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*July 29, 2004*

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# CITY OF MIAMI GARDENS SPECIAL CITY COUNCIL MINUTES

July 29, 2004

## 1. CALL TO ORDER/ROLL CALL OF MEMBERS:

The City Council of the City of Miami Gardens, Florida, met in special session on Thursday, July 29, 2004, beginning at 5:45 p.m., in the City Council Chambers, 1515 NW 167<sup>th</sup> Street, Building 5, Suite 200, Miami Gardens, Florida.

The following members of the City Council were present: Mayor Shirley Gibson, Vice Mayor Aaron Campbell, Jr., Councilwoman Audrey J. King, Councilman Melvin L. Bratton and Councilman Oscar Braynon, II. Councilwoman Sharon Pritchett arrived at 5:55 p.m. Councilwoman Barbara Watson was not present due to family bereavement.

Also in attendance were: City Manager Dr. Danny O. Crew, City Attorney Sonja K. Knighton and City Clerk Ronetta Taylor.

## 2. INVOCATION:

A silent moment of meditation was observed

## 3. PLEDGE OF ALLEGIANCE:

The Pledge of Allegiance was recited in unison.

## 4. RESOLUTION/PUBLIC HEARING:

### RESOLUTION NO. 2004-74-125

- 4A) **A RESOLUTION OF THE CITY COUNCIL OF CITY OF MIAMI GARDENS, FLORIDA, ESTABLISHING THE PROPOSED MILLAGE RATE FOR FISCAL YEAR 2004/05; SETTING THE DATE, TIME AND PLACE OF PUBLIC HEARINGS TO CONSIDER THE MILLAGE RATE AND BUDGET; PROVIDING FOR DIRECTIONS TO THE CITY MANAGER; AND PROVIDING FOR AN EFFECTIVE DATE (SPONSORED BY THE CITY MANAGER)**

It was moved by Vice Mayor Campbell, seconded by Councilwoman King to hear this item for discussion only.

Attorney Knighton clarified that because this item was moved for discussion only, a vote was required.

There being no further discussion on the motion, to move the item for discussion only, **passed**

**and carried by a 5-0 vote.**

Councilman Bratton:	Yes
Councilman Braynon:	Yes
Vice Mayor Campbell:	Yes
Councilwoman King:	Yes
Councilwoman Pritchett:	Not present
Councilwoman Watson:	Not present
Mayor Gibson:	Yes

Mayor Gibson announced that tonight's meeting was to set a tentative millage rate, which must be submitted to Miami Dade County in order to comply with applicable guidelines. She emphasized that this tentative millage rate can always be lowered but it can not be increased. She then opened the floor for public comments.

Mr. Ken Gress, with a business address at 16095 NW 57<sup>th</sup> Avenue, Miami Gardens, Florida, appeared before the City Council to express concern with the propose millage rate, and potential tax increase, for his property of approximately \$700,000 a year. He asked that the City keep the millage rate at a minimum so that they can survive, and not lose their tenants.

Ms. Janice Coakley, residing at 19681 NW 33<sup>rd</sup> Avenue, Miami Gardens, Florida, appeared before the City Council and asked that the millage rate be kept as low as possible; and to be mindful of those individuals on fixed incomes, as well as the senior citizens. She further asked whether the information regarding individual salaries would be available to the public.

Manager Crew advised that this information is available.

Ms. Pat Lightfoot, residing at 2750 NW 172<sup>nd</sup> Terrace, Miami Gardens, Florida, appeared before the City Council and asked that they keep the millage rate as low as possible and to be cognizant of the senior citizens.

After there were no other interested parties to speak on behalf of this item, Mayor Gibson closed the floor for public comments.

Manager Crew opened his presentation by indicating that for the past two years the City's finances have been essentially dictated to by Miami Dade County. This is really the first budget of the City, and the State of Florida recognizes that this budget has no relationship to the previous unincorporated area budget. The State of Florida recognizes this action, as the initial millage rate for the City and as such the City is not required to address a rollback rate, as other municipalities must do. This budget is important in that it will set the future for the City and the path to be taken. The hopes and dreams that the residents had when they put this City together will either come to a reality or not.

Manager Crew explained that tonight the Council will set the maximum millage rate to be levied. The actual millage will not be levied until September 29, 2004. He conveyed his belief that the millage rate being proposed is a realistic and necessary millage rate at this point in time. One of the biggest deficiencies that the City has, is that it has no cash reserve fund. This is extremely dangerous

and puts the City in a situation of imminent fiscal results. It is incumbent upon this City to have a sufficient cash reserve to be able to weather unknown situations. To do that overnight and to have a reserve that is adequate, would require the City to raise taxes one Mill for one year to have a reserve of approximately 2.7 Million Dollars, which is about where the City needs to be. Somewhere between 2.5 and 3 Million Dollars, which equates to 8% of the total budget, would be sufficient for a City this size. This proposal would increase the millage rate from 2.44 to 3.65. That money would be set aside to build up the reserve. Healthier cities have a cash reserve fund of anywhere from 12-24 percent of their total budget. Any moneys that are left over at the end of a fiscal year would roll over into the cash reserve fund. The healthier the city and the more cash reserve there is also determines that city's bond rating for borrowing money.

Manager Crew addressed the revenue side of the budget and indicated that the City has very little flexibility in terms of revenues. The State of Florida has taken away most of the ability of cities to determine their own fate when it comes to revenues. The only revenues cities are allowed to have any say in, are property and franchise taxes. Property taxes are only a quarter of the revenues for the General Fund. For every dollar a resident pays in property taxes, the City gets \$3.00 from other sources, which is one of the advantages of being a City. Three thirds of the revenues received are from the State and Miami Dade County, which includes State Revenue Sharing, Utility Franchise Tax, Utility Taxes, the half cent sales tax, fine forfeitures from the police department, permit fees, and parks and recreation fees.

Manager Crew addressed the expenditure side of the budget and indicated that this is generally classified into three categories: 1) Personnel, 2) Operating Expenses and 3) Capital Outlay. This year the City is focusing on service levels. The City Council will determine the desired service levels. Seventy-eight percent of the City's budget goes to Police (Public Safety). It is unusual to have approximately 80% of the budget mandated and unusual to have the police department mandated. The City is mandated as per its Charter to contract with the Miami Dade County Police Department for a period of three years. At that time the City will determine whether it will continue the contract with Miami Dade County or organize its own police department. The City's Charter mandates the use of Miami Dade County Specialized Police Services forever. The Budget does include a small increase in the police department with the additional of a couple of Community Service Aides to assist with the downloading of some of the non-emergency work for the police officers.

Manager Crew then addressed the Transportation Fund, which is independent of the General Fund. This fund has its own source of revenue. No property taxes go into the Transportation Fund. Thirty-five percent of the money received from State Revenue Sharing must be used for transportation purposes. On the expenditure side of the Transportation Fund is the Public Works Department. This Department will be taken over from Miami Dade County on October 1, 2004, and will include right-of-way and median beautification projects. One of the projects addressed in the budget is to put an irrigation system along 183<sup>rd</sup> Street and enhance the landscape. Another project identified in the budget involves the City's entranceways. A half-million dollars have been allocated in FY 04/05 budget to start a street resurfacing program in the City. Funds are also being allocated for sidewalk repairs.

Manager Crew referenced the Development Services Fund, which is independent of the General Fund. This fund addresses the Planning and Zoning process and the fees associated with that process. The City's Comprehensive Plan would also be addressed under this fund. This fund also includes the

building permitting process.

Manager Crew made reference to the Stormwater Utility Fund, which has not been instituted as of yet. Miami Dade County currently administers this program on behalf of the City. However, it is anticipated that the City will take this program, over January 2005.

Manager Crew indicated that he is also recommending, in the budget, the establishment of a Capital Projects Fund, although he was not recommending the use of any those funds at present.

Manager Crew stated that the bottom line for property taxes is only partial of what is generated in terms of revenue however it is also the most visible portion. Staff had done a lot to bring in all sorts of revenues that were not property taxes. The average millage rate for the majority of municipalities in Miami Dade County is 6.5 mills. The City's proposed millage rate is considerably lower than that. The proposed millage rate of 3.6484 mills puts Miami Gardens at the second lowest of the 34 cities in terms of impact on the city's residents. The only city that has a lower impact, per capita, in terms of residents, than the City of Miami Gardens is the City of Sweetwater. When raising the old unincorporated millage rate to a new municipal millage rate, the average homeowner, after Homestead Exemption would pay approximately \$100.00 more. He emphasized that the entire tax bill would not double. He related that residents pay less in city taxes for all the city services than they do for the fire department and garbage services. This budget will address code enforcement issues. The budget provides for the increase of Code Enforcement officers from four to seven.

Manager Crew opined that the City can provide for services for less than what Miami Dade County is doing it for. The budget is a budget that will make this City healthy in the future.

Councilman Bratton referenced page A-5 of the Budget Message as it related to the Cash Reserve Fund and the .1822 Mill for FY 04/05 through 07/08 and asked whether the millage would revert back to the original figure after that time.

Manager Crew related that, that rate was for this particular fund, and at the end of FY 07/08, the City would probably need the money in the General Fund to operate, that way the City would not have to raise taxes again, or the funds could be used for Capital projects.

Councilman Bratton asked how is this budget being marketed to the public.

Manager Crew recommended having a Town Hall meeting in each district prior to the public hearings on the budget. A computer will be available so that property owners can look up their own tax bill so that they can see their individual impact.

Councilman Bratton asked how these citizens would be notified of the Town Hall meetings.

Manager Crew indicated that advertisement would be done in the local newspapers.

Vice Mayor Campbell related that he's already spoken to the citizens in his district about the potential for a tax increase. From the feedback received, no one wants a tax increase, but all want quality services. He opined that the cost of services don't stay the same, it increases every year.

Therefore, how can one keep the taxes the same every year. He concurred with Councilman Bratton and related that the City has to do a comprehensive campaign to get the citizens to buy into this idea.

Councilman Bratton asked Attorney Knighton if there was any prohibition with the Council members talking to the residents about the proposed tax increase.

Attorney Knighton indicated that there is no problem as long as the Sunshine Law is not violated. She related that tonight's meeting is to set a proposed maximum millage rate. This rate can always be lowered prior to the final adoption of the budget.

Mayor Gibson stated for the public's edification, that the City Council, at tonight's meeting was establishing a proposed millage rate that can be reported to Miami Dade County. This proposed rate, which will be sent to Miami Dade County can always be lowered, but can not go any higher. She put emphasis on the fact that the City Council tonight, is not making a final decision on the millage, but only making a decision to send a tentative millage rate to Miami Dade County, which has to be submitted by the end of July. Further discussions will take place in September 2004, about what that actual rate is going to be.

Vice Mayor Campbell shared that the millage rate could always be lowered, if it is determined that a majority of the residents did not want their level of services to increase.

Attorney Knighton indicated that there is a way by law, to raise the millage rate higher than what this Council votes on tonight. However, to do that would require a mass mailing to every tax payer within the City.

Councilwoman King shared that she's had residents state that they did not want their taxes to go up. However, she's also had residents state that they understand that taxes would go up because they want their neighborhoods to look good. She emphasized that the proposed millage rate is not unacceptable for the size of this City. She further related that she's not seen anyone go down to the County Commission Chambers to ask why their property values had increased, which also resulted in increased taxes.

Councilwoman King shared that Seat 3 has the largest population of senior citizens and a majority of those individuals have not taken advantage of the Senior Citizen Homestead Exemption. She placed emphasis on the importance of informing those seniors of this extra exemption. She further stressed the importance of informing the residents of the positive steps being taken to further enhance the City of Miami Gardens, during the Town Hall Meeting. She related that it is up to the Council members to educate the citizens and the citizens will have to make the decision as to the level of services they want.

Mayor Gibson shared that she was prepared to sponsor an ordinance for the extra Senior Citizen Exemption but was told that in order for the seniors to receive this particular exemption, the ordinance had to be adopted and forwarded to Miami Dade County by December 1<sup>st</sup>. She related that she would be sponsoring this ordinance within the very near future in order to get it adopted and forwarded, to the appropriate authority, in a timely manner.

Councilwoman Pritchett asked if the Disability Exemption could be included in the Senior Citizens Homestead Exemption Ordinance.

Mayor Gibson said that she would confer with the City Attorney on this matter to ensure that the ordinance is comprehensive and covers all the areas that the City can, legally.

Councilwoman Pritchett asked Manager Crew to ensure that the general meeting previously discussed, be scheduled at the Miami Dade Regional Library, this is in addition to the Town Hall meetings. She further asked if administration had a contingency plan if the residents rejected the 3.65 Mills.

Manager Crew conveyed his belief that this millage increase is truly what the City needs to establish itself. He said that you did not want to start the City off on the wrong foot. That is why this first budget is so critical. This Council's actions on this budget, will determine what path this City will take. He further related that the 3.65 Millage Rate proposal is really a compromise on his part because he really feels that the City needs to spend more than this amount. He related that he tried to be cognizant of the financial situation of the residents.

Councilwoman Pritchett opined that it is very important that when the Council members hold their Town Hall meetings, that they take the time to explain the options to the residents.

Councilman Braynon questioned whether the Council could pass a higher tentative millage rate at tonight's meeting and then bring it down prior to the final adoption of the budget.

Manager Crew related that he's known a lot of City Managers that have played that game, and to him it is a game, but he did not consider his job as City Manager a game.

Councilman Braynon related that this would provide the City with some flexibility to address unforeseen issues between now and the adoption of the budget.

Manager Crew indicated that this budget and the proposed millage rate is based on some guessing because the City has no history. He said that if the City miscalculated, some of the potential revenue could make a huge difference in the budget, and this is what concerns him. He gave an example of estimating potential revenue from the State for Alcoholic Beverages of \$19,000, but was told recently by the State that, that revenue would only be \$13,000. That puts this proposed budget off by \$5,000.

Vice Mayor Campbell opined that if this is the case, the Millage rate should be raised to a sufficient level now, so that the City will not have to come back next year with another increase.

Councilman Braynon concurred with Vice Mayor Campbell's comments.

Manager Crew opined that to do this type of activity causes real physical distress with the residents because they don't know what is being done. They only see a significant millage increase being proposed. He conveyed that one thing this Council will learn about him is that he tells it like it is, he does not exaggerate, and he does not throw punches. He conveyed that when he provided this

recommendation as to what the City needed, he was not trying to throw in anything that was not needed. He emphasized that he would rather be upfront and honest with the Council members.

Councilman Braynon asked if the two additional positions being requested by the police department was the only thing they'd asked for.

Manager Crew related that the police department did ask for the two positions, which he is in support of.

Councilwoman Pritchett encouraged the Council members that when the Town Hall meetings are held, they share with the citizens that there are on-going projects, and even with the kind of budgetary restraints and constraints, the Council is still working for the best interest of the residents.

Mayor Gibson concurred with Councilwoman Pritchett's statement. She said that it is totally incumbent upon each Council member to sit with the City Manager and staff prior to the Town Hall meetings for further clarification with regard to the budget.

At the conclusion of this discussion, it was moved by Councilman Braynon, seconded by Councilman Bratton to adopt the resolution, proposing a tentative millage rate, with the understanding that the Town Hall meetings would take place. This motion **passed and carried by a 6-0 vote.**

Administration was directed to make arrangements for the Town Hall meetings.

Councilman Braynon:	Yes
Vice Mayor Campbell:	Yes
Councilwoman King:	Yes
Councilwoman Pritchett:	Yes
Councilwoman Watson:	Not present
Councilman Bratton:	Yes
Mayor Gibson:	Yes

## 5. ADJOURNMENT:

After being duly moved by Councilman Braynon and seconded by Vice Mayor Campbell and unanimously voted upon the meeting adjourned at 7:55 p.m.

  
Shirley Gibson, Mayor

Attest:

  
Ronetta Taylor, CMC, City Clerk