

MINUTES

BUDGET WORKSHOP
KEY BISCA YNE, FLORIDA

TUESDAY, JUNE 20, 2017

COUNCIL CHAMBER
560 CRANDON BOULEVARD

The meeting was called to order by the Mayor at 7:10 p.m. Present were Councilmembers Luis de la Cruz, Gary Gross, Allison McCormick, Brett Moss, Kathleen Petros, Vice Mayor Franklin H. Caplan and Mayor Mayra P. Lindsay. 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 following persons addressed the Council: Derek Duzoglou, 575 Crandon Boulevard; Susan Sawyer, 301 West McIntyre Street; Tony Winton, 121 Crandon Boulevard; Ignacio Seguro, 881 Ocean Drive; Florencia Manero, 676 Fernwood Road; Sally Brody, 180 Harbor Drive; Ana Rivas Vasquez, President of the Key Biscayne Historical & Heritage Society; Thomas, Jackson, Ella and Ava Crowley, 38 S.W. 22nd Road, Miami; Chris Biggers, 526 Allendale Road; Cailen Caplan, 370 Palmwood Lane; Cliff Brody, 180 Harbor Drive and Melissa White, Executive Director of the KB Community Foundation and Rumya Sundaran, Citizen Science Coordinator with the KB Community Foundation; Donald Ellisburg, 177 Ocean Lane Drive; Glen Waldman, 240 Woodcrest Road and Ed Stone, 1121 Crandon Boulevard.

The following staff was also present: Chief of Staff/Deputy Clerk Jennifer Duque, Director of Building, Zoning and Planning Sergio Ascunce, Public Works Supervisor Tony Brown, Director of Parks and Recreation Todd Hofferberth, Assistant Director of Parks and Recreation Ana Colls, Chief of Police Charles Press, Deputy Police Chief Jason Younes, Chief of Fire Rescue Eric Lang, Deputy Chief of Fire Rescue Marcos Osorio, Deputy Chief of Fire Rescue Michael Haring and IT Administrator Michael Fleming.

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

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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 12th and 26th, 2017 as we move toward the final FY18 Budget adoption.

Department Directors will present to Council their proposed FY18 budget highlights as well as updating the Village Council on any significant issues with their current FY17 Budgets. Department Directors will also present their FY18 Capital Improvement Project recommendations.

This Budget Workshop is not intended to be a discussion on proposed individual Department line items. Department Directors are available to meet with members of the Village Council and 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 1st, the Miami-Dade County Property Appraiser Office published the preliminary property values for the Village of Key Biscayne. On July 1st, the final assessment will be provided. With the preliminary property assessment, the Village has experienced an increase in our property values of \$296,715,123 or 3.56% (last year the Village had an increase of 8.035% in assessed property values).

Sustaining a 3.0 Millage Rate would generate approximately an additional \$2,236,714 in revenue.

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 FY18 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 2016 to April 2017 and is being reflected as a 2.8% COLA for eligible employees.

Other 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 24.5% increase based upon the recommendation from our Commercial Insurance Broker, Brown & Brown; 3.) 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; 4.) Police Officers, Sergeants and Lieutenants- COLA based on CPI at 2.8%; Step of 5% for eligible personnel; Shift Differential of 3%; Life, Health, Disability

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Insurance and Pension Retirement Contribution costs reflect the existing labor contract obligations; 5.) 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; 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. See Public Works Division Regular Salary Budget Worksheet for the individual percentage breakdown; 7.) General Employees- COLA based on CPI at 2.8%; merit of up to 4% for eligible personnel reflecting existing labor contract obligations; 8.) All exempt employees- COLA based on CPI at 2.8%; Step of 5% for eligible personnel. 18 Village employees will reach their 25 Year Longevity. The Village will continue negotiations with the Fire Fighters, Police Officers and the General Employees thereby, possibly changing the figures for the 1st Budget Hearing on September 12th.

Position reclassifications and additions within the Departmental Budgets, which may include additions to the table of organization or professional services, are as follows: 1.) Manager's Office- Addition of a Full-Time GIS Specialist; 2.) Building, Zoning & Planning Department-Part-Time Mechanical Inspector status changed to Full-Time; 3.) Police Department-Reclassification of a Full-Time Senior Municipal Utility Worker.

At this time Councilmember de la Cruz excused himself from the meeting and expressed words of appreciation to retiring Clerk Conchita H. Alvarez.

The Manager addressed the Council regarding the General Fund Revenues, the Council and the Administration Budgets and the Debt Service; the Clerk addressed the Council regarding the Clerk's Budget; Director Ascunce addressed the Council regarding the Building, Zoning and Planning Department Budget; Jorge Fraga with JRD addressed the Council regarding the Building Renovation Permit Fees; Chief Press and Supervisor Brown addressed the Council regarding the Public Works Department Budget; Chief Lang addressed the Council regarding the Fire Rescue Department Budget; 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.

There was extensive discussion from Council regarding the Departmental Budgets.

It was the consensus of Council to increase the line item Professional Services in the Manager's Budget to \$65,000 due to the contracting of Colleen Castille to prepare a feasibility study for the Beach Renourishment Plan; it was also the consensus of Council to reduce the line Item Village Clerk salary under the Clerk's Budget to \$108,759.00 due to the hiring of a new Village Clerk.

No final decisions are made at this workshop. Final action will be taken at the Budget Hearings in September.

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The Manager also addressed the Council regarding the preliminary 5-year CIP for FY18-22. The Manager is recommending that the focus be on funding FY18 Projects.

The Manager is recommending three (3) new projects for FY18 totaling \$575,000. The total amount of funds needed for all proposed projects for FY18 is \$3,972,214 and will be entirely funded by the excess revenue over expenditure in the General Fund Budget.

A reevaluation of all previous Capital Improvement Projects resulted in a transfer of three (3) projects into the General Fund Budget. In addition, a total of four (4) projects have been completed to-date.

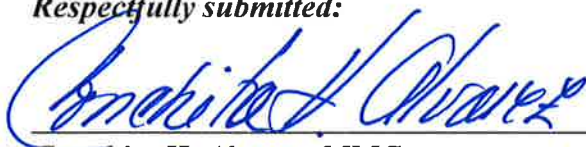
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There was discussion from Council regarding the CIP and the surplus.

The Attorney addressed the Council regarding the EAR process.

The meeting was adjourned at 10:50 p.m.

Respectfully submitted:



Conchita H. Alvarez, MMC
Village Clerk



Approved this 29th day of August, 2017:



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.