CITY OF COOPER CITY
CITY COMMISSION

COMMISSION REVIEW BUDGET WORKSHOP MINUTES
TUESDAY
MAY 26, 2020 at 5:30 PM

1. Pledge of Allegiance
Mayor Ross opened the meeting at 6:30 PM and led the assembly in the Pledge of Allegiance.

2. Roll Call
Present were Commissioners Pulcini, Meltzer, Green, Curran and Mayor Ross.

3. Public Comments (each member of the public is allowed to speak for four (4) minutes)

No public Comments.

4. Report on FY 21 Budget Public Input
City Manager Napoli advised a priority of his when he first came to the City was to look at the structural issues with revenues and budgeting. The City is almost built out and 70% of the budget goes to BSO with another 4% going toward pensions and legacy items. Leaving 26% of the budget to work with. Our property taxes do not cover the BSO costs. We need to look at how to maintain the excellent quality of life for residents while trying to manage revenue sources and our budget. A strategic plan was what he wanted to focus on but COVID-19has affected those plans currently. We will be able to focus more on the strategic plan in the near future and we will present a balanced budget on July 1, 2020 that will not use fund balance.

Finance Director Sherry Walker spoke on an overview of the 2019 Budget. Total City wide expenses and expenditures were $58,165,612.The ending fund balance in the General Fund was $6.38 million that meets our minimum fund balance policy that requires 2 months of reserves. For FY 20 we have a fiscal year amended budget of $61.05 million this includes the adopted budget of $58.48 million and the roll forward of about $2.56 million in purchase orders and projects from FY19. The fiscal year 2020 forecast has an amended budget

of $61.05 million. We are expecting reduced revenue due to the COVID-19crisis and some additional expenses for PPE. We did receive $1.8 million in FEMA reimbursements for Hurricane Irma and are expecting an addition $1.2 million that should be coming in the next few months. We will also receive $15,000 for Hurricane Dorian reimbursements. We also received notice that we have received a DOJ grant for FDLE for PPE related expenses due to COVID-19.The City was rewarded $127,000 that will help pay for PPE and hand sanitizers. In FY 2021 budget assumptions, we are assuming a tax base growth of 4%. We are assuming no change to the millage rate, a small general fund capital improvement plan, an increase in the BSO contract, an increase in the water and sewer rates at 1.6% and analyzing a decrease in intergovernmental revenues due to COVID-19. Some budget concerns we have for FY 21 are the fire assessment rate study, FEMA reimbursements, the BSO contract, storm water rates and the impact of COVID-19. Public Input received at the May 20, 2020 and May 21, 2020 Meetings include a reduction in the millage rate, holding a workshop for the Fire Assessment Rate study, reductions in personnel costs and operating costs, a 5 year capital plan and including Capital projects back into the budget. More input included analyzing the 4% Ad Valorem, analyzing personnel in the budget, to analyze revenue as compared to FTE increase, reductions of highly compensative staff and possible furloughs and tree roots intrusion issues.

5. Commission Discussion

Commissioner Meltzer thanked Sherry for the breakdown of losses due to the COVID-19 crisis. Which looks to be around $543,000. He asked if expenses will go down as much as the revenues.

Mrs. Walker said she would meet with Commissioner Meltzer to discuss that issue.

Commissioner Meltzer asked if that information can be shared with the Commission as well. He also asked about the tax base growth.

Mrs. Walker will get that information to him shortly.

Commissioner Green asked City Manager Napoli if he foresees savings in the BSO contract.

City Manager Napoli advised we can not sustain our budget and a BSO increase every year. We are looking at savings and how we can limit increases every year. We need a mechanism in place to assure we control increases. That will require negotiations but we cannot sustain an increase every year.

Commissioner Green said any revenues through ad-valorem would be used by the BSO contract costs.

Mrs. Walker answered yes.

Commissioner Curran asked the City's budget apart from BSO and pension costs.

Mrs. Walker answered 9 million.

Commissioner Curran said if we take a $500,000 loss from COVID-19 the 9 million will be affected not the BSO 70%. Beside reserves, there is nowhere else to recoup the loss.

Mayor Ross asked if we started on the Storm Water Study and asked about the Fire Assessment study.

City Manager Napoli asked if the Commission would prefer a workshop to bring forth the study or to add the item to a commission meeting.

Commissioner Pulcini asked why we would expect a decrease in intergovernmental revenues.

Mrs. Walker said it is related to the COVID-19 pandemic. Revenues from the state may be reduced by 25% for the next fiscal year. Revenue loss is also due to recreational activity losses. Sales taxes are also 2 months behind.

Commissioner Pulcini asked if these numbers would improve when the State opens back up.

City Manager Napoli said those numbers will be seen in the future.

Consensus was reached to have the Fire Assessment study presented on the June 23, 2020 agenda.

Utilities Director Mike Bailey said the storm water study would be completed in 2 weeks. We are about 4 weeks away from presentation.

Mrs. Walker advised a .4% reduction in property values would equate to about $80,000.

Commissioner Pulcini would like to see a budget with a tactical plan that is thought out and includes raises for employees. After the residents, employees are our next most valuable asset. He would also like to see infrastructure included. We have to have a sustainable budget that is part of a plan and vision. Let us also look at the residents and what ways we can assist them.

Commissioner Curran said let us remember that Cooper City employees may have spouses that are furloughed or have medical issues. We need a real budget that keeps in mind the residents as well.

Mayor Ross said the City Commissions duty is to the residents first. He would love to see raises but if no increases means everyone keeps their job employees may prefer that. Implementation is what the City Manager does and he will balance those issues in presenting the budget. He does not have a mindset of increases for the residents. He would settle for the same budget as last year if it works. He also looks forward to seeing Mr. Napoli's strategic plan.

Commissioner Meltzer advised he is looking forward to seeing the strategic plan. He is mindful of the employees but is also mindful of residents who have been impacted by COVID-19. He would also like infrastructure repair included in the budget.

Commissioner Green agrees with his colleague's that we had a very striped down budget last year with the exception of BSO costs. Let us be mindful that BSO costs take up 70% of the budget. The burden is on the back of the residents.

Commissioner Curran spoke on the reinvest in Cooper City plan from the past that used moneys from the millage to improve the City. We should look at this plan to help us currently.

Mayor Ross said he has spoken to the City Manager about the Cares Act. There is a task force formed by the Broward League of Cities and Mayor Ross will speak on behalf of the City. He urges the Commission to speak to Commissioner Geller about the City's need of a fair share of the moneys.

Commissioner Meltzer said the reinvest program was a great plan and he would love to see a familiar plan and also a residential reinvestment program for residents that can be rewarded through grants.

6. Additional Public Comments (each member of the public is allowed to speak for an additional two (2) minutes)

No additional public comments.

7. Adjournment
The meeting was adjourned at 6:14 PM.

The minutes of the Commission Review Budget Workshop #1 of May 26, 2020 were approved during the Regular City Commission Meeting of June 9, 2020.

Greg Ross, Mayor

Kathryn Sims, City Clerk