

MINUTES

FIRST BUDGET HEARING
KEY BISCAVNE, FLORIDA

TUESDAY, SEPTEMBER 26, 2017

COUNCIL CHAMBER
560 CRANDON BOULEVARD

1. **CALL TO ORDER/ROLL CALL OF MEMBERS:** The meeting was called to order by the Mayor at 7:00 p.m. Present were Councilmembers Luis de la Cruz, Gary R. Gross (by phone), Allison McCormick, Brett G. Moss, Kathleen Petros and Vice Mayor Franklin H. Caplan and Mayor Mayra P. Lindsay. Also present were Village Manager John C. Gilbert, Village Clerk Jennifer Duque and Village Attorney Chad Friedman.
2. **PLEDGE OF ALLEGIANCE:** Mayor Caplan led the Pledge of Allegiance.
3. **MILLAGE RESOLUTION:** The Clerk read the following resolution by title:

A RESOLUTION OF THE VILLAGE OF KEY BISCAVNE, FLORIDA; ADOPTING THE PROPOSED MILLAGE RATE OF THE VILLAGE OF KEY BISCAVNE FOR THE FISCAL YEAR COMMENCING OCTOBER 1, 2017 THROUGH SEPTEMBER 30, 2018 PURSUANT TO FLORIDA STATUTE 200.065 (TRIM BILL); SETTING A DATE FOR A FINAL PUBLIC HEARING TO ADOPT THE MILLAGE RATE; PROVIDING FOR AN EFFECTIVE DATE.

Vice Mayor Caplan made a motion to approve the resolution. The motion was seconded by Councilmember de la Cruz.

The Attorney addressed the Council regarding the process for the adoption of the millage resolution.

Mayor Lindsay made a motion to table the resolution to be heard no later than 10:30 p.m. The motion was seconded by Vice Mayor Caplan and approved by a 6-0 voice vote. The vote was as follows: Councilmembers de la Cruz, McCormick, Moss, Petros, Vice Mayor Caplan and Mayor Lindsay voting Yes.

4. **ORDINANCES:** The Clerk read the following ordinance on first reading, by title:

AN ORDINANCE OF THE VILLAGE OF KEY BISCAYNE, FLORIDA; ADOPTING THE BUDGETS FOR THE FISCAL YEAR COMMENCING OCTOBER 1, 2017 THROUGH SEPTEMBER 30, 2018 PURSUANT TO FLORIDA STATUTE 200.065 (TRIM BILL); PROVIDING FOR AN EFFECTIVE DATE.

At this time, Mayor Lindsay requested the addition of a resolution regarding Village operations post hurricane Irma after Item 4. There were no objections to the agenda change.

Mayor Caplan made a motion to adopt the ordinance on first reading. The motion was seconded by Councilmember McCormick.

Mayor Lindsay addressed the Council regarding the process for the adoption of the budget on first reading.

The Manager addressed the Council regarding the goal of the proposed budget for FY2017-18. As in previous years, the goal is to not impact the level of services the Village provides to its residents and visitors while minimizing and/or reducing expenditures.

The Manager reported that property values for FY2017-18 increased approximately 4% (\$307,485,007) and last year the Village experienced an increase of 8% (\$617,536,353). Also, the proposed budget maintains the millage rate of 3.0 and budgetary figures have been updated since the June Budget Workshop to include current information from the state shared revenues, as well as, the ongoing needs and review of Departmental line item budgets that continued throughout the summer.

In addition, the Manager reported the Cost of Living Adjustment (COLA) for the proposed FY2017-18 Budget is based on the Consumer Price Index (CPI) for all urban consumers for the Miami/Ft. Lauderdale area published by the Department of Labor Bureau of Labor Statistics for the twelve (12) month change from April 2016 to April 2017 and is being reflected as a 2.8% COLA for all eligible employees.

The Manager also addressed the Council regarding the following assumptions included in the Proposed FY2018 Budget:

- Insurance, Property and Liability premium costs reflect a reduction of 0.82% for the proposed budget based upon the recommendation from our Commercial Insurance Broker, Brown & Brown.
- Workers Compensation premium costs reflect an estimated 12.7% increase based upon the recommendation from our Commercial Insurance Broker, Brown & Brown.
- Life and Health Insurance premium costs reflects a 2.8% increase based upon a renewal rate from our Health Insurance Broker of Record Services, National

Marketing Group. The Village contribution has been modified for employee only coverage by increasing from \$500 to \$530.18 per month and the dependent coverage has increased from fifty percent (50%) to seventy-five percent (75%) reflecting an increase of \$136,647 from the FY2016-17 Adopted Budget. The long-term Disability Insurance premium costs remains the same.

- Police Officers, Sergeants and Lieutenants- COLA based on CPI a 2.8%; Step of 5% for eligible personnel; Shift Differential of 3% reflecting **existing labor contract obligations**.
- Fire Department- COLA based on CPI at 2.8%; Step of 5% for eligible personnel; Life, Health, Disability Insurance and Pension Retirement Contribution costs reflect the **existing labor contract obligations**.
- General Employees- COLA based on CPI at 2.8%; merit of up to 4% for eligible personnel reflecting **existing labor contract obligations**.
- All exempt employees- COLA based on CPI at 2.8%; Step of 5% for eligible personnel.
- Cost Sharing for certain Public Works Division employee's salary is pro-rated from the Stormwater Enterprise Fund as in previous years.

Lastly, the Manager addressed the Council regarding the following budgetary changes that occurred from the Budget Workshop held on June 20, 2017:

Revenues

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

Expenditures

Total expenditures are increasing by \$1,660,135 or 5% from the FY2016-17 Adopted Budget.

Manager

The main significant budgetary change in this operating budget since the Budget Workshop is a decrease in the Chief of Staff position of \$101,099; a decrease in the GIS Specialist position of \$41,000 due to a reallocation to the Public Works Division and Stormwater Enterprise Fund; increase of \$60,000 for the addition of an Accounting Clerk; reduction of \$55,474 to Acc. & Auditing- Accounting & Payroll line item due to the reorganization of the Finance Department; an addition of \$45,000 to the Professional Services line item for the Sustainability Program and an addition of \$25,000 to the Professional Services line item for the Hurricane Plan Update.

Village Clerk

The main significant budgetary change in this operating budget since the Budget Workshop is a reduction of \$13,575 to the FT Salary-Village Clerk line item; reclassification of the Clerk/Typist position to an Executive Assistant; an increase of \$35,000 to the Professional Services line item

for the Village Manager Search; an increase of \$15,197 to the Communications line item and an increase of \$25,000 to the Social Media line item.

Development Services Department

The significant budgetary changes in this operating budget since the Budget Workshop is the retitling of the “Building Zoning & Planning and Public Works Department” to “Development Services Department”.

Building Division

The significant budgetary changes in this operating budget since the Budget Workshop is an increase of \$22,500 to the Printing & Scanning line item and an increase of \$67,736 to the Capital Outlay- Equipment line item.

Planning, Zoning & Code Division

The significant budgetary changes in this operating budget since the Budget Workshop is an increase of \$34,587 for an additional Code Compliance Officer; an increase of \$7,150 to the Retirement Contributions line item; an increase of \$15,000 for the Part-time Zoning Plan reviewer line item; and an increase in of \$36,900 Operating Supplies to Software line item,

Public Works Division

The significant budgetary changes in this operating budget since the Budget Workshop is an increase of \$20,500 for a GIS Specialist; an increase of \$85,000 to the Contract-Tree Trimming line item and an increase of \$220,000 to the Repairs & Maintenance- Roadway Improvements line item.

Police

The significant budgetary changes in this operating budget since the Budget Workshop is a reduction of \$10,000 to the Acting Pay line item; a reduction of \$16,247 to the Overtime line item; a reduction of \$25,044 to the Operating Supplies- Vehicle Fuel line item and a reduction of \$9,418 to the Crossing Guard Outsource Program line item.

Fire

The main significant budgetary change in this operating budget since the Budget Workshop is a reduction of \$114,001 to the Fire Captains line item; an increase of \$104,625 to the Fire Lieutenants line item and a reduction of \$35,000 to the Overtime line item.

Parks

The main significant budgetary change in this operating budget since the Budget Workshop is an increase of \$10,000 to the Repairs & Maintenance- Parks/Playground; a reduction of \$35,000 to Promo Events-Teen programming and an increase of \$85,000 to the Promo Events- New Programming line item for teen programming, special needs population and senior population.

Community Center

The main significant budgetary change in this operating budget since the Budget Workshop is an increase of \$33,360 to the Repairs and Maintenance- Community Center line item.

As another budget that has revenue producing activities, it may appear that the proposed budget of \$2,794,236 is the total fiscal impact to the General Fund budget, but in fact, this is offset by projected revenues of \$2,400,000.

Athletics

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

As another budget that has revenue producing activities, it may appear that the proposed budget of \$882,494 is the total fiscal impact to the General Fund budget, but in fact, this is offset by projected revenues of \$560,800.

Solid Waste Fund

The main significant budgetary change in this operating budget since the Budget Workshop is an increase of \$125,040 in the Solid Waste Collection line item due to increase in solid waste billing.

At this time, the Manager introduced Mr. Robert Hollander, Executive Vice President of Brown & Brown of Florida, Inc. and commended Mr. Hollander for providing expeditious and high-quality customer service post hurricane Irma.

Mr. Hollander addressed the Council regarding the property and casualty insurance policy.

There was extensive discussion by Council regarding the property and casualty insurance policy.

At this time, the Manager introduced Mr. Roger Gonzalez and Ms. Michelle Febres from National Marketing Group Services, Inc. Ms. Febres addressed the Council regarding the life and health insurance.

There was extensive discussion by Council regarding the life and health insurance.

The Mayor opened the public hearing. The following addressed the Council: Michael Davey, 50 Ocean Lane Drive; Donald Elisburg, 177 Ocean Lane Drive; Susan Sawyer, 301 West McIntyre Street and Silvana Capuzzo, 1121 Crandon Boulevard. The Mayor closed the public hearing.

The following are the budgetary changes discussed by Council:

In the Village Manager's budget the International Sister City Program line item was eliminated and the Educational Initiatives line item was increased by \$5,000.

In the Attorney's budget the Labor Relations line item was increased by \$25,000. Also, in the Attorney's budget the Litigation line item was decreased by \$25,000.

In the Planning, Zoning & Code Division the Executive Code Enforcement Assistant line item was increased by \$2,095.

Mayor Lindsay made a motion to set a time to hear the millage resolution to 10:35 p.m. The

motion was seconded by Vice Mayor Caplan and approved by a 6-0 voice vote. The vote was as follows: Councilmembers de la Cruz, McCormick, Moss, Petros, Vice Mayor Caplan and Mayor Lindsay voting Yes.

At this time, Ms. Beatrice Galeano, Interim Finance Director, addressed the Council regarding the proposed fiscal year 2017-2018 budget enterprise funds.

Mayor Lindsay made a motion to table the ordinance until after the adoption of the millage rate resolution. The motion was seconded by Vice Mayor Caplan and approved by a 6-0 voice vote. The vote was as follows: Councilmembers de la Cruz, McCormick, Moss, Petros, Vice Mayor Caplan and Mayor Lindsay voting Yes.

Vice Mayor Caplan made a motion to remove the millage resolution from the table. The motion was seconded by Councilmember McCormick and approved by a 6-0 voice vote. The vote was as follows: Councilmembers de la Cruz, McCormick, Moss, Petros, Vice Mayor Caplan and Mayor Lindsay voting Yes.

There was extensive discussion by Council regarding the millage rate.

Mayor Lindsay made a motion to extend the meeting 5 minutes. The motion was seconded by Councilmember McCormick and approved by a 6-0 voice vote. The vote was as follows: Councilmembers de la Cruz, McCormick, Moss, Petros, Vice Mayor Caplan and Mayor Lindsay voting Yes.

There was extensive discussion by Council regarding the capital projects for the upcoming year.

Mayor Lindsay made a motion to extend the meeting 5 minutes. The motion was seconded by Councilmember McCormick and approved by a 7-0 voice vote. The vote was as follows: Councilmembers de la Cruz, Gross, McCormick, Moss, Petros, Vice Mayor Caplan and Mayor Lindsay voting Yes.

The Clerk read into the record that the proposed millage rate for the Village of Key Biscayne for the fiscal year commencing October 1, 2017 through September 30, 2018, be and is hereby fixed at the rate of 3.0 mills which is \$3.00 dollars per \$1,000.00 of assessed property value within the Village of Key Biscayne. That the rolled back rate is 2.8890 mills and the proposed millage rate is 3.0 mills which is 3.84% over the rolled-back rate.

Vice Mayor Caplan made a motion to allow Councilmember Gross's participation to vote during this meeting through the use of conference telephone. The motion was seconded by Mayor Lindsay and approved by a 6-0 voice vote. The vote was as follows: Councilmembers de la Cruz, McCormick, Moss, Petros, Vice Mayor Caplan and Mayor Lindsay voting Yes.

Mayor Lindsay made a motion to extend the meeting 5 minutes. The motion was seconded by Councilmember de la Cruz and approved by a 7-0 voice vote. The vote was as follows: Councilmembers de la Cruz, Gross, McCormick, Moss, Petros, Vice Mayor Caplan and Mayor Lindsay voting Yes.

At this time, it was the consensus of Council to reschedule the second reading of the budget ordinance from Tuesday, October 3, 2017 to Tuesday, October 10, 2017.

Councilmember Moss made a motion to extend the meeting 5 minutes. The motion was seconded by Councilmember McCormick and approved by a 7-0 voice vote. The vote was as follows: Councilmembers de la Cruz, Gross, McCormick, Moss, Petros, Vice Mayor Caplan and Mayor Lindsay voting Yes.

Vice Mayor Caplan made a motion to approve the millage resolution. The motion was seconded by Councilmember Petros and approved by a 7-0 roll call vote. The vote was as follows: Councilmembers de la Cruz, Gross, McCormick, Moss, Petros, Vice Mayor Caplan and Mayor Lindsay voting Yes.

At this time, the Clerk read the following resolution by title:

A RESOLUTION OF THE VILLAGE COUNCIL OF THE VILLAGE OF KEY BISCAYNE, FLORIDA, DIRECTING THAT THE AMOUNTS APPROPRIATED FOR CURRENT OPERATIONS FOR THE 2016-2017 FISCAL YEAR BE DEEMED APPROPRIATE FOR THE ENSUING FISCAL YEAR FOR THE PERIOD BEGINNING OCTOBER 1, 2017 THROUGH AND INCLUDING OCTOBER 15, 2017; PROVIDING FOR AUTHORIZATION; AND PROVIDING FOR AN EFFECTIVE DATE.

Mayor Lindsay made a motion to approve the resolution. The motion was seconded by Councilmember Petros and approved by a 7-0 voice vote. The vote was as follows: Councilmembers de la Cruz, Gross, McCormick, Moss, Petros, Vice Mayor Caplan and Mayor Lindsay voting Yes.

At this time, Vice Mayor Caplan made motion to approve the budget ordinance on first reading, as amended. The motion was seconded by Councilmember de la Cruz and approved by a 7-0 roll call vote. The vote was as follows: Councilmembers de la Cruz, Gross, McCormick, Moss, Petros, Vice Mayor Caplan and Mayor Lindsay voting Yes.

The Clerk announced the second reading of this ordinance for Tuesday, October 10, 2017.

The remaining agenda items will be continued to the Tuesday, October 10, 2017 second budget hearing.

5. **REPORTS AND RECOMMENDATIONS:** There were no items discussed.

Mayor and Councilmembers. The Council did not submit a report.

Village Attorney. The Attorney did not submit a report.

Village Clerk. The Clerk did not submit a report.

Village Manager. The Manager did not submit a report.

6. **OTHER BUSINESS/GENERAL DISCUSSION:** There was no further business discussed.
7. **PENDING BUSINESS/PENDING LITIGATION:** A list of pending business/pending litigation was presented to the Council.
8. **SCHEDULE OF FUTURE MEETINGS/EVENTS:** A schedule of future meetings and events was presented to the Council.
9. **ADJOURNMENT:** The meeting was adjourned at 11:20 p.m.
Respectfully submitted:

Jennifer Duque
Village Clerk

Approved this 10th day of April 2018:

Mayra P. 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.