



VILLAGE OF KEY BISCAINE



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 S. Taintor

DATE: September 8, 2015

TO: Honorable Mayor and Members of the Village Council

FROM: John C. Gilbert, Village Manager

RE: Proposed Budget FY2015-16

Village Manager
John C. Gilbert

RECOMMENDATION

In the past, the practice would be to start the 1st Budget Hearing reviewing the proposed budget for FY2015-16. This year, I would recommend that the Village Council start with the review of the Capital Improvement Plan (CIP). The formal adoption, by Resolution, for the FY2016-2020 CIP will remain as an item at the 2nd Budget Hearing on September 21st, 2015.

The goal of the proposed budget for FY2015-16, as in previous years, is to support the level of services the Village provides to its residents and visitors while minimizing and/or reducing expenditures.

Property Values for FY2015-16 increased approximately 15.29% (\$1,024,091,295). Last year the Village experienced an increase of 8.871% (\$545,754,200).

At the July 7th, 2015 Village Council Meeting the Council preliminarily set the Village millage rate at 3.0. **The enclosed budget maintains the same millage rate of 3.0.**

Budgetary figures (where applicable) have been updated since the June Budget Workshop to include current information from the State shared revenues, as well as, the ongoing review and needs of Departmental line item budgets that continued throughout the summer.

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 all 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 3.68% increase based upon the recommendation from our Commercial Insurance Broker, Brown & Brown.
- Life, Health and Disability Insurance premium costs reflect an estimated 4.7% 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.
- 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 was formally acted upon by Council at the August 25th Council Meeting.

BUDGET HIGHLIGHTS ARE AS FOLLOWS:

Revenues

Revenues were adjusted to reflect updated information from the State of Florida and Village revenue generating activities.

Expenditures

Total expenditures are increasing by \$500,561 or 1.85%.

Village Council

The significant budgetary change to this operating budget since the Budget Workshop is the addition of a Public Relations line item for a total of \$96,000.

Village Manager

The significant budgetary changes in this operating budget since the Budget Workshop is the addition of one (1) Full-Time position for a Receptionist at \$35,000 plus benefits and a position reclassification from an Administrative Services Manager to a Procurement/Sustainability Director. Also, a newly created line item for the Key Biscayne Community Foundation totaling \$125,000 was added by Council action at the September 1st, 2015 Council Meeting.

There are no other significant changes to this budget.

Village Clerk

No significant budgetary changes to this budget.

Village Attorney

The four (4) significant changes in this operating budget are as follows:

- An increase to the **Legal Counsel-General Services** line item by \$50,000.
- An increase to the **Legal Counsel-Litigation Outside Counsel** line item by \$250,000.
- A decrease to the **Legal Counsel-Land Development** line item by \$75,000.
- A decrease to the **Legal Counsel-Labor Relations** line item by \$50,000.

Debt Service

Overall the Debt Service costs have been increased by \$348,886 or 10%, due to the Principal payment to the School Improvement Bond #2.

Building, Zoning & Planning

There are no significant changes to this operating budget.

Police

The significant budgetary change in this operating budget since the Budget Workshop is due to an increase in overtime by an additional \$20,000.

There are no other significant budgetary changes to this budget.

Fire

The significant budgetary change in this operating budget since the Budget Workshop is the conversion of a Part-Time Community Outreach Liaison position into a Full-Time position.

Public Works

No significant budgetary changes were made to this operating budget.

Parks

The main significant budgetary change in this operating budget since the Budget Workshop is an increase to the **Repair & Maintenance-Fields** line item by \$68,090.

There are no other significant budgetary changes to this operating budget.

Community Center

No significant budgetary changes were made to this operating budgets.

Expenses are \$221,614 over the projected revenues for this particular Division.

Athletics

No significant budgetary changes were made to this operating budget.

As another budget that has revenue producing activities, it may appear that the proposed budget of \$654,071 is the total fiscal impact to the General Fund budget, but in fact, this is offset by projected revenues of \$437,025.

Again, my recommendation for the FY2016 Budget Hearing process is to discuss the CIP during the 1st Budget Hearing and to discuss the proposed operating budgets at the 2nd Budget Hearing.

I have directed Department Director's to make themselves available at your request to discuss any questions, thoughts or concerns you may have in an effort to make the Budget Hearings more efficient and effective.

ORDINANCE NO. 2015-

**AN ORDINANCE OF THE VILLAGE OF KEY BISCAYNE,
FLORIDA; ADOPTING THE BUDGETS FOR THE FISCAL
YEAR COMMENCING OCTOBER 1, 2015 THROUGH
SEPTEMBER 30, 2016 PURSUANT TO FLORIDA STATUTE
200.065 (TRIM BILL); PROVIDING FOR AN EFFECTIVE
DATE.**

WHEREAS, the Village Manager presented to the Village Council a "Tentative General Fund Operating Budget" for the fiscal year commencing October 1, 2015 and the Village Council scheduled the public hearing required by Section 200.065(2)(c) of the Florida Statutes to be held on September 8, 2015 at 7:00 p.m.; and

WHEREAS, the Property Appraiser has properly noticed the public hearing scheduled for September 8, 2015, at 7:00 p.m., in the Council Chamber, located at 560 Crandon Boulevard, Key Biscayne, Florida, as required by Chapter 200 of the Florida Statutes; and

WHEREAS, said public hearing, as required by Section 200.065 (2)(c), was held by the Village Council on September 8, 2015, commencing at 7:00 p.m. as previously noticed and the public and all interested parties having had an opportunity to address their comments to the Village Council, and the Village Council having had an opportunity to amend the tentative budget as it deemed appropriate and having considered the comments of the public regarding the tentative budget and having complied with the "TRIM" requirements of the Florida Statutes; and

WHEREAS, pursuant to Section 200.065(2)(d) of the Florida Statutes, a final public hearing to adopt the budgets for the fiscal year commencing on October 1, 2015, through September 30, 2016, was held, as advertised, on Monday, September 21, 2015, at 7:00 p.m., in the Council Chamber, located at 560 Crandon Boulevard, Key Biscayne, Florida and the Council considered comments from the public.

NOW, THEREFORE, BE IT ORDAINED BY THE VILLAGE COUNCIL OF KEY BISCAYNE, FLORIDA:

Section 1. Upon prior adoption of the final millage rate, which is hereby ratified, the attached budgets of the Village of Key Biscayne for the fiscal year commencing October 1, 2015, are hereby approved and adopted.

Section 2. This Ordinance shall be effective upon adoption on second reading, and shall be applicable from and after October 1, 2015.

PASSED AND ADOPTED on the first reading this 8th day of September, 2015.

PASSED AND ADOPTED on the second reading this 21st day of September, 2015.

MAYOR FRANKLIN H. CAPLAN

ATTEST:

CONCHITA H. ALVAREZ, MMC, VILLAGE CLERK

APPROVED AS TO FORM AND LEGAL SUFFICIENCY:

VILLAGE ATTORNEY