

MINUTES

BUDGET WORKSHOP  
KEY BISCAVNE, FLORIDA

TUESDAY, JUNE 18, 2013

COUNCIL CHAMBER  
560 CRANDON BOULEVARD

The meeting was called to order by the Mayor at 7:00 p.m. Present were Councilmembers Michael W. Davey, Theodore Holloway, Michael E. Kelly, Edward London, Vice Mayor Mayra Lindsay and Mayor Franklin H. Caplan. Councilmember James S. Taintor was absent. Also present were Village Manager John C. Gilbert, Village Clerk Conchita H. Alvarez and Village Attorney Chad Friedman.

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

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

The following staff was also present: Executive Assistant to the Village Manager Jennifer Duque, Director of Building, Zoning and Planning Jud Kurlancheek, Director of Parks and Recreation Todd Hofferberth, Chief of Police Charles Press, Deputy Police Chief Joe Monteagudo, Chief of Fire Rescue Eric Lang, IT Administrator Michael Fleming and Finance Director Vivian Parks.

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 6.34%. At a 3.2 Millage rate, this would generate approximately an additional \$1,113,758. Last year we had an increase of 4.63%. Our increase in revenue from property values from last year was approximately \$777,509.

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The Manager also reported that the State of Florida will be providing their projection of 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 FY14 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 (12) month change from April 2012 to April 2013 and is being recommended at 0.9% for eligible employees.

Some assumptions included within this budget are: 1.) Insurance, Property and Liability costs reflect an estimated 10% increase upon a recommendation from our Commercial Insurance Broker, Brown & Brown; 2.) Life, Health and Disability Insurance costs reflect an estimated 12% increase upon a recommendation from our Health Insurance Broker of Record Services, National Marketing Group; 3.) Police Officers, Sergeants and Lieutenants - COLA based on CPI at 0.9%; Step of 5% for eligible personnel; Shift Differential of 3% reflecting labor contract obligations; 4.) Fire Department current labor contract obligations; Step of 5% for eligible personnel; 5.) Cost Sharing for Public Works Division employee's salary is pro-rated as follows: 14% from the Stormwater Enterprise Fund and an approximate 4% from the Building, Zoning and Planning Department; 6.) General Employees - Merit of up to 4% for eligible personnel reflecting labor contract obligations; 7.) All (non-union) exempt employees - COLA based on CPI at 0.9%; Step of 5% for eligible personnel; 8.) During the preparation of the FY09-10 budget, the prior Village Manager requested contract reductions from the Building Maintenance vendor and Financial Advisory and Accounting Services consultant. For the proposed FY14 budget their contract amounts are being reverted back to the original contracted amounts.

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

On July 2nd, Council will preliminarily set our millage rate at that Council meeting.

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

The goal for this budget, as in the previous years, is to enhance services while still maintaining a cost effective operational budget. Additionally, this budgeting process took into consideration the Strategic priorities resulting from Council and Staff's planning sessions this past May.

Position additions within the departmental budgets which may include additions to the table of organization or professional services, as follows:

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- Council-Local Relations Representative
- Manager - Community Services Representative
- Building, Zoning and Planning - GIS/IT Analyst

Also found in the Village Manager's budget is the cost for the implementation of the FY13 Strategic Plan. Additionally, the estimated costs for the initial stages of the Departmental Self-Assessment process for Public Works Division, Building, Zoning and Planning Department and Parks and Recreation Department are included in their budgets.

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

Councilmember London congratulated the Manager for a well presented budget document, stating that his position is to lower the millage rate.

Mayor Caplan addressed the Council regarding the Youth Council Program. The Manager addressed the Council regarding this program.

Councilmember Kelly also addressed the Council regarding the Youth Council Program proposing to eliminate the funding, since this program is not working in the Village of Key Biscayne.

There was extensive discussion from Council regarding the Quarterly Reports from the different organizations that the Village funds.

The following residents addressed the Council: Melissa White with the Key Biscayne Community Foundation, managing the 4th of July Committee, Lighthouse Run and ASK Club; Ed Meyer, 798 Crandon Boulevard; Patricia Romano, representing the Key Biscayne Chamber of Commerce; Gabriel Chavarria, Chairman of the Key Biscayne Chamber of Commerce and Ed Stone, representing the ASK Club.

Finance Director Parks addressed the Council regarding the General Fund Revenues; the Manager addressed the Council regarding the Council and the Administration Budgets and the Debt Service; the Clerk addressed the Council regarding the Clerk's Budget; the Attorney addressed the Council regarding the Attorney's Budget; Director Kurlancheek addressed the Council regarding the Building, Zoning and Planning Department's Budget and the Public Works Department Budget; Chief Press addressed the Council regarding the Police Department Budget; Chief Lang addressed the Council regarding the Fire Rescue Department Budget; and Director Hofferberth addressed the Council regarding the Parks and Recreation Department Budget, the Community Center Budget and the Athletics Division Budget.

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It was the consensus of Council to grant the Clerk the 5% longevity pay increase for her 20 years of service and the 0.9% COLA, the Manager is recommending for General Employees.

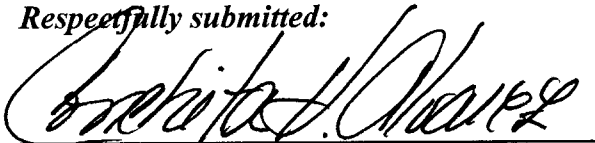
It was the consensus of Council to direct staff to present to the Council at the July 2, 2013 Council Meeting a Millage Rate Comparison of 3.20, 3.006, 3.10, 3.00 and 2.90.

The Manager also addressed the Council regarding the preliminary 5-year CIP for FY's 2014-2018. The Manager is recommending to focus on just deciding FY 13-14 Operational and Non-Operational projects. The deficit (\$3,548,318) of the total funding needed for FY13-14 projects could be reduced with the transfer of a portion of the excess revenue over expenditures in the General Fund Budget. No final decisions are made at this workshop. Final action will be taken at the budget hearings in September.

A schedule of future meetings and events was presented to the Council.

The meeting was adjourned at 10:55 p.m.

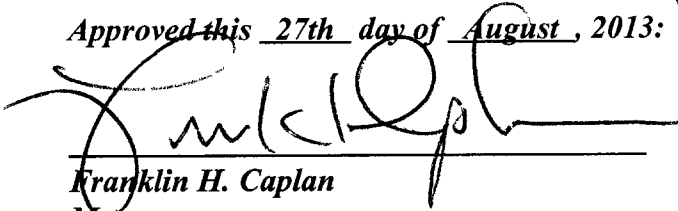
Respectfully submitted:



Conchita H. Alvarez, MMC  
Village Clerk



Approved this 27th day of August, 2013:



Franklin H. Caplan  
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.**