



Town of Surfside
Town Commission Budget Workshop
MINUTES
June 11, 2019
5:00 p.m.

Town Hall Commission Chambers - 9293 Harding Ave, 2nd Floor
Surfside, FL 33154

1. Opening

A. Call to Order

Mayor Dietch called the meeting to order at 5:06 p.m.

B. Roll Call of Members

Town Clerk Novoa called the roll with the following members present:

Mayor Daniel Dietch, Commissioner Michael Karukin, and Commissioner Tina Paul.

Vice Mayor Daniel Gielchinsky arrived at 5:14 p.m.
Commissioner Barry Cohen arrived at 6:01 p.m.

C. Pledge of Allegiance

Chief Yero led the Pledge of Allegiance

2. Discussion on Upcoming FY 19-20 Budget – Guillermo Olmedillo, Town Manager

Town Manager Olmedillo introduced the program modifications being proposed by the administration and a list of items for the upcoming budget. He stated that the summary of new program costs is on page 2 and the summary of new capital outlay requests is on page 22.

Town Manager Olmedillo also introduced Mr. Jason Greene who will be starting as the new Finance Director at the end of July.

Town Manager Olmedillo also introduced the Chairman of the Pension Board, Abraham Issa, who will be making a presentation.

Town Manager Olmedillo stated that tonight's discussion will go over the new program modifications and he gave the following synopsis: On June 1, 2019 the Town received a letter from the Property Appraiser's Office indicating that the property value was \$3,118,000,000. He stated that that is an increase of 1%

compared to last year. This increase is due to the single-family area being reduced and the multifamily and commercial areas obtaining additional value. He stated that this would translate to approximately an additional \$112,000 made available to the Town.

Mayor Dietch requested that Mr. Abraham Issa share his thoughts and give his presentation.

Mr. Issa spoke on behalf of the pension fund and made the following recommendation: 1) Set up a plan to fully fund the pension plan for the next five years. Currently the Pension Fund is in very good shape and the plan is at 91.5% funding; 2) The cost of the pension plan is at 14% of payroll ratio and other city pension plans are above 60% ratio. He stated that given the Town's financial health, this is the time to get ahead of our liabilities.

Mr. Issa gave a synopsis of the current situation of the pension plan and gave the rates of equity for stocks. He stated that they are expecting a return of about 5.5% to 6.5% over the next 5 to 10 years. He stated that on a fixed income bond they are expecting between 3.5% to 4.5%.

Mr. Issa stated that the Commission should think of the pension fund like a 30-year mortgage, if you pay for it early you pay a lot less. He stated that the pension premiums go into an investment pool which grows. The earlier you fund it, the easier it is for the Town in an event they have a bad year like in 2008.

Mr. Issa stated that as trustees of the pension fund, they are requesting the Town to allocate funds in its upcoming budget with the goal of having the plan 100% funded over the next five years, thus reducing the Town's pension liability.

Town Manager Olmedillo stated that there is no specific amount that has been recommended. It is the policy that is being recommended to the Commission to consider as they go through the process of budgeting.

Mr. Issa stated that he is able to come back if the Commission has specific targets they want to achieve, and they can work with the actuary and provide a report to the Commission.

Interim Finance Director Wallace gave a presentation of the upcoming budget and the increase by millage rates. He stated that every millage rate increase would generate about \$3 million dollars in property tax value. He gave the dates of the upcoming public hearings, the date for the TRIM notice and deadlines of setting the millage rate.

Interim Finance Director Wallace gave a program modification summary presentation as follows:

Modification Summary Presentation:

Under General Fund:

Legislative Department – Government Academy – in the amount of \$12,000 similar to the police academy.

Charter and Code Rewrite - in the amount of \$300,000

Town Attorney – Non-Contract Additional Professional Services – in the amount of \$90,000

Special Projects/Excluded Services – in the amount of \$100,000.

Vice Mayor Gielchinsky asked how much was spent last year on out of contract services and non-covered litigation.

Town Attorney Arango stated that last year it was about \$125,000 and this year she looked from October 2018 to March 2019 and they were at a total of \$285,000. She stated that this year they had one litigation matter that exceeded \$50,000.

Executive Department which includes Human Resources – Classification and Compensation Study – in the amount of \$25,000. The last study was done five years ago.

Paid Parental Leave – in the amount of \$20,000

Planning & Zoning Division – Surfside 305 Strategic Climate Action Plan – in the amount of \$250,000.

Urban Land Institute Leadership Project – in the amount of \$10,000.

Public Safety Department – requesting a new entry level police officer position at a cost of \$97,866.

Parks & Recreation Department – 85th Anniversary Event - in the amount of \$18,000.

Parks & Recreation Department – Community Center: New Full Time Lifeguard position – at a cost of \$62,750.

New Full Time Custodian Position – at a cost of \$55,112.

Swim Team Coach - at a cost of \$12,000.

Painting of Community Center – in the amount of \$20,000.

Under Special Revenue Funds – Tourist Resort Fund:

Parks & Recreation Department – Community Center:

Water Activity Pool / Tot Lot and Slide Repair – in the amount of \$47,500.

Bi-Weekly Professional Cleaning for Community Center - in the amount of \$12,000.

Beach Raking - in the amount of \$87,120.

RecTrac Software System Update - in the amount of \$17,000.

Enterprise Funds:

Water & Sewer Fund – Requesting a new Maintenance Worker II position - at a cost of \$56,742.

Municipal Parking Fund – Requesting a new Parking Enforcement Officer position - at a cost of \$57,250.

New Capital Outlay presentation:

General Fund:

Public Safety – Police Handheld Radios - in the amount of \$129,600.

Parks & Recreation – Security Camera System – Tennis Center - in the amount of \$15,500.

Non-Departmental – Community Digital Sign - in the amount of \$36,000.

New Capital Outlay Improvement Projects:

General Fund/Capital Projects Fund / Capital Improvement Projects

Public Works – Downtown Surfside Sidewalks Beautification Plans and Studies - in the amount of \$50,000.

Parks & Recreation – Turkey Solar Power System - in the amount of \$525,000.

New Capital Outlay – Special Revenue Funds:

Tourist Resort Fund – Community Center – Fence and Gate Entrance Replacement - in the amount of \$15,000.

Security Camera System - in the amount of \$23,000.

New Capital Outlay – Enterprise Funds

Municipal Parking Fund – Handheld radios - in the amount of \$21,600.

Solid Waste Fund – Rear Load Garbage Truck - in the amount of \$240,000.

New Capital Outlay – Internal Service Funds:

Fleet Management Fund – Police Vehicles - in the amount of \$252,000.

Parking Enforcement Vehicles - in the amount of \$39,000.

Work Utility Vehicle 4X4 – Public Works - in the amount of \$15,000.

Building Services Vehicle - in the amount of \$32,500.

Commissioner Paul asked questions regarding the budget. She stated that she did not recall this from their last budget meeting.

Commissioner Karukin clarified that the budget starts at \$0 balance and if monies weren't expended from the previous year, those monies go back to the General Fund.

Commissioner Paul asked the Town Manager about the execution of some of the items on page 3, the Government Academy and if there was much interest in this program. She also asked who will be running the program and if it is available to all age groups.

Commissioner Karukin stated he has no interest in this program. He also asked Mayor Dietch if they can vote on each item instead of everyone going individually through their own list.

The Commission agreed to go item by item.

Government Academy – The Commission supported the program as long as there is enough interest in the program.

Commissioner Paul stated that as long as there is enough interest in the program, she would support it.

Commissioner Karukin agreed with Commissioner Paul's comment and will support it only if there is sufficient interest in the program.

Assistant Town Manager Tavares explained the Government Academy Program.

Mayor Dietch stated that this program is for people to understand what goes on in town government.

Charter and Code Rewrite – Commission is in support of this item.

Commissioner Karukin stated that he is not in support of allocating \$300,000 for this at this time until they are able to see the actual budget.

Interim Finance Director Chris Wallace spoke regarding the charter and that it is outdated. He also stated that the charter being outdated is an issue and it needs to be addressed.

Commissioner Karukin stated that in 2008 they had a Charter Review Board and asked what is the staff's definition of out of date.

Mayor Dietch stated that the charter is outdated in specific areas.

Town Manager Olmedillo stated that there is an area in Chapter 90 and there was a community meeting where the community had a number of concerns with this chapter. He stated that as they looked through the Charter, questions have come up and they have found inconsistencies. He stated that possibly those questions/concerns were never addressed nor repaired. He also stated that with the advance in the technological era, charters and codes have been behind in technology. He stated that this is part of the wish list and it is up to the Commission if there is any interest in this item.

Commissioner Paul asked Town Attorney Arango if the purpose is to bring the two closer together and if the Charter supersedes the Code, could they curve development and preserve the character of the Town through strengthening the Charter and not the other way around.

Commissioner Karukin stated that the answer is yes to both because they work hand in hand, and he is willing to support this item.

Commissioner Paul stated she does see conflicts in the charter, and she has spoken to the Town Attorney about it regarding the Florida Statutes and Section 7. She asked if the changes would go to referendum.

Mayor Dietch answered Commissioner Paul's question and stated that any changes to the charter must go to referendum.

Town Attorney – General Agreement - Commission is in support of this item.

Vice Mayor Gielchinsky would like to know the actual cost for the last fiscal year.

Town Attorney Arango stated that from October 1, 2018 to April 2019 they are at about \$75,000 for excluded services. She also reminded the Commission that there are different items coming up in 2020 that need to be addressed.

Human Resources – Classification and Compensation Study – Commission is in support of this item.

Paid Parental Leave – Commission is in support of this item.

Surfside 305 Strategic Climate Action Plan – Commission is in support of this item.

Commissioner Paul stated that she would like to know what the funds will be used for or if they are just allocating the funds to be used in the future. She also would like more clarification.

Mayor Dietch explained the resiliency program to Commissioner Paul and what those initiatives are. This is a budget allocation and there are specific items that the funding will be used for.

Interim Finance Director Wallace stated that some of these costs will be more fully developed by the July meeting. At this point it is to see which items the Commission are in consensus with and to move forward with those items.

Vice Mayor Gielchinsky would like to talk more about the funding at a later time and this is a perfect time to think about impact fees.

Urban Land Institute Leadership Project – Commission is in support of this item.

Commissioner Paul would like to know what the funds will be used for or are they just allocating the funds to be used in the future. She would like more clarification.

Town Manager Olmedillo explained the project which gives an indication of what leadership projects could be used for the Town and it would give them a blueprint of what will be presented back to the Commission as priority.

New Police Officer Position – Commission is in support of this item.

Vice Mayor Gielchinsky is strongly in support of this item and commended the Police Chief and staff.

85th Anniversary Event – Commission is in support of this item.

Mayor Dietch stated for the record that he would prefer to wait until the 100th year anniversary but is in support of the item.

Full Time Lifeguard – Commission is in support of this item.

Full Time Community Center Custodian – Commission is in support of this item.

Commissioner Karukin asked if they could bring back Hector as a 1099 consultant.

Swim Team Coach – Commission is in support of this item.

Painting of Community Center – Commission is in support of this item.

Tot Lot Slide Repair – Commission is in support of this item.

Biweekly Professional Cleaning Service – Commission is in support of this item.

Beach Raking – Commission is in support of this item. They requested more information regarding the process.

Commissioner Paul supports it to a degree and believes that every day raking is too much and would like to know the process. She stated that the only way she would support this item is if they include as part of the item the actual process of the removal of the seaweed. She suggested that staff look into the cost of separating the seaweed and turning it into fertilizer. She also suggested that raking be done no more than twice a week.

Commissioner Karukin stated to Commissioner Paul that turning it into fertilizer has a cost associated with it.

Town Manager Olmedillo advised the Commission that it is not only picking it up. He stated that there is a cost associated with it once it is picked up and if the Commission would like staff to find out the cost.

Commissioner Paul stated Town Manager Olmedillo bring back the cost involved and doing it the correct way.

Mayor Dietch also agreed with doing the beach raking the correct way and would also like the cost involved of disposal of the seaweed once it is picked up.

RecTrac Software System Update – All the Commission is in support of this item.

Mayor Dietch stated this is specific to Parks and Recreation facilities and you see the same systems being used in other communities as their dedicated system.

Commissioner Cohen asked what it improves and what the need of it is.

Parks and Recreation Director Milian explained the software system and stated this is the first upgrade in nine years.

Vice Mayor Gielchinsky commended Parks and Recreation Director Milian and stated that he runs a tight ship. He feels that it is important to have this upgrade done.

Water & Sewer Maintenance Worker – Commission is in support of this item.

Parking Enforcement Officer Position – Commission is in support of this item.

Commissioner Paul supports this item but would also like them to cover the Town lots close to the beach area, the streets close to the beach and on the weekends.

Public Safety – Police Handheld Radios - Commission is in support of this item.

Parks & Recreation – Security Camera System – Tennis Center - Commission is in support of this item.

Non-Departmental – Community Digital Sign – General support of the Commission with Commissioner Paul supporting only if it is not a digital sign.

Commissioner Paul's support is dependent on what other options there are. She agrees with a sign but not a digital sign.

Commissioner Karukin is not in support of this item.

Town Manager Olmedillo gave the location of where the sign would be located.

Commissioner Karukin is in support with the location of the sign stated by the Town Manager.

Public Works – Downtown Surfside Sidewalks Beautification Plans and Studies - Commission is in support of this item.

Commissioner Paul would like to tweak the idea and stated that this reminds her of the streets in Times Square and believes it is too busy for Surfside. She stated that she likes the sidewalks proposed in the Safe Harbor Project.

Town Manager Olmedillo explained what this beautification project entails.

Commissioner Paul asked if the Commission would be able to also approve the design.

Town Manager Olmedillo stated that it would go to either a committee or the Commission for approval of the design.

Commissioner Karukin stated that it would most likely go before DVAC for approval of the design. He also stated that he has received multiple complaints about the sidewalks.

Commissioner Cohen commented on complaints regarding the sidewalks and wanted clarification on this project and the cost.

Public Works Director Stokes gave Commissioner Cohen clarification on the project and the cost entailed.

Commissioner Paul stated she is in support of the project. She wants to know what it will look like.

Parks & Recreation – Turnkey Solar Power System - All the Commission is in support of deferring this item and come back with a more refined approach and more detail.

Commissioner Paul would like to defer this item. She stated she supports this item but not at this time.

Mayor Dietch requested the Town Manager go back and revisit this. He does not feel the Town has enough roof space for this project.

Vice Mayor Gielchinsky also commented on the cost of the panels per square foot.

Commissioner Cohen commented on the solar panels. He requested the Town look into other programs that are made for smaller areas and municipalities.

Vice Mayor Gielchinsky would like this project to get done but is in support of having the Town Manager come back with a more refined approach.

Tourist Resort Fund – Community Center – Fence and Gate Entrance Replacement - Commission is in support of this item.

Security Camera System - Commission is in support of this item.

Municipal Parking Fund – Handheld radios - Commission is in support of this item.

Solid Waste Fund – Rear Load Garbage Truck - Commission is in support of this item.

Public Works Director Stokes stated that they need this truck due to replace the current one which has reached the end its life.

Fleet Management Fund – Police Vehicles - Commission is in support of this item.

Commissioner Paul stated that she saw that there were six police vehicles that were previously budgeted for. She asked if these were the same vehicles or additional vehicles.

Interim Finance Director Wallace stated they are six additional vehicles. Six vehicles were replaced in the current year due to the use.

Mayor Dietch stated that there is a policy of when to replace the vehicles.

Town Manager Olmedillo asked Chief Yero to discuss this item.

Vice Mayor Gielchinsky stated that he was looking at offering the Police Department a bait car to set up sting operations for stolen vehicles. He asked if they could use an older police vehicle as a bait car.

Police Chief Yero stated that they can use an older dodge charger and they also have a confiscated vehicle they might be able to use as well.

Commissioner Paul stated that when she attended the EMerge Expo, Florida International University (FIU) had a table where they had a carbon monoxide emission management system that they use for fire rescue trucks. She asked if it would be possible to place that type of system in the new vehicles that we purchase.

Town Manager Olmedillo stated that they researched that system and asked Public Works Director Stokes to explain.

Public Works Director Stokes stated that they did research and contacted the company that makes this carbon monoxide emission system and they are able to place them in small engines. He stated that they are made for generators and the jaws of life, which is what fire departments are placing them into. They are about \$200 per unit and can be placed in all their generators and small engines.

Commissioner Paul asked if they can be placed on police vehicles.

Public Works Director Stokes stated that they cannot be placed on police vehicles. When they contacted the company, the company stated that by placing it on those vehicles, it would vacate the vehicles warranty.

Vice Mayor Gielchinsky explained that larger vehicles already have a system in place.

Parking Enforcement Vehicles - Commission is in support of this item.

Work Utility Vehicle 4X4 – Public Works - Commission is in support of this item.

Building Services Vehicle - Commission is in support of this item.

96th Street Park Community Center Expansion – Add On Item by Commissioner Karukin: Commission is in support of this item.

Commissioner Karukin requested an add on item. He asked if there was any way that they could have a placeholder for the 96th Street Park Community Center Expansion. He supports this item and is looking at having a placeholder in the Capital Improvement Project of \$2,500,000.

Mayor Dietch stated that there is some money already set aside for this project.

Commissioner Karukin stated that he does not feel the money set aside will be enough for the project.

Mayor Dietch stated that if he is speaking about having a total for the project of \$2,500,000, which includes the money already set aside, he agrees with that.

Mayor Dietch said if there is general support, they can direct the Town Manager to come back with that item.

Mayor Dietch mentioned a presentation that was given in the beginning of this workshop and the Town Manager asked for policy direction as to whether they were in support of setting the goal of funding 100% of the pension fund in the next five years. He would like to revisit that before moving on with the public speakers.

The Commission gave direction to the Town Manager to come back at the next budget meeting with a discussion item on how that could be accomplished and what the budget impact would be.

Mayor Dietch opened the floor to public speakers.

The following public speakers spoke:

Victor May spoke on several of the budget items including additional police officers, police vehicles, beach raking, plans and studies for the sidewalks, solar power system, purchase of garbage trucks, radios and the climate study.

Jennifer Rother spoke regarding beach raking. She is concerned with the rewriting of the charter, parental leave, sidewalks, parking enforcement, government academy and solar panels on the community center.

Laura Morilla, Director, Miami-Dade County Commission for Women, spoke in support of parental paid leave.

Marie Woodson, Miami-Dade County Commission for Women, spoke regarding parental paid leave for employees. She encouraged the Town to support this and thanked them for placing it in their budget.

Jennifer Hill spoke in support of parental paid leave.

Sasha Plutno spoke against the Town of Surfside paying for parental paid leave and the \$250,000 for the resiliency plan.

Sheryl Goldberg spoke regarding her support the parental paid leave. She spoke against the \$525,000 for the solar panel system and asked if there could be an apparatus placed on the garbage trucks to pick up the garbage.

Mayor Dietch closed the floor to public comments.

Commissioner Karukin asked the Town Manager when they would be receiving the proposed budget.

Town Manager Olmedillo stated that it would be July1, 2019.

Mayor Dietch stated that by then they would have the CAFR completed and that would give the Commission an idea of where they are.

Commissioner Paul wanted to reiterate her feeling on beach raking as she stated earlier and stated that if they move forward with the raking, they do so cautiously. She also asked why the new code enforcement officer is not in the budget.

Mayor Dietch stated it was because they already gave the allocation and it becomes an ongoing cost.

3. Adjournment

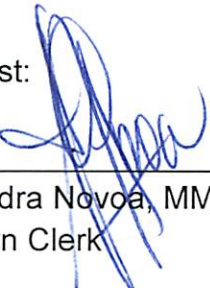
There being no further business to discuss before the Commission, a motion was made by Commissioner Karukin and seconded by Commissioner Cohen to adjourn the meeting without objection at 6:42 p.m.

Respectfully submitted,

Accepted this 13th day of AUGUST, 2019.



Daniel Dietch, Mayor

Attest:


Sandra Novoa, MMC
Town Clerk