



VILLAGE OF KEY BISCAYNE

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Office of the Village Manager

MEMORANDUM

Village Council
Franklin H. Caplan, *Mayor*
Michael W. Davey, *Vice Mayor*
Theodore J. Holloway
Michael E. Kelly
Mayra P. Lindsay
Ed London
James S. Taintor

Village Manager
John C. Gilbert

DATE: June 17, 2014

TO: Honorable Mayor and Members of the Village Council

FROM: John C. Gilbert, Village Manager

RE: Budget Workshop: Proposed Budget FY2015 (FY15)

The attached budget is a preliminary budget that will require additional changes from Staff, as well as Council direction and community input. The Budget Workshop will provide an opportunity to begin deliberations in preparation for our two Budget Hearings on September 9th and 23th, 2014 as we move toward the final FY15 Budget adoption.

On June 1st, the Miami-Dade County Property Appraiser published the preliminary property values. On July 1st, the final assessment will be provided. With the preliminary assessment, the Village has experienced an increase in our property values of 8.844%. With sustaining a 3.0 Millage Rate, this would generate approximately an additional \$1,550,676 in revenue. Last year we had an increase of 4.63% in assessed property values. Due to a decrease in the Millage Rate from 3.2 to 3.0, property tax revenues decreased by \$34,118.

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 FY15 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 2013 to April 2014 and is being recommended at 2.5% for eligible employees.

Some assumptions included within this budget are:

- Insurance, Property and Liability premium costs reflect an estimated 5% increase; upon a recommendation from our Commercial Insurance Broker, Brown & Brown.
- Workers Compensation premium costs reflect an estimated 21.4% increase; upon a recommendation from our Commercial Insurance Broker, Brown & Brown.

- Life, Health and Disability Insurance premium costs reflect an estimated 25% increase; upon a recommendation from our Health Insurance Broker of Record Services, National Marketing Group.
- Police Officers, Sergeants and Lieutenants- COLA based on CPI at 2.5%; Step of 5% for eligible personnel; Shift Differential of 3% reflecting **existing labor contract obligations**.
- Fire Department- COLA based on CPI at 2.5%; Step of 5% for eligible personnel; Life, Health, Disability Insurance and Pension Retirement Contribution costs reflect the **newly ratified 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 (see Public Works Division Regular Salary Budget Worksheet for the individual percentage breakdown).
- General Employees- Merit of up to 4% for eligible personnel reflecting **existing labor contract obligations**.
- All (non-union) exempt employees- COLA based on CPI at 2.5%; Step of 5% for eligible personnel.

The Village will continue negotiations with the Police Officers, Sergeants and Lieutenants and General Employees; thereby possibly changing the figures for the September Budget Hearings.

At the July 1st, 2014 Village Council Meeting the Council will preliminarily set our millage rate.

Upon further deliberations and community input, we will continue to prepare the proposed budget for our September Budget Hearings.

The goal for this budget, as in previous years, is to enhance services while still maintaining a cost effective operational budget.

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**- Special Projects Coordinator position reclassified to Administrative Services Manager
- **Manager's Office**- Part-Time I.T. Assistant position status changed to Full-Time I.T. Assistant
- **Building, Zoning and Planning Department**- Permit Clerk/Receptionist position reclassified to Administrative Assistant to the Public Works Division
- **Public Works Division**- Special Projects Coordinator position reclassified to Senior Executive Assistant
- **Fire Rescue Department**- Addition of a Part-Time Administrative Assistant position
- **Fire Rescue Department**- Promoted one (1) Fire Lieutenant position to the Fire Captain position
- **Police Department**- Executive Administrative Assistant position reclassified to Senior Executive Assistant

- **Police Department-** Special Projects Coordinator position reclassified to Administrative Services Manager

As in the FY14 Budget, the costs for the Departmental Self-Assessment process for Public Works Division, Building, Zoning and Planning Department and Parks and Recreation Department are included in their Departmental Budgets.

Attached please find the Departmental Budgets along with the worksheets detailing the expenses on the front summary sheet.