MINUTES

BUDGET WORKSHOP
KEY BISCAYNE, FLORIDA

TUESDAY, JUNE 16, 2015

COUNCIL CHAMBER
560 CRANDON BOULEVARD

The meeting was called to order by the Mayor at 7:00 p.m. Present were Councilmembers Luis de la Cruz, Theodore Holloway, Michael E. Kelly, Edward London, James S. Taintor, Vice Mayor Franklin H. Caplan and Mayor Mayra Lindsay. Also present were Village Manager John C. Gilbert, Village Clerk Conchita H. Alvarez and Village Attorney Stephen J. Helfman.

The Mayor reported on the joint meeting between the City of Miami Commission and Village of Key Biscayne Council. The Mayor also thanked all the Councilmembers and residents that were able to attend.

The Mayor addressed the Council welcoming the public to the Budget Workshop.

The following residents addressed the Council: Luis Fernandez, 285 Hampton Lane; Brett Moss, Education Advisory Board, 731 Crandon Boulevard, requesting that the Council allocate $42,000 to the K-8 Community School; Gloria Kahn, 881 Ocean Drive requesting that the Council continue to support the Concert Committee; Derek Duzoglou, 785 Glenridge Road addressed the Council regarding the position to implement the Sustainability Plan; Bob Brooks, representing the Rotary Club of Key Biscayne and the Key Biscayne Rotary Foundation thanking the Council and the staff for the support they have received every year; Dr. Jorge Mendia and Melissa White with the Key Biscayne Community Foundation requesting that the Council authorize the Manager to meet with the KB Community Foundation to come up with a better partnership between the two; Mike Davey, 50 Ocean Lane Drive; Kathy Susnjer, on behalf of the Key Biscayne Chamber of Commerce, thanked

the Council for supporting the Chamber during so many years; Susie Westfall and Alan Fein, 525 Allendale Road, thanked the Council for the support given to City Theater; Patricia Peralta, 761 Woodcrest Road, on behalf of the 4th of July Parade thanked the Council for their continued support; Kira Grossman, 240 Galen Drive, on behalf of the Kiwanis Club thanking the Council for their continued support to the 4th of July Picnic and Ana Victoria Rivas Vasquez, 155 Ocean Lane Drive, President of the Key Biscayne Historical Society, thanking the Council for their continued support.

The Manager addressed the Council giving a brief introduction to the budget presentation.

The following staff was also present: Chief of Staff/Deputy Clerk Jennifer Duque, Director of Building, Zoning and Planning Jud Kurlancheek, Public Works Supervisor Tony Brown, Director of Parks and Recreation Todd Hofferberth, Chief of Police Charles Press, Deputy Police Chief Jason Younes, Deputy Police Chief Joe Monteagudo, Chief of Fire Rescue Eric Lang, Deputy Chief of Fire Rescue Marcos Osorio, IT Administrator Michael Fleming and Finance Director Vivian Parks.

The Manager stated that this is a preliminary budget that may require additional changes by Council direction and/or community input. The 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.

The Manager reported that the preliminary roll assessment provided by the Miami-Dade County Property Appraiser's Office reflects an increase in our property values of 14.97%. At a 3.0 Millage Rate, this would generate approximately an additional $2,856,677 in revenue.

The Manager also reported that the State of Florida will be providing their projection for the State Shared Revenues at the end of June (not available at the time of creating the agenda).

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 twelve the (12) month change from April 2014 to April 2015 and is being reflected at 0.5% COLA for eligible employees.

The Manager also presented to the Council the departmental budgets along with the worksheets detailing the expenses on the summary sheet.

Some assumptions included within this budget are: 1.) Insurance, Property and Liability premium costs remain the same for the proposed budget based upon the recommendation from our

Commercial Insurance Broker, Brown & Brown; 2.) Workers Compensation premium costs reflect an estimated 17% increase based upon the recommendation from our Commercial Insurance Broker, Brown & Brown; 3.) 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; 4.) 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; 5.) 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; 6.) 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; 7.) General Employees- COLA based on CPI at 0.5%; merit of up to 4% for eligible personnel reflecting existing labor contract obligations; 8.) All exempt employees- COLA based on CPI at 0.5%; Step of 5% for eligible personnel; 9.) 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.

Position reclassifications and additions within the Departmental Budgets, which may include additions to the table of organization or professional services, are as follows: Parks Department- Addition of a Full-Time Administrative Assistant position; 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.

The Manager presented to the Council 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.

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

Robert Hollander with Brown & Brown addressed the Council regarding Workers Compensation Insurance premiums and Michelle Gonzalez with National Marketing Group addressed the Council regarding Life, Health and Disability Insurance premiums.

The Manager addressed the Council regarding the General Fund Revenues, the Council and the Administration Budgets and the Debt Service; Chief Press addressed the Council regarding the Police Department Budget; Director Hofferberth addressed the Council regarding the Parks and Recreation Department Budget, the Community Center Budget and the Athletics Division Budget; the Clerk addressed the Council regarding the Clerk's Budget; the Attorney addressed the Council regarding the Attorney's Budget requesting the addition of $250,00 to the Legal Counsel-Litigation line item due to the ongoing litigation with the City of Miami regarding the Boat Show; Director Kurlancheek addressed the Council regarding the Building, Zoning and Planning Department Budget

and the Public Works Department Budget and Chief Lang addressed the Council regarding the Fire Rescue Department Budget.

Councilmember Holloway made a motion to extend the meeting until 11:10 p.m. The motion was seconded by Councilmember Kelly and approved by a 5-0 voice vote. The vote was as follows: Councilmembers Holloway, Kelly, London, Vice Mayor Caplan and Mayor Lindsay voting Yes.

There was extensive discussion from Council regarding the budgets and the CIP.

The Attorney requested an Executive Session on the Marine Stadium litigation. The Clerk will get in touch with Shubin and Bass and canvass the Council in order to set the date for the Executive Session.

The meeting was adjourned at 11:10 p.m.

Respectfully submitted:

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Conchita H. Alvarez, MMC
Village Clerk

Approved this 7th day of July, 2015:

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Mayra Peña Lindsay
Mayor

IF A PERSON DECIDES TO APPEAL ANY DECISION MADE BY THE VILLAGE COUNCIL WITH RESPECT TO ANY MATTER CONSIDERED AT A MEETING OR HEARING, THAT PERSON WILL NEED A RECORD OF THE PROCEEDINGS AND, FOR SUCH PURPOSE, MAY NEED TO ENSURE THAT A VERBATIM RECORD OF THE PROCEEDINGS IS MADE, WHICH RECORD INCLUDES THE TESTIMONY AND EVIDENCE UPON WHICH THE APPEAL IS TO BE BASED.