

**FORT LAUDERDALE CITY COMMISSION CONFERENCE MEETING  
SEPTEMBER 6, 2006**

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**COMMISSION CONFERENCE MEETING      1:30 P.M.      September 6, 2006**

Present: Mayor Naugle  
Vice Mayor Hutchinson, Commissioners Moore, Rodstrom, and Teel

Absent: None

Also Present: City Manager – George Gretsas  
City Auditor - John Herbst  
City Clerk - Jonda K. Joseph  
City Attorney - Harry A. Stewart  
Sergeant At Arms – Bill Johnston

**I-A – Disposition of Housing for Persons with HIV/AIDS (HOPWA) Program Properties – 2030, 2032 & 2034 Dewey Street, Hollywood and 5812 Plunkett Street, Hollywood to City of Hollywood**

Marc LaFerrier, Director of Planning and Zoning, said this item was last discussed in April. The City of Hollywood wants to purchase these two properties so they could be used in their Block Grant Program for affordable housing. One of the two properties was never been utilized for HOPWA housing. In 1996, the City acquired the property due to liens, late taxes. Appraisal information is included in the back-up distributed to the Commission. The City of Hollywood has also gotten an appraisal. The two appraisals are very close. Direction from the Commission is being sought to convey the properties to the City of Hollywood.

Commissioner Moore wanted something in writing with Hollywood so that in the future if there is another grant for HOPWA housing that they would be supportive. Mayor Naugle questioned if it would be necessary because Hollywood would not be involved in HOPWA housing in the community. Commissioner Moore believed there could be a potential in the future. The City Attorney said he would talk to Hollywood, attempt to put something into the resolution, and bring it back to the Commission to encourage future possible replacement of these units.

Mayor Naugle thought it was against the law to discourage HOPWA housing. Commissioner Moore replied that it is not in the method that the City funds it. The City funds HOPWA housing to a non-profit entity, and they attempt to acquire needed properties. Government sensitivity may be required to allow it.

Mr. LaFerrier suggested Fort Lauderdale staff could meet with Hollywood staff to educate them on the HOPWA Program. Commissioner Moore said that Broward County is the second in the nation with this disease increasing. Anything the City can do for housing these individuals would be warranted.

In response to Mayor Naugle, Commissioner Moore felt the Commission should be informed if Hollywood objects. Vice Mayor Hutchinson suggested it could be reported back to the Commission with the resolution; the process would not be delayed.

**Action:** There was consensus to proceed with preparation of a resolution, declaring the City's intent to convey the properties to the City of Hollywood. If there is another

opportunity for HOPWA housing in the future in Hollywood, Commissioner Moore wanted Hollywood to stipulate that they would not discourage it. It was noted that Commissioner Moore's request would be discussed with Hollywood and the outcome included in the future agenda item for consideration of the resolution.

### **I-B – Security Services for Park Facilities**

The City Manager said the issue of adding Park Rangers to the current staff was raised by members of the Parks and Recreation Advisory Board. Also, hiring a private contractor was discussed. RFPs were sent out and the information has been provided to the Commission.

Ernest Schlegle, 2226 NW 3<sup>rd</sup> Avenue, reported his observations of the positive impact park rangers have had on Holiday Park with respect to homeless people, drug dealers and prostitutes. He opposed private contractors for this service. He encouraged the City not to just look at the bottom line and not to be penny wise and pound foolish. He suggested incorporating the park rangers into the Police Department might reduce cost.

Mark Hansen, Vice President of Riverland Park Civic Association, said there is a good working relationship with the Park Rangers. He believed they get more respect from the City's Park Rangers than independent security guards. The expanded tax base should allow for additional staffing in this area.

Michael Natale, member of the Parks and Recreation Advisory Board, believed that he speaks for the board majority. They favor in-house services.

Ray Dettman, 1900 Miami Road, was pleased with services of the Park Rangers. Children play in the parks. Contractors do not have vested interest; the quality is not the same.

John Shorrman, Teamsters Local 769, representing general employees, made a cost comparison between in-house and contracting. He recommended in-house.

Matt Weiss, Holiday Park Youth Baseball Softball, said their program includes 700 children. They want the City to keep the Park Rangers who do a great job.

Rixon Rafter, President of Lakeridge Civic Association, favored retaining the Park Rangers. Lakeridge has not recovered from the 02-03 year with respect to police protection. Rent-a-cops are not respected; the Police Department will be impacted.

Ron Gallow, Park Ranger Supervisor, said he has worked in the parks for 17 years and considers them just like his backyard. The Rangers have been around for 30 years and have great community support. Private security firms cannot match the services. He noted that they do large cash deposits and have keys to City buildings. He questioned giving that trust to a private contractor. He outlined all of the services they provide. They do conflict resolution. They know each park's problems.

Alan Brown, Park Ranger, said he has been working in this position for 17 years. They deal with quality of life issues; they are proactive; they work for the taxpayers.

Vice Mayor Hutchinson said she had requested information about contracting this service. The Park Rangers took a big hit in the 2003 budget. With the addition of new parks, no new Rangers have been added. She did not support contracting. The function should be staffed at their level prior to 2003.

Mayor Naugle said in speaking with the public everyone wants to retain the Park Rangers, but they think that a total compensation with benefits per employee of \$67,000 is too much to pay for that service. Eighty percent of the budget goes toward salaries and the biggest hit is the pensions. People are retiring in the 40's and 50's and being supported at 80% of their compensation. No company could survive this. He mentioned several examples. Residents are getting hit with high taxes. The middle class are not going to be able to afford to live here. The City used to pay about 6% of employee salaries to the pension; now it is some 24% because the retirement age is low compared to the private sector. He felt an outside contractor could be used as long as there is good supervision. Many of the employees of the recommended contractor are former military and police officers. He has experience with this company; they are a good company. Without looking at ways like this to keep taxes under control, they will continue to have high property taxes. They would be able to have a 50% increase in coverage at a lesser cost. The \$700,000 cost does not include claims relating to worker compensation, employee discrimination and liability. With a private company, these problems become their problems including terminating bad employees. One should not vote against the budget if they are not willing to make tough decisions. Pension benefits will have to be reviewed in the future.

Vice Mayor Hutchinson said of the many phone calls/e-mails, no one wanted outsourcing. She explained the cost to them. They felt the safety of their children a priority.

Commissioner Moore said if the work is outsourced, the racial complaints and worker compensation claims would not be the City's responsibility, but he wanted to know why the Mayor is selecting this group of 13 employees. He questioned why not management, police or fire. Public safety is the most important thing to offer to constituents.

Commissioner Moore agreed with the Mayor about the pension. They have discussed a defined contribution, but that has not taken place. He referred to how people feel when entrusting their children to a government. He questioned the City spending the money to put a police officer in the schools as a School Resource Officer. Perhaps it would be better to use a security firm. It is better for an employee to respond to the policymakers, and they do not have to ask a contractor. Nearly every time the City outsources a service, there is a negative impact. He mentioned a past example in outsourcing garbage service where the City eventually had to assign employees to get the job done. Because the Rangers have done such a responsible job, the impact of what they do is not seen. There has been an increase in the number of parks, as well as annexation. The number of Park Rangers also needs to be increased.

Mayor Naugle felt the Park Rangers do a great job, but he did not feel the City could afford to spend \$67,000 per position. He was not singling out this function; it is a start.

In response to Commissioner Moore, Phil Thornburg, Director of Parks and Recreation Services, said there are 9 full-time Rangers, one supervisor, and one part-time employee. The total budget is \$740,000, including their vehicles.

Mayor Naugle said the employee compensation only is \$67,000 according to the Budget Office. Commissioner Moore said that is misinformation because it is not possible for a budget covering 11 people averaging \$67,000, along with the other expenses needed to deploy such services. Mr. Thornburg said the vehicles might be covered elsewhere. The \$740,000 is employee compensation. Commissioner Moore believed what they are receiving from the Park Rangers and what they are protecting is worth it.

Commissioner Rodstrom felt the Park Rangers should be retained, but did not support adding positions. If additional assistance is needed, she suggested the Horse Patrol.

Commissioner Teel said that this was raised because the Parks Board is concerned about the number of Rangers. She felt it was the right thing to look into outsourcing. She is a big believer in attempting to keep down the number of employees down due to the cost of benefits, which is not unique to this city. She elaborated upon the seriousness of those costs and what has happened in the private sector. All of the e-mails were in support of the Park Rangers. There have been no e-mails saying how to cut cost, but everyone wants to pay less in taxes. The Rangers have great community support. She felt a private contractor could do a reasonable job, but she did not know if it would be as good. The new trash arrangement is working in her district, but she hoped the money is still set aside for trucks. The Park Rangers could be kept at their present level, and no additional positions added. Keeping things status quo would probably meet most people's needs. She agreed with Commissioner Moore as far as looking at other departments, but this arose because of the Parks Board. Cuts have to be made. It may be necessary to take baby steps.

Commissioner Moore said that in discussing the budget tonight, there could be some recommendations made that would result in some monies becoming available to address this in a different way.

**Action:** There was consensus for the inhouse program to continue.

### **I-C – “3 Plus 2” Seabreeze Boulevard Project**

The City Manager said this has been a project long in the making. There are still millions of dollars unfunded. It is a savings of 22 seconds. The traffic engineer is present to answer questions. The additional expense for 22 seconds is an additional \$17 million.

Joe Holland, Central Beach Alliance, said this exercise was a way to get information to the public. They are trying to be a team player. There is a lot of questions.

The City Manager said the big issue with the Department of Transportation was to figure out if some of the funds could be preserved. The best case scenario at this point in time is that the City may get some funds for beach improvements, A-1-A corridor. Most likely, the bulk of the funds, if not all, would get rolled back into their funds. The City asked if they could retain the monies and have the Commission decide how to spend it, but DOT has refused.

Mayor Naugle asked if they have covered most of the expenses up to this point in time. Commissioner Rodstrom believed originally they gave the City the exact amount needed, except for the 10%. Peter Partington, City Engineer, said that so far monies expended, for design, have been from the DOT.

Commissioner Rodstrom wanted to see a presentation. Mr. Holland said he would like to see a presentation; it could be one on one with staff, but he understood that it had to be heard by the Commission first.

**Action:** There was no consensus to move forward with the project, but to continue working for a positive response from the Florida Department of Transportation. Commissioner Rodstrom referred to Joe Holland of the Central Beach Alliance and expressed an interest in a presentation. Joe Holland, Central Beach Alliance, was agreeable to seeing the presentation separately.

### **I-D – Fort Lauderdale Stadium – Spring Training Facilities – Baltimore Orioles**

John Angelos, Executive Vice President of Baltimore Orioles, said the Ownership Group decided in 1995 to relocate spring training to Fort Lauderdale. They have had a wonderful experience thus far and want to be here in the future. They want a partnership with the City, County, and State that would reinvest in the existing site and develop a new state-of-the-art sports and recreational complex. This would have great economic impact and community benefit.

David Bower, HOK Sport, Baltimore Orioles, said they have been working with the Orioles and City staff since 2003. Many aspects have been revisited since 2003. Cities are hesitant to give tax dollars to a team to build a facility. They are looking for a multi-use facility that answers the needs of the citizens and become a taxpayer amenity. It should respond to what the City needs. In this case it will become a City park, practice fields will be used for little league baseball and tournament events, as well as the grass parking doubling for soccer fields. Lighting will be limited for some of the area due to the proximity of the airport. It is designed so the concourse on-site could be used to hold festivals. The Orioles would like to relocate their minor league team from Sarasota to Fort Lauderdale.

Clarence Mitchell, Community Relations Liaison for Baltimore Orioles, provided an overview of his personal history. He outlined programs that are offered to the community of Baltimore by the Orioles. A program called Orioles Reach brings 150 children and adult chaperones to every game free of charge providing free refreshment, baseball cap and T-shirt, and transportation. The main emphasis is to develop a relationship with the community and have an impact on young people. A high school all-star game is held yearly. A relationship has been developed with the public libraries to provide them with funding. These programs could be developed in Fort Lauderdale.

Stephan Benson, CEO of Florida Youth Athletic Association, representing some 35,000 children throughout Florida, and over 3,000 children in Fort Lauderdale. He would be pleased to add baseball to their association. They have discussed bringing ball players to the parks to meet with children, and encourage more children of color to participate in baseball.

Christopher Pollock, President of Greater Fort Lauderdale Chamber of Commerce, said as the City continues to improve, providing a permanent home for the Baltimore Orioles would be a great opportunity. The new plans for renovation with the addition of new fields would be an asset to the County, City, and the community through new job employment opportunities, income and exposure for the City. Tourist revenues will benefit from the professional side and amateur sports will benefit from sales tax. Thirty percent of Broward County sales tax is generated by tourists. He also mentioned the bed tax. The media would provide huge exposure year-round. He encouraged City staff to work with the Orioles and support this initiative.

Julie Kriegel, United Way of Broward County, said they have had a community partnership with the Orioles for several years. Over 1,000 tickets annually are distributed to individuals in the United Way's funded 67 agencies. She mentioned other programs where the Orioles provide assistance that benefits the community including at-risk children.

Ann Sevenio, CEO of Big Brothers Big Sisters, said their relationship with the Orioles goes back a long way. She stressed that their business is to make sure the community is better, providing a positive atmosphere for the children and the volunteers who serve them. She represents over 1,700 children who are currently matched in their program, and another 500 children waiting to participate. She mentioned examples of programs where the Orioles provided support to children. She supported the proposed project.

Jamie Saraguso, Federal League Athletics, said they operate semi-pro and local baseball leagues for adults in this area. They have stadium tenants since 1996. It is important to retain a relationship with the stadium. They also provide free clinics to youth in the area. The League is free. They have helped over 400 players receive scholarships and have helped launch over 150 pro-careers. Without the stadium, their abilities would be severely hampered.

Mr. Angelos said the concept is a public private partnership. It would retain the existing economic impact in the community, and create additional economic activity, by bringing all of the Orioles' year-round operations to Fort Lauderdale. It would mean more direct spending by the ball club, more employees. There would be publicity via television network directly into the mid-Atlantic area, which is the Orioles' telecast territory and the City's market. They would reinvest in an existing City asset and improve it. There would be one consolidated state of the art facility. They also want to partner with the School Board and will pursue it. They want to continue their presence and commit to a long term.

The City Manager said that staff needs direction. The first is the renovation concept instead of tearing down and re-building. The second question is whether there is an interest in a partnership, with the City's contribution being the land. The deadline is October 1, 2006. Therefore hopefully by the next meeting, September 19, the Orioles will be able to indicate the names of their other partners, along with other financial contributions, and a status from a financial perspective.

Vice Mayor Hutchinson liked the proposal.

Commissioner Rodstrom asked if they are seeking separate funding sources. The City Manager said the Orioles has indicated that they are having discussions with various

entities, and hopefully some commitments will be known by the Commission's next meeting. Hopefully at that time, the City will know whether there is a gap.

Vice Mayor Hutchinson asked if the Orioles are comfortable with the City's contribution being the land.

Bernie Friedman, representing the Baltimore Orioles, said they have been meeting with various governmental bodies. He other governmental bodies are looking to see what the City is going to do since the facility is located on City-owned land and it is a City project. There is time at the end of the month to seek support from the County. The recreational and advertising uses will inure to the benefit of the City.

Mayor Naugle said that the land is valued at \$2.5 million yearly and this is the City's contribution. If other governments would be able to match that amount and close the gap, the City would be amenable to sign a long-term lease. He believed the State requires a 15-year commitment. He hoped they would be able to have a longer commitment. The Orioles are a fine organization. It is a great promotion for the City and the Visitor & Convention Bureau likes this type of promotion.

Commissioner Teel said this is a valuable piece of property. In the past the Aviation Advisory Board has been firm that it should be used for airport activities. It is a money generator. When the City was first presented with this concept, the land was to be the City's contribution. Now it appears there may be an expectation of a financial contribution in addition to the land. Lockhart Stadium disappears with this plan and therefore the School Board should be contributing in a meaningful way. There needs to be some real partnerships. The City Manager should further analyze this. She wanted a clear understanding as to what could be done in terms of the FAA and income if used for that purpose. She was disappointed in the time crunch. She questioned if it will be possible to get assurances from the other entities. Mayor Naugle said the vote may have to be contingent upon other actions occurring.

In response to Commissioner Teel, the City Attorney indicated it is \$500,000 for 30 years.

Mr. Angelos agreed about the time crunch. It was laid out by the State. The Orioles are committed to work as hard as they can toward the goal.

Commissioner Moore discussed the drain on the taxpayers that occurred in reference to this facility. He was glad that the Orioles offered to take over this facility at no cost to the City. This should continue to be the City's position. There is the issue of the tax base impact and how the City was to participate by giving up an asset, which could have generated revenue. He was not aware that the Orioles ever attended a Parks, Recreation and Beaches Advisory Board meeting and whether there was ever input on the types of fields needed. He questioned how soccer was decided upon. He was also concerned the timeline. He raised the parks impact fee, but indicated he could not support \$500,000 toward a private partnership since the City was attempting to dig themselves out of an over expenditure of \$500,000 for the operation of this site. If other governmental entities will contribute, then he would not object to considering the property being placed on the table.

Commissioner Moore left the meeting at approximately 2:40 p.m.



**Action:** There was no consensus to contribute beyond the land.

**II-D – Easement Acquisition – Sanitary Sewer Installation – SW 18 Street Private Roads**

Commissioner Moore returned to the meeting at approximately 2:43 p.m.

Mark Gunderson said he is one of the affected homeowners who is looking to the City to take eminent domain action against the single homeowner at the entrance of their street who is blocking their community from getting sewers. They tried to obtain the easement privately, but were unsuccessful. Staff indicated if everyone signed easements, except for the one property owner at the entrance, they would recommend eminent domain action. That was done, but nothing has happened. It has come before the Commission twice. Staff has indicated that the cost of such action at \$68,500. The neighborhood takes issue with that amount. There is an existing roadway easement into the neighborhood over the subject property. There are also water lines. He felt the award of attorney fees to this property owner would be limited by whatever the value of the easement. In reference to staff's request for common driveways, the properties on either 18<sup>th</sup> or 25<sup>th</sup> are common driveways. The City originally planned to install this sewer system. There are no additional costs. They want the City to fulfill their commitment. The property owner blocking this installation will receive sewer service from Riverland Road and is therefore not affected. He asked the City to proceed with the eminent domain action.

Vice Mayor Hutchinson asked if the City has all of the easements. Paul Bohlander, Assistant Utilities Services Director, said there are four easements not yet obtained. One easement leads down a private drive to two other properties. The City will not be able to service those properties. They will have to acquire a private easement to get to the main on 25<sup>th</sup> Avenue. There is also an easement they were unable to obtain that would serve a third property, and therefore, that property owner would also have to obtain a private easement. There is another easement on the other side of the access drive that was not obtained that would complicate construction. There are actually four easements in addition to the Burns property that are needed.

Vice Mayor Hutchinson said the frustrating thing is that gentleman refusing to grant an easement will still get sewers, but everyone else on the street will not. Mr. Bohlander did not know how the City had access for the existing water lines. Vice Mayor Hutchinson questioned what would happen if there is a water line break. Mr. Bohlander said they would probably just go out and fix the lines.

Commissioner Moore asked why this individual is reluctant. Vice Mayor Hutchinson said that the City has not approached that individual. Mayor Naugle asked Vice Mayor Hutchinson if she would meet with the individual. The City Attorney indicated that Assistant City Attorney Bob Dunckel talked with the individual, but the City did not threaten eminent domain. Commissioner Moore was not agreeable to eminent domain.

Vice Mayor Hutchinson was concerned about setting a precedence.

Mr. Gunderson explained the individual's sister is on the deed, and he does not want her to know. If her name is removed from the deed, the property would be reassessed for property taxes.

Discussion followed about whether all of the easements have been secured. Mr. Gunderson explained some of the areas are just driveways.

Mayor Naugle said there are advantages and disadvantages to living in the country. Individuals have the right to keep people off private roadways. He explained that the rate payers cannot afford to condemn property every time someone refuses.

Vice Mayor Hutchinson wanted to hear more about the easements because there is a disagreement as to whether all of the easements have been secured. Mr. Bohlander explained that they are driveways, but the situation is the City will not be able to serve those properties from a public facility. Mr. Carbon added the City will not be able to serve all the residents that access from 18<sup>th</sup> Avenue.

Commissioner Moore felt it is not staff's responsibility to build consensus in neighborhoods. A level playing field is necessary. The Commission should follow protocol.

**Action:** Vice Mayor Hutchinson will pursue voluntary dedication of the necessary easement. There was no consensus to acquire the property by eminent domain.

#### **II-E – General Employees Retirement System Cost of Living Adjustment**

Bruce Larkin, Chairman of Board of Trustees, General Employees Retirement System, advised that the Plan's Actuary is in attendance. There are 1,160 retirees or survivors of City employees. They have not received a cost of living increase for five years. Some 554 retired before November 1, 2000 because the City agreed to some labor agreements and improved pension benefits for those who left after that date. The average pension for those 554 is \$17,900 per year, and the 200 surviving spouses receive an average of \$8,000 per year. The Board, by ordinance, can only recommend a cost of living increase if they achieved excess investment earnings for the actuarial year. The assumed rate of return is 7.75% per year. For the last three years they have surpassed that percentage. This year the return was 11.6%, the year before 9.3%, and before that 16.4%. Over those three years, they have generated \$28 million in excess earnings.

Mr. Larkin said two years ago no COLA was recommended. Last year 1.1% was recommended and no action was taken. This year the Board is recommending a 5% COLA for the pre-2000 retirees, and 3% for those retiring after that date. There is \$10 million in excess earnings for this last year. From an actuarial standpoint the increases would use about \$8 million. The impact to the City's budget has been factored into the actuarial analysis in determining the City's annual contribution to the plan. There would be no cost for the 2006/2007 budget because the rates were set the year prior. The cost for 2007/2008 would be approximately \$500,000 per year for the City's contribution.

Mr. Larkin referred to staff's memorandum that discusses funding ratios, unfunded liabilities, and a public fund survey. He believed there is a misunderstanding about funding ratios. He read from the public fund survey: "Although the actuarial funding level

is a useful indicator of a plan's health, its utility and meaning should not be over stated. Calculating and actuarial funding ratio involves many financial and demographic assumptions of which most, if not all, will be incorrect to one degree or another in the short term. Moreover, the actuarial calculation itself is only a snapshot of an arrangement of complex long-term financial and demographic projections based on the theoretical supposition that the plan's liabilities are subject to settlement as of the actuarial evaluation date. Yet except in the rare case of a plan termination, all of a plan's obligations do not come due at once, rather these obligations extend continuously many years into the future. This future period provides the plan fully funded or not with time to continue improving assets needed to meet future obligations." Also, with respect to under funding: "Normally does not mean that a plan is unable to pay the benefits for which it presently is obligated. In fact, substantially all under funded public pension plans are able to meet their current obligations."

Mr. Larkin said they have over \$300 million in assets, and a plan to make up any shortfall pursuant to an amortization schedule. The retirees from the year 2000 are drawing the least amount of benefit and have been hit the hardest by prescription drug cost, gas and other factors. If the Commission considers nothing else, he urged they consider a COLA for those employees who retired before 2000. If a 5% COLA for just those employees was granted, \$6 million of the \$10 million excess earnings would be retained by the plan, and the cost to the City would roughly be \$250,000 for the 2007/2008 contribution.

Peg Docin, former City Clerk, said she retired in her 60's and appreciates what the City has done over the years, but with no increase over the last five years has left many stressed for money. She would appreciate the Commission's consideration.

Mayor Naugle said the stock market crashed due to the Islamic terrorists attack on September 11, 2001. They were funded at over 100% before that date. The economy suffered a setback. Things are starting to come back. Funding is now around 72%. In addition to the stock market crash, expenses for newer retirees who are leaving in the 40's and 50's is a lot more. Only about 17% of the country's workforce have rich defined benefit plans and most are government workers, but less than 50% of the country have any pension. He questioned if taxes should be raised in order to pay an increase to retirees. It actually would amount to a pay cut to the residents. He felt if a portion of the retirees receive an increase and none given to others, it could be challenged. He knew the vote of the Pension Board was split. The Property Appraiser has already hinted that next year property assessments would not be going up as much, and that is when the expense would impact the budget. He supported the City Manager's recommendation.

Vice Mayor Hutchinson said that she has a conflict of interest. She will not be discussing this item.

In response to Commissioner Rodstrom, the City Manager said his office would supply the Commission with any additional information needed. Commissioner Rodstrom was concerned about the lack of detailed information provided. She suggested it be reviewed by the City Auditor.

The City Manager was confused by the numbers read by Mr. Larkin because the Plan's Actuary said the impact would go from 72% to 68.5%, plus it will have impact on the budget. The Board was also advised by the Finance Director that there is a potential for

bond rating agencies to start impacting bond ratings. He did not think anyone disagrees that it would be good to do something for previous employees, but he is concerned how this would impact current employees. The City's first and foremost obligation is to current employees.

Mayor Naugle said he read the actuarial report, which was probably received with the Pension Board's minutes.

Commissioner Teel asked if the information provided by Mr. Larkin is contained in the Board's minutes. Mr. Larkin said much of the cost information is contained in the minutes, was part of the letters sent to the Commission, along with the actuarial report. He noted that the Finance Director sits on the Board.

Commissioner Teel was concerned about assumptions made by the actuaries. She felt the City Auditor should review this matter in a more holistic and comprehensive way.

In response to Commissioner Teel, the City Attorney said he would be concerned about only granting a COLA to the one group of retirees (who retired prior to November 1, 2000). Mayor Naugle said there is no regulatory framework to do so. The City Attorney said it might be possible to look at accomplishing it in a different way that might sustain a challenge.

The City Manager asked what other information is being sought by the Commission. Commissioner Teel wanted the actuarial report. More information is needed in order to see what impacts might take place.

Commissioner Moore asked if this pension fund did not reduce the numbers to deal with the defined benefit for retirees, would the City be required to contribute money into the pension fund to meet the definement. The City Attorney said it would not be a requirement to meet the defined amount, but it would be required to make it actuarially sound.

Commissioner Moore said there were years when the City contributed a substantial amount into the plan for its performance, which is a concern. He did not think the City could afford to do this.

Mayor Naugle said it appears there is not sufficient support to go forward, although the City Auditor could furnish additional information. The City Auditor said the actuarial study presumes an average rate of return of 7.5% over the lifetime of the pension fund, and built into that is the recognition that there will be under-performing years of 4% to 5% returns, and over-performing years of 10% to 14% returns to achieve the lifetime return of 7.5%. The proposal contemplates taking the years where they have exceeded the rate of return, and rather than offset the lower years, use it to enhance benefits.

Mayor Naugle said it was his understanding they have treated both funds, police and fire and general employees, the same as far as COLA. In recent history, the police and fire retirees have not received a COLA. The City Manager agreed. The Commission extended the process so that if they chose to do it in the future, they would be able to do so.

**Action:** There was no consensus to approve a request from the General Employees Retirement System Board to grant a cost of living adjustment to pension recipients.

**EXECUTIVE CLOSED DOOR SESSION 3:21 P.M.  
MEETING RECONVENED AT 3:48 P.M.**

**II-A – June and July 2006 Monthly Financial Reports**

Commissioner Moore said the City Manager's budget shows that it is 57% spent. Allyson Love, Director of Management and Budget, said this report is as of July, 2006. She does not have information available as of today's date.

Commissioner Moore asked about the departments that are over budget. Ms. Love said there is no need to go to the fund balance; it will be addressed in each department. There was a \$600,000 budget amendment that is not reflected. It is addressed through salary savings and other adjustments. The City Manager said there is some misinformation as to departments overspending their budgets. It is not true. Monies were transferred from the fund balance to address hurricane costs. Additional information could be furnished as to how it was addressed. Ms. Love explained that Budget Amendment 4 allocated about \$7 million back into various areas and departments, which increased the appropriation for each department.

**II-B – Repair of Irrigation Pumping Station at Mills Pond Park – Emergency Purchase**

No discussion.

**II-C – Air Conditioning Services – Emergency Purchase**

No discussion.

**III – B – Advisory Board and Committee Vacancies**

Aviation Advisory Board

Commissioner Teel recommended appointing Lloyd Evanson to the Aviation Advisory Board.

**Action:** Formal Action To Be Taken at Regular Meeting.

Board of Adjustment

**Action:** Deferred.

Budget Advisory Board

Mayor Naugle suggested since there is now a City Auditor perhaps the Budget Advisory Board is no longer necessary. Commissioner Moore believed it should stay in place. Commissioner Teel said a number of individuals who have served as her appointees do not believe it is necessary. Mayor Naugle noted that every board has an expense.

Commissioner Teel suggested each commissioner speak to their appointees. Vice Mayor Hutchinson agreed or invite them to a conference meeting.

Commissioner Rodstrom asked about the Budget Advisory Board and the Audit Advisory Board being incorporated into one. Mayor Naugle felt they have different functions.

Mayor Naugle asked the Commission to think about it and leave appointments open.

Commissioner Moore preferred to make the reappointments so that it could still function. If it is decided in the future that the board is not necessary, address it at that time.

Commissioner Rodstrom pointed out that the terms expire September 30, 2006. There was consensus to make a decision at the next meeting.

**Action:** Deferred.

#### Cemeteries Advisory Board

**Action:** Deferred.

#### Charter Revision Board

**Action:** Deferred.

#### Citizens Committee of Recognition

Commissioner Rodstrom asked if the committee could be expanded to include former mayors' designees. Vice Mayor Hutchinson said the committee only meets once a year. There was no consensus to expand it.

**Action:** Deferred.

#### Community Appearance Advisory Board

Vice Mayor Hutchinson recommended reappointing Annette Ross to the Community Appearance Advisory Board.

Commissioner Rodstrom recommended appointing Jane Sweeney to the Community Appearance Advisory Board.

Commissioner Moore asked the City Clerk to determine whether Ayisha Gordon may be reappointed.

**Action:** Formal Action To Be Taken at Regular Meeting.

#### Community Services Board

Vice Mayor Hutchinson recommended reappointing Marie Conroy and Alfred Imgrund to the Community Services Board.

Commissioner Moore recommends reappointing Margaret Birch and Duane Ingram to the Community Services Board.

Commissioner Teel recommended reappointing William Goetz and Diane Schuster to the Community Services Board.

Mayor Naugle recommended reappointing Fenel Antoine and Emmett Kater to the Community Services Board.

**Action:** Formal Action To Be Taken at Regular Meeting.

Education Advisory Board

**Action:** Deferred.

Fire-Rescue Facilities Bond Issue Blue Ribbon

**Action:** Deferred

Historic Preservation Board

**Action:** Deferred.

Housing Authority

**Action:** Deferred.

Local Law Enforcement Grant

The Chief of Police asked to check on whether this board should be sunseted.

**Action:** Deferred.

Northwest Progresso-Flagler Heights CRA

**Action:** Deferred.

Performing Arts

Commissioner Teel suggested that John Milledge be appointed to the Performing Arts Board. (Consensus appointment)

Vice Mayor Hutchinson wanted to suggest Alan Levy. Therefore, perhaps the Commission should conduct interviews. Also, a letter from Mark Nerenhausen in July suggested some individuals. Mr. Mayhue has been on the board for a long time.

Mayor Naugle was glad Mr. Mayhue could serve as long as he did. He spoke highly of Mr. Mayhue. He was comfortable with John Milledge.

Commissioner Moore preferred to conduct interviews.

Mayor Naugle preferred to move forward with the appointment at this time. Commissioners Teel and Rodstrom agreed.

Vice Mayor Hutchinson and Commissioner Moore were opposed.

**Action:** Formal Action To Be Taken at Regular Meeting.

#### **IV – Commission Reports**

##### WaterWorks 2011

Commissioner Teel complimented individuals working on WaterWorks 2011.

Vice Mayor Hutchinson excused herself from the meeting.

##### Police and Park Rangers; George English Park

Commissioner Teel felt that difficulties in George English Park have been resolved through efforts of the Park Rangers.

Commissioner Teel announced on September 30, 2006 there will be a celebration of the Community Center from 10 a.m. to 12 noon.

##### Code Enforcement, Community Inspections Manager; Demolition of Abandoned Buildings

Commissioner Rodstrom complimented the Code Enforcement Division. She said she will be working on bringing forward legislation to get abandoned buildings demolished quicker.

##### Advisory Board Appointment Process

Commissioner Moore was concerned the full Commission had to approve his appointment to the Charter Revision Board to approve it. He wanted to discuss this when the full Commission is present. He wanted those who may have been rejected in the past or who are now appointed to know that the Commission will discuss it. There has only been two occasions when the Commission took a position on an appointments, which he felt had merit. In this recent case, there was no cause offered, yet it was denied.

Mayor Naugle suggested it be discussed at the next Conference meeting.

##### Multi-Family Construction Site, 14th Street, Coral Ridge Subdivision; Hurricane Preparedness

Commissioner Teel said there is a multi-family condominium being constructed on 14<sup>th</sup> Street in Coral Ridge. People living nearby were assured that if there were storm warnings that loose debris and equipment would have to be removed by the contractor, but it was not done. A precarious plywood fence was constructed. The Building Official approved the fence, but she was not sure that the contractors are aware of their responsibilities in the event of a storm. Valerie Bohlander, Director of Building, said



contractors receive information when they receive their permit. When storm warnings occur, staff goes to active job sites and delivers the information to them. If they are not at the site, phone calls are made and the information is posted at the site. She noted that roof tile materials are required to be bound. She would inquire about the plywood fence.

Commissioner Teel noted that the dumpster was not emptied.

Mayor Naugle felt that most people responsible for construction sites are reached, although it is not possible to reach everyone.

Mayor Naugle noted that debris flying onto a person's property in these situations is an act of god and insurance companies do not address it. He questioned if there is a way to legislate around this. The City Attorney said when a construction site does not follow best practices, it is a private suit. If construction sites are notified by the Building Department and no precautions are taken, then they would lose any suit that would be filed.

#### **IV – A – Proposed Lien Settlements – Special Magistrate and Code Enforcement Board Cases**

No discussion.

#### **City Auditor**

Mayor Naugle welcomed the new City Auditor to his first meeting.

There being no further business to come before the Commission, the meeting was adjourned at approximately 4:15 p.m.