



**CITY OF NORTH MIAMI BEACH**  
City Council Meeting  
Council Chambers, 2nd Floor  
City Hall, 17011 NE 19th Avenue  
North Miami Beach, FL 33162  
**Tuesday, September 4, 2012**  
**7:00 PM**

Mayor George Vallejo  
Vice Mayor Frantz Pierre  
Councilman Philippe Derosé  
Councilwoman Barbara Kramer  
Councilwoman Marlen Martell  
Councilwoman Beth E. Spiegel  
Councilwoman Phyllis S. Smith

City Manager Lyndon L. Bonner  
City Attorney Darcee S. Siegel  
City Clerk Pamela L. Latimore, CMC

**1<sup>ST</sup> BUDGET MEETING MINUTES**

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**1. ROLL CALL OF THE CITY OFFICIALS**

The meeting was called to order at 7:08 p.m. Present were Mayor George Vallejo, Vice Mayor Frantz Pierre and Council Members Philippe Derosé, Barbara Kramer, Phyllis S. Smith, and Beth E. Spiegel. Also present were City Manager Lyndon L. Bonner, City Attorney Darcee S. Siegel, and City Clerk Pamela L. Latimore.

**2. PUBLIC COMMENT -**

**To All Citizens Appearing Under Public Comment**

The Council has a rule which does not allow discussion on any matter which is brought up under Public Comment. We are, however, very happy to listen to you. The reason for this is that the Council must have Staff input and prior knowledge as to the facts and figures, so that they can intelligently discuss a matter. The Council may wish to ask questions regarding this matter, but will not be required to do so. At the next or subsequent Council meeting you may have one of the Councilpersons introduce your matter as his or her recommendation. We wish to thank you for taking the time to bring this matter to our attention. Under no circumstances will personal attacks, either from the public or from the dais, be tolerated.

**Speaking Before the City Council**

There is a three (3) minute time limit for each speaker during public comment and a three (3) minute time limit for each speaker during all public hearings. Your cooperation is appreciated in observing the three (3) minute time limit policy. If you have a matter you would like to discuss which requires more than three (3) minutes, please feel free to arrange a meeting with the appropriate administrative or elected official. In the Council Chambers, citizen participants are asked to come forward to the podium, give your name and address, and the name and address of the organization you are representing, if any. If you are speaking on a public hearing item, please speak only on the subject for discussion. Thank you very much, in advance, for your cooperation.

### **Pledge of Civility**

A resolution was adopted by the Mayor and City Council of the City of North Miami Beach recognizing the importance of civility, decency, and respectful behavior in promoting citizen participation in a democratic government. The City of North Miami Beach calls upon all residents, employees, and elected officials to exercise civility toward each other. (Resolution No. R2007-57, 11/06/07 and R2011-22, 4/26/11)

1. Richard Riess, 23 N.W. 169<sup>th</sup> Street, North Miami Beach, FL

Councilwoman Martell asked City Manager Bonner for clarification on the budget line item for pension costs for various departments. She thought it important for the residents and general public to know how the figures were calculated.

### **3. LEGISLATION**

**MOTION** by Councilman Derose, seconded by Councilwoman Kramer, to introduce Ordinance No. 2012-19.

#### **3.1 Ordinance No. 2012-19 – First Reading by Title Only**

AN ORDINANCE FIXING THE MILLAGE RATE FOR AD VALOREM TAXES ON REAL AND PERSONAL PROPERTY IN THE CITY OF NORTH MIAMI BEACH, FLORIDA FOR THE PURPOSE OF MEETING THE REQUIREMENTS OF THE ANNUAL BUDGET FOR THE CITY OF NORTH MIAMI BEACH FOR THE 2013 FISCAL YEAR COMMENCING OCTOBER 1, 2012, AND FIXING THE MILLAGE RATES FOR DEBT SERVICE ON REFUNDED GENERAL OBLIGATION BONDS, SERIES 2011 AND SERIES 2012.

**MOTION** by Councilman Derose, seconded by Councilwoman Kramer, to adopt Ordinance No. 2012-19 on First Reading, By Title Only.

#### **Public Comment was opened on Ordinance No. 2012-19.**

1. Richard Riess, 23 N.W. 169<sup>th</sup> Street, North Miami Beach, FL - spoke on decreasing the millage rate.

#### **Public comment closed.**

Councilwoman Smith requested that Finance Director Janette Smith explain why the language in the ordinance suggested a slight increase in the millage rate. Finance Director Smith gave me a brief overview of how millage rates are calculated.

Assistant City Manager Serda explains the key with this is that we are focusing on the millage rate 6.6036 and that is the same, so we think of taxes not being increased. But the effect that Councilwoman Spiegel is referring to is for those residents that have an increase in the assessed value of their property, they will have an increase and for those that have a decrease in the assessed value of their property, they will have a decrease in taxes. Our issue for the City is that over all, all things combined, the overall assessed value did increase for the City. So therefore, we will have a slight increase in revenue which relates to the roll back City Manager Bonner is referring to. If the revenue dollars for ad valorem taxes were kept the same by doing a very small decrease in the millage rate, but with the millage rate being the same and the assessed value overall increasing, that's where the terminology "roll-back" is referencing.

Mayor Vallejo also gave a brief explanation of his understanding of changes to the millage rate.

Councilman Derose asked if the increases in property value would be applied to every single home in the city. Finance Director responded that it's a total of every single property, commercial as well as residential; some of the properties went up in assessed value while others did not.

**Vote:** In a roll call vote, Mayor Vallejo, Vice Mayor Pierre, Councilwoman Kramer, Councilwoman Smith, and Councilwoman Spiegel all voted in favor of the motion. Councilwoman Martell was absent from the dais. **(Motion carried 6-0).**

**MOTION** by Councilman Derose, seconded by Councilwoman Kramer, to introduce Resolution No. R2012-70.

### **3.2 Resolution No. R2012-70**

A RESOLUTION OF THE MAYOR AND CITY COUNCIL OF THE CITY OF NORTH MIAMI BEACH, FLORIDA, APPROVING THE FISCAL YEAR 2013 BUDGET OF THE NORTH MIAMI BEACH COMMUNITY REDEVELOPMENT AGENCY; AND PROVIDING FOR AN EFFECTIVE DATE.

**MOTION** by Councilman Derose, seconded by Councilwoman Kramer, to adopt Resolution No. R2012-70.

**Public Comment was opened on Resolution No. R2012-70.**

1. Richard Riess, 23 N.W. 169<sup>th</sup> Street, North Miami Beach, FL

**Public comment closed.**

**MOTION** by Councilwoman Smith, seconded by Councilman Derose, to amend Resolution No. R2012-70, reflecting the following in Section 4: Council would be apprised if there is any adjustments made by Miami-Dade County to their contribution that affects the Community Redevelopment Agency budget.

Councilwoman Spiegel expressed concerns, stating that she wasn't comfortable with the Community Redevelopment Coordinator making changes to the budget without it going to a vote by the Community Redevelopment Agency Commissioners.

Councilwoman Smith concurred and explained that that is why she asked that language be included to prevent changes from being made to the Community Redevelopment Agency's budget without Council's approval.

Finance Director Janette Smith stated that it is the prerogative of the Council if it wishes to strike the provision of Section 4 of the resolution.

**MOTION** by Councilwoman Smith, seconded by Councilman Derose, to adopt Resolution No. R2012-70 as amended, accepting the friendly amendment on the language by Councilwoman Spiegel, reflecting the following change to Section 4: "will have to be presented to the Community Redevelopment Agency Commissioners and the City Council prior to any changes being made." By consensus, all voted in favor of the motion. **(Motion carried 7-0).**

Councilwoman Martell asked that it be noted for the record that had she not stepped away from the dais, she would have voted in favor of Ordinance No. 2012-19.

**MOTION** by Councilman Derose, seconded by Councilwoman Kramer, to introduce Ordinance No. 2012-21 on First Reading by Title Only.

### **3.3 Ordinance No. 2012-21 – First Reading by Title Only**

AN ORDINANCE OF THE MAYOR AND COUNCIL OF THE CITY OF NORTH MIAMI BEACH, FLORIDA, EXTENDING UNTIL FISCAL YEAR 2014 ORDINANCE NO. 2011-15, WHICH FROZE AND/OR POSTPONED UNTIL 2013 THE IMPLEMENTATION OF ORDINANCE NO. 2007-8, WHICH INCREASED WATER AND SEWER RATE FEES AND CHARGES, WHICH AUTHORIZED AN AUTOMATIC RATE INCREASE FOR FIVE FISCAL YEARS BEGINNING IN 2007 AND ENDING IN 2012, AND WHICH IMPLEMENTED A PSC ANNUAL INFLATION ADJUSTMENT; PROVIDING FOR THE REPEAL OF ALL ORDINANCES OR PARTS OF ORDINANCES IN CONFLICT HEREWITH; AND PROVIDING FOR THE CODIFICATION OF THIS ORDINANCE.

**MOTION** by Councilwoman Smith, seconded by Councilwoman Martell, to adopt Ordinance No. 2012-21 on First Reading, By Title Only. In a roll call vote, Mayor Vallejo, Vice Mayor Pierre, Councilwoman Kramer, Councilwoman Martell, Councilwoman Smith, and Councilwoman Spiegel all voted in favor of the motion. **(Motion carried 7-0).**

City Attorney Darcee S. Siegel gave a detailed overview of Ordinance No. 2012-21.

#### **Public Comment was opened on Ordinance No. 2012-21.**

1. Mubarak Kazan, 15564 N.E. 12<sup>th</sup> Avenue, North Miami Beach, FL
2. Richard Riess, 23 N.W. 169<sup>th</sup> Street, North Miami Beach, FL

#### **Public comment closed.**

Mayor Vallejo asked for the record to be corrected as to whether monies from the budget had been set aside to fund the reserves.

City Manager Bonner stated that previous years' statements report that there was negative balance of \$4,000,000 in the Construction Reserves. He informed Council that this year they are at a positive of \$7,000,000 in Construction Reserves. City Manager Bonner added that it was an overwhelming turnaround and that all the contingencies are being built and the reserves are being met on the enterprise side of the water and sewer business.

Councilwoman Spiegel asked staff if they were able to direct Mr. Kazan to a page or section of the budget where this information could be reviewed.

Councilwoman Spiegel asked Mr. Kazan to please review page 91 under the Water Operational Fund, wherein he will find \$1,000,000 being transferred to Reserves and another \$450,000 transferred from the Sewer Operational Fund on page 23.

**MOTION** by Councilman Derose, seconded by Councilwoman Kramer, to introduce Ordinance No. 2012-20 on First Reading, By Title Only.

### **3.4 Ordinance No. 2012-20 – First Reading by Title Only**

AN ORDINANCE ADOPTING THE ANNUAL BUDGET OF THE CITY OF NORTH MIAMI BEACH, FLORIDA FOR FISCAL YEAR 2013 COMMENCING ON OCTOBER 1, 2012.

**MOTION** by Councilman Derose, seconded by Councilwoman Smith, to adopt Ordinance No. 2012-20 on First Reading By Title Only. In a roll call vote, Mayor Vallejo, Vice Mayor Pierre, Councilwoman Kramer, Councilwoman Martell, Councilwoman Smith, and Councilwoman Spiegel all voted in favor of the motion. **(Motion carried 7-0).**

**Public Comment was opened on Ordinance No. 2012-20.**

1. Mary Hilton, 1950 N.E. 157<sup>th</sup> Terrace, North Miami Beach, FL - spoke on the 500 fund and the withdrawals and additions made into and out of it.

Finance Director Smith stated that the Sewer and Stormwater were previously paying the Water Fund for the services of the Customer Service department. She added that this year they have separated it out of the Water Fund into its own account, but the sources of funding are the same except this year Solid Waste is contributing. Finance Director Smith explained that Customer Service is an internal service, net zero; the money comes from the Enterprise Funds to pay for the Customer Service department because the Customer Service Department services the Enterprise Funds.

**Public comment closed.**

Councilwoman Martell noted that the Customer Service Fund had previously been in the Finance Department. Assistant City Manager Weisblum clarified that it indeed had been under the Finance Department some years back and then transferred to the Water Fund for a couple of years. She added that although it is an internal service, it is managed by the GSA, which is overseen by Assistant City Manager Mac Serda.

**19. ADJOURNMENT**

There being no further business to come before the City Council, the budget hearing was adjourned at 7:48 p.m.

**ATTEST:**

(S E A L)



**Pamela L. Latimore**  
**City Clerk**