which carried 4-1 on voice vote, with Vice Mayor Garcia casting the dissenting vote.

Councilman Dotson knows that the SLGS is an escrow fund. He asked what the purpose of the escrow fund is.

City Manager Borgmann responded that when the bond was issued the City of Miami was paid their fees and the remainder was put into an escrow account for the City's use.

X. Capital Projects

Finance Director Robinson handed out a Capital Expenditure Summary for all departments. He explained that Council had reviewed the capital items for all funds with the exception of the Capital Projects. He noted that changes were made to Road & Transportation to include the bike path lighting project on North Royal Poinciana Boulevard for \$800,000. Changes were also made to Stormwater which now totals \$740,000 of which 50% will come back to the City in a grant.

Finance Director Robinson stated that at some point Council would have to make a determination of what items will be included in the Capital Projects for 2008-2009. There are some place holders because the dollar amount is unknown for a new parking garage and the replacement of the jogging path around Stafford Park.

Councilman Dotson asked if the City is committed to spending \$538,682 for the Canal Street Linear Park Project.

City Manager Borgmann explained that the City received grant funds and signed off on Phase I. The project is being done in three phases because the total project cost is approximately \$1.7 million.

City Planner Richard E. Ventura stated that the City initially received a grant award of \$150,000, however the quote for the items that were going to be installed were not covered by this amount. This was communicated to Florida Recreation Development Assistance Program (FRDAP) and under the rules of the grant the funds were returned because the project elements could not be installed.

City Planner Ventura explained that the City applied for a second grant in the amount of \$400,000 in order to be able to cover the costs for Phase I. The grant was to be a 50/50 match with \$200,000 from the State and \$200,000 from the City, but the amount of the award was reduced to \$272,000 or \$135,611 City and \$135,611 State. He clarified that Phase I elements would be the pathway, Phase II would be the fishing pier/boat launch, and Phase III would be a picnic area. Secondary items include landscaping, signage, pavilions, irrigation, electrical, etc.

City Planner Ventura said that the State would only cover 25% of the entire park costs.

City Manager Borgmann commented that the second and third phases include street and sidewalk improvements that can be funded from the CITT and Local Option Gas Taxes. The City would be able to match the \$135,611 each year.

The costs involved for the design, survey and construction documents were reimbursed through the CITT monies, according to Mr. Ventura. He explained that a maximum of 15% of grant awards could be utilized for design work.

Councilman Dotson asked if the City would lose funds if there was not enough funding to begin Phase I this year.

City Planner Ventura stated that he would not want to take a chance on having to return the funds a second time. He believes that the pathway and landscaping could be accomplished next year.

To answer the Mayor's question, Finance Director Robinson explained that the City would have to pay approximately \$403,000.

To answer Councilman Dotson's question, City Manager Borgmann responded that no funds would be derived from the General Fund.

Councilman Best moved to extend the meeting until 11:30 p.m. Councilman Dotson seconded the motion, which carried 3-2 on roll call vote, with Vice Mayor Garcia and Councilman Youngs casting the dissenting votes.

Mayor Bain stated that the Canal Street Linear Park would not be paid out of the budget, other than the matching funds.

Vice Mayor Garcia explained that funds must be included in the budget because the City pays for the expenses and is reimbursed.

City Manager Borgmann clarified that it must be listed under the Capital Improvement projects.

Mayor Bain noted that it would cost \$100,000 to silence the City Hall air conditioner. In his opinion the City should go out to bid for a new air conditioner and sell the existing unit.

Councilman Best asked if something could be done to improve the Golf Course irrigation system without spending \$1,700,000.

City Manager Borgmann responded that there was discussion about the irrigation system at a previous meeting and Golf Superintendent Pell explained that it would be better to replace the entire system all at once.

Mayor Bain suggested that Grant Writer Carol Foster might be able to locate grant funding sources for the Golf Course. He added that there are youth programs or foundations that could help to bring in funding.

To answer Councilman Dotson's question, City Manager Borgmann clarified that \$150,000 is budgeted for professional services for the Recreation Complex construction manager.

To answer Councilman Youngs' question, Finance Director Robinson explained that \$137,000 is included in the Capital Fund as an interest expense related to the Recreation Complex project, but it is not a capital expense.

Councilman Dotson asked why there is \$7,000 included for principal if the first year of the loan is supposed to be interest only.

Finance Director Robinson said that it was thought that the loan closing would be in August and that is why \$7,000 is included for one month's principal payment that would be due in September 2009.

Councilman Dotson asked if the Curtiss Mansion Renovation project has construction plans for 2009.

City Manager Borgmann responded that the construction documents are almost complete and ready to go out to bid, with an award in the Spring of 2009 and construction to begin thereafter.

Finance Director Robinson explained that \$2 million dollars had been appropriated for the Curtiss Mansion project and any funds not spent would be carried forward. He explained that if a contract is awarded prior to the fiscal year ending September 30, 2009, the funds that were appropriated for this fiscal year will be encumbered and a budget amendment would follow.

Councilman Dotson commented that \$500,000 from the reserve was approved by Council and there is another \$500,000 designated, but not appropriated. He felt that this would have to be approved as well.

Councilman Dotson moved to extend the meeting until 11:45 p.m. Vice Mayor Garcia seconded the motion, which failed on roll call vote, with Vice Mayor Garcia, Councilman Dotson and Councilman Youngs casting the dissenting votes.

The meeting was adjourned at 11:30 p.m.

Billy Bain
Mayor

ATTEST:

Magalí Valls, CMC
City Clerk

Approved as written during meeting of: 9/8/2008

Transcription assistance provided by S. Hitaffer