



V I L L A G E O F K E Y B I S C A I Y N E

Office of the Village Manager

MEMORANDUM

Village Council

Mayra P. Lindsay, *Mayor*

Franklin H. Caplan, *Vice Mayor*

Luis F de La Cruz

Theodore Holloway

Michael E. Kelly

Edward London

James Taintor

Village Manager

John C. Gilbert

DATE: June 16, 2015
TO: Honorable Mayor and Members of the Village Council
FROM: John C. Gilbert, Village Manager
RE: Budget Workshop: Proposed Budget FY2016 (FY16)

The attached budget is a preliminary budget that may require additional changes by Council direction and/or community input. This Budget Workshop will provide an opportunity to begin deliberations in preparation for our two Budget Hearings on September 8th and 21st, 2015 as we move toward the final FY16 Budget adoption.

The goal for this budget, as in previous years, is to enhance services while still maintaining a cost effective operational budget. Additionally, this budget takes into consideration the goals set forth in the Strategic Plan as well as the Village's Sustainability Plan.

On June 1st, the Miami-Dade County Property Appraiser Office published the preliminary property values for the Village of Key Biscayne. On July 1st, the final assessment will be provided. With the preliminary assessment, the Village has experienced an increase in our property values of \$1,002,342,771 or 14.97%. Last year we had an increase of 8.87% in assessed property values.

With sustaining a 3.0 Millage Rate, this would generate approximately an additional \$2,856,677 in revenue.

The State of Florida will be providing their projections for State Shared Revenues at the end of June (not available at the time of creating the agenda for this Budget Workshop).

The Cost Of Living Adjustment (COLA) for the proposed FY16 Budget is based on the Consumer Price Index (CPI) for all urban consumers for the Miami/Ft. Lauderdale area (all items indexed) published by the Department of Labor Bureau of Labor Statistics for the twelve (12) month change from April 2014 to April 2015 and is being reflected as a 0.5% COLA for eligible employees.

Some assumptions included within this budget are:

- Insurance, Property and Liability premium costs remain the same for the proposed budget based upon the recommendation from our Commercial Insurance Broker, Brown & Brown.
- Workers Compensation premium costs reflect an estimated 17% increase based upon the recommendation from our Commercial Insurance Broker, Brown & Brown.
- Life, Health and Disability Insurance premium costs reflect an estimated 19% increase based upon a recommendation from our Health Insurance Broker of Record Services, National Marketing Group.
- Police Officers, Sergeants and Lieutenants- COLA based on CPI at 0.5%; Step of 5% for eligible personnel; Shift Differential of 3% reflecting **existing labor contract obligations**.
- Fire Department- COLA based on CPI at 0.5%; Step of 5% for eligible personnel; Life, Health, Disability Insurance and Pension Retirement Contribution costs reflect the **existing labor contract obligations**.
- Cost Sharing for certain Public Works Division employee's salary is pro-rated from the Stormwater Enterprise Fund and from the Building, Zoning and Planning Department as in previous years. See Public Works Division Regular Salary Budget Worksheet for the individual percentage breakdown.
- General Employees- COLA based on CPI at 0.5%; merit of up to 4% for eligible personnel reflecting **existing labor contract obligations**.
- All exempt employees- COLA based on CPI at 0.5%; Step of 5% for eligible personnel.
- Solid Waste Enterprise Fund costs reflects an estimated increase in the annual residential solid waste fee which will formally be acted on by Council at the June 23rd Zoning Meeting.

At the July 7th, 2015 Village Council Meeting the Council will preliminarily set our millage rate.

Position reclassifications and additions within the Departmental Budgets, which may include additions to the table of organization or professional services, are as follows:

- **Manager's Office**- Addition of a Procurement & Sustainability Director
- **Fire Rescue Department**- Part-Time Community Outreach Liaison position status changed to Full-Time
- **Police Department**- Administrative Assistant position reclassified to Executive Assistant

Attached please find the Departmental Budgets along with the worksheets detailing the expenses on the front summary sheet. The front summary sheet is divided into two areas **Discretionary** and **Non-Discretionary** line items. Discretionary line items represent personnel expenses inclusive of all benefits within the Collective Bargaining Agreements. Non-Discretionary budget line items represent operational expenses.