



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

Office of the Village Manager



## MEMORANDUM

*Village Council*  
Mayra P. Lindsay, *Mayor*  
Edward London, *Vice Mayor*  
Franklin H. Caplan  
Luis F. de la Cruz  
Gary R. Gross  
Theodore Holloway  
Michael E. Kelly

*Village Manager*  
John C. Gilbert

DATE: June 21, 2016  
TO: Honorable Mayor and Members of the Village Council  
FROM: John C. Gilbert, Village Manager  
RE: Budget Workshop: Proposed Budget FY2017 (FY17)

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 13<sup>th</sup> and 27<sup>th</sup>, 2016 as we move toward the final FY17 Budget adoption.

This Budget Workshop is designed to continue the efforts of this Village Council in completing previously approved Capital Improvement Projects and to discuss future projects and funding sources. This Budget Workshop is also designed to hear from those organizations that rely on financial assistance from the Village as they provide enhanced and/or additional programming to Village residents.

After hearing from the public on their thoughts and requests for FY17, Department Directors will present to Council their proposed FY17 budget highlights as well as updating the Village Council on any significant issues with their current FY16 Budgets. Department Directors will also present their FY17 Capital Improvement Project suggestions.

This Budget Workshop is not intended to be a discussion on proposed individual Departmental line items. Later this summer, each Department Director will be reaching out to members of the Village Council to set a convenient and agreed upon meeting date to have those more detailed discussions prior to the September Budget Hearings. Village Administration looks forward to Village Council's feedback and guidance.

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

On June 1<sup>st</sup>, the Miami-Dade County Property Appraiser Office published the preliminary property values for the Village of Key Biscayne. On July 1<sup>st</sup>, the final assessment will be provided. With the preliminary property assessment, the Village has experienced an increase in our property values of \$619,963,271 or 8.035% (last year the Village had an increase of 15.29% in assessed property values).

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MISSION STATEMENT: "TO PROVIDE A SAFE, QUALITY COMMUNITY ENVIRONMENT FOR ALL ISLANDERS THROUGH RESPONSIBLE GOVERNMENT."

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Sustaining a 3.0 Millage Rate would generate approximately an additional \$1,766,895 in revenue. The Rolled Back Rate for FY17 is 2.7899 with the June 1<sup>st</sup> estimate.

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 FY17 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 2015 to April 2016 and is being reflected as a 1.4% COLA for eligible employees.

Other 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 10% increase based upon the recommendation from our Commercial Insurance Broker, Brown & Brown.
- Life, Health and Disability Insurance premium costs reflect an estimated 10% 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 1.4%; Step of 5% for eligible personnel; Shift Differential of 3%; Life, Health, Disability Insurance and Pension Retirement Contribution costs reflect the **existing labor contract obligations**.
- Fire Department- COLA based on CPI at 1.4%; 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 1.4%; merit of up to 4% for eligible personnel reflecting **existing labor contract obligations**.
- All exempt employees- COLA based on CPI at 1.4%; Step of 5% for eligible personnel.

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

- **Building, Zoning and Planning Department-** Part-Time Permit Clerk position status changed to Full-Time and a reclassification from a Permit Clerk/Code Enforcement to Executive Code Enforcement Assistant/Business Tax Receipt Officer.
- **Public Works Division-** Part-Time Administrative Assistant status changed to Full-Time.
- **Police Department-** Addition of a Full-Time Traffic Officer and an additional officer.

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. **Non-Discretionary** line items represent personnel expenses inclusive of all benefits within the Collective Bargaining Agreements. **Discretionary** budget line items represent operational expenses under the direct control of the Department Directors.