

BAL HARBOUR



FISCAL YEAR 2014/2015
PROPOSED OPERATING BUDGET AND CAPITAL PLAN

PROPOSED OPERATING & CAPITAL BUDGET
FISCAL YEAR 2014/2015

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BAL HARBOUR

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BAL HARBOUR

September 11, 2014

Honorable Mayor Jean Rosenfield and Members of the Village Council:

I am pleased to present you the Proposed Operating and Capital Budget for Fiscal Year (FY) 2014-15. This document outlines the first budget I have developed since becoming your Village Manager, and it was my goal to provide you in this document a great deal of information about our Village's finances, as well as my administration's plans on what we expect to accomplish during the next fiscal year. Since my appointment as Village Manager, I have undertaken an organizational assessment to determine where, if any, additional resources were needed for effective operation, as well as where efficiencies could be realized.

As part of the FY 2014-15 Proposed Budget, a series of enhancements are proposed, in order to address a number of areas of concern, which have been highlighted by you and your colleagues, residents and businesses alike. These proposed enhancements were developed by department staff in an effort to improve operational effectiveness and efficiency. Vetted and recommended by the Budget Committee as part of our budget development process, it is important to note that a significant portion of the proposed increases for FY 2014-15 is the funding of these enhancements.

As you know, Bal Harbour Village has three primary Funds used for operating the Village, the General Fund, the Resort Tax Fund, and the Water & Wastewater Utility Fund. The General Fund Proposed Budget is \$12,844,720, which is an increase 14.4% over the FY 2013-14 Adopted Budget. *It should be noted that the tentative millage set in July will yield revenues of \$776,063 above the General Fund Proposed Budget, these funds should be reserved toward the Collins Avenue Corridor Beautification Capital Project, should the Council decide to leave the tentative millage rate unchanged.*

Resort Tax Fund budget is \$3,872,000 which is an increase of 9.2% over the FY 2013-14 Adopted Budget.

The Water and Wastewater Utility Fund is \$8,843,720 which is a 67% increase over the FY 2013-14 Adopted Budget. This increase is a direct result of our beginning to implement the major capital improvements included in the Utility Master Plan for the Village. To fund this increase, we include significant revenue for this major capital investment from an anticipated allocation from Miami Dade County Building Better Communities General Obligation Funds in the amount of \$6,500,000, as well as a State Appropriation of \$600,000 for the Capital Project.

Budget Development Goals

In developing the proposed budget, I focused on five key goals which guided my recommendations. They are as follows:

- Enhancing policing strategies and accountability;
- Improving and beautifying our public spaces;
- Investing in our Information Technology Infrastructure;
- Expanding our communication with our residents and visitors; and,
- Establishing sustainable fiscal policies and planning for future capital investments.

These goals prepare a sound foundation for this organization as we develop a sustainable long-term plan for the efficient delivery of services our community desires, while maintaining conservative financial practices to ensure the long-term fiscal health of our community.

ENHANCING POLICING AND ACCOUNTABILITY

The Bal Harbour Police Department (BHPD) has refocused its mission toward a community policing model, centered on increasing police visibility through innovative directed patrol activities. The creation of a new Bicycle Unit, increased Marine Patrol activities, and increased patrol on the beach and residential areas on new golf carts provides a greater level of public safety services to residents, businesses and visitors alike. In addition, through new initiatives and practices, such as automated vehicle locators on all police vehicles and a new Wireless Emergency Notification System, the BHPD is striving to implement changes that serve to rebuild the public trust through greater officer accountability, transparency of police operations and increased contact with the community it serves. To further enhance community policing and accountability the Proposed Budget includes the addition of two (2) Dispatchers, the addition of one (1) Lieutenant, two (2) Police Officers, one (1) Code Enforcement Officer, and replacement of current fleet with leased vehicles.

The addition of two Dispatchers will permit the modification of current scheduling, resulting in a change from one Dispatcher on twelve hour shifts, to two to three Dispatchers on eight hour shifts. Further, this will end the backfilling of dispatch positions with police officers, which comes at a higher cost – both financially and from a public safety perspective. The addition of two Police Officers will provide full staffing for all squads, and the addition of one Lieutenant Position, who will serve as a mid-level management positions and oversee field operations during the late night and early

morning hours, will increase supervision of existing staff. One new Code Officer will enhance code enforcement activities, and through cross training can also perform Public Service Aide duties, including parking citations and traffic management (\$616,000 GF). One new Public Safety Beach Patrol position will provide enhanced community policing services by deploying a certified paramedic to serve as the Village's ambassador at our Village's most visible and tourist-filled stretch of open space – the beach. This position will also serve as a mobile beach rescue unit and Public Service Aide (\$85,000 RTX).

IMPROVING AND BEAUTIFYING OUR PUBLIC SPACES

The Parks and Public Spaces Department is seeking to elevate service levels through two main approaches. First, the department is focusing on increasing levels of routine maintenance using vendor service providers, the Proposed Budget includes:

- Creating a Village-wide hardscape cleaning plan;
- Increasing pressure cleaning of Village sidewalks, curbs, gutters and medians from an intermittent basis to four times a year;
- Increasing the frequency of trimming of median hedges by adding sixteen additional pruning cycles, as well as a third trimming of date palms per year;
- Enhancing holiday lighting displays during the 2015 holiday season; and,
- Improving the appearance of the beach, by establishing a daily Sand Raking Program.

In addition, the inclusion of serviceable equipment to maintain the Village street lighting system and operate a functional warehouse facility is paramount for the efficient and effective maintenance of the public rights-of-way.

Secondly, the development of comprehensive master plans to beautify and update the aesthetics of the entire Collins Avenue/96th Street Corridor. This approach will provide the Village with the ability to develop distinct and iconic entry features and public areas.

Funding for the development of Beautification Concept Plan for the Collins Avenue Corridor is included in the Proposed Budget, along with funds to replace a stormwater pump, and two leased vehicles to improve the safety and efficiency of operations (\$191,100 GF).

INVESTING IN INFORMATION TECHNOLOGY INFRASTRUCTURE

Information technology is an area where deficiencies have persisted for years. Progressing from a system of outdated equipment, lacking appropriate back-up and

memory capacity, to a security-enabled network running up-to-date software has already begun during Fiscal Year 2013-14, through the installation of security and anti-virus software, the purchase of new equipment and the development of an IT Master Plan. The IT Master Plan is based on a needs assessment of IT infrastructure necessary to implement future enhancements to the Village's e-government capabilities, such as solutions to more effectively communicate with residents and other stakeholders, and the implementation of online services (i.e., online bill payment, etc.). These types of services are dependent on the availability of quality, up-to-date technology infrastructure.

Improvements outlined in the IT Master Plan for FY 2014-15 include, hardware, software and services for security, network, back-ups, website restructuring and redesign (Phase I), security cameras and business software solutions for departments. These improvements and systems will allow for greater accountability and efficiency in operations, and provide improved customer service, enabling the Village to bring our organization's capabilities in line with industry best practices. In order to establish an information technology renewal and replacement program, funding is incorporated to provide for future IT improvements and purchases (\$270,800 GF).

EXPANDING COMMUNICATIONS WITH OUR RESIDENTS AND VISITORS

Residents are our most important customers, throughout my tenure I have heard from you about the need to improve communication with the resident and business community, through newsletters, social media, and the Village website; enhancements to these activities and special event programming are also proposed. Local quarterly printed and e-newsletters will be used for direct communication with residents, this in addition to improved Social Media services, and Web content development through the use of Public Information Officer services. Improved communication will be used to inform residents and visitors alike about the expansion of the current Museum Access Program to include other major cultural institutions such as the Fairchild Tropical Botanical Garden; the Jewish Museum of South Florida; the Ft. Lauderdale Museum of Art; the Ft. Lauderdale Museum of Science and Discovery; and the Frost Art Museum at Florida International University is proposed. In addition, an enhanced Fourth of July celebration and a new New Year's Eve fireworks celebration are proposed (\$125,400 RTX).

ESTABLISHING SUSTAINABLE FISCAL POLICIES AND PLANNING FOR FUTURE CAPITAL INVESTMENTS

Throughout the FY 2014-15 budget development process, current year and historical line item detail was analyzed for each department and fund, this allowed for the identification

of current and historical revenue and expenditure trends, and revealed expenditures which should properly be charged to other areas. In some cases the work performed was not consistent or proportional to the cost center which incurred the expense. While this evaluation will continue throughout the coming fiscal year, however the Budget as Proposed, seeks to ameliorate these issues in a way that improves accountability and the ability to monitor expenses incurred. Activities such as Legal Services, and Information Technology are aggregated as distinct units, and expenses related to facility maintenance, transit services, and fuel are consolidated under Public Works, as opposed to proportioned out among operating departments. For the first time, the payouts associated with the anticipated retirement of tenured employees are budgeted within General Government, an activity that no longer incorporates salaried employee expenses.

For the Utility, and public works operations, this process identified expenditures which should properly be charged to the Utility i.e., personnel, engineering and design, repair, etc., which were impacting the General Fund rather than the Utility Fund. This means tax dollars and other revenue were subsidizing the operations of this enterprise utility. While this occurred historically and in the current Fiscal Year, the intent is to ameliorate the matter within the FY 2014-15 Proposed Budget. To mitigate this adjustment an additional water and wastewater rate increase is proposed for the Utility.

In developing the Proposed Budget, recurring revenues were used to fund recurring services, and non-recurring revenues were used to fund "one time," non-recurring expenses. Funding for capital projects and operating capital are segregated by fund and for the Utility, future years associated with the planned expenditures on large capital projects are reflected to identify funding needs as the projects progress.

Complimentary to these actions are the establishment of Capital Reserve funding for future capital projects in the amount of \$200,000 per year, similar to the replacement and replacement funding provided for information technology (\$100,000 per year), this establishes a process to set aside earmarked funds for specific future capital needs such as repairs to Village Hall, the Parks and Public Spaces Operations Facility, the utility system, and the Park seawall. In addition, a budgeted contingency for the General, Resort Tax, and Utility Funds of two-percent of the prior year operating budget is established to ensure funding capacity for unforeseen circumstances which may emerge throughout the fiscal year. The actions taken throughout the budget development process serve to establish prudent fiscal policy which we will sustain and expand upon in the coming years.

Assessment Roll Values

The Miami-Dade County Property Appraiser provides municipalities with a certification of Assessment Roll Values for the coming fiscal year on July 01. Pursuant to Florida Statutes 200.065, within thirty-five days of certification of value, each taxing authority shall advise the Property Appraiser of its proposed millage rate, of its rolled-back rate, and of the date, time, and place at which its first public budget hearing will be held to consider the proposed millage rate and tentative budget. At your July 15th Council meeting the tentative millage rate, the first step to the budget process, was set at 2.2678 mills and the Public Budget Hearing Dates were set for September 11th and 23rd at 5:01 p.m.

The preliminary millage rate or ceiling of 2.2678 mills, declared by Village Council, cannot be increased without extraordinary efforts per Florida Statutes 200.065(4)d, during the budget hearings but it can be decreased or remain unchanged. Florida Statutes 200.065.4(e) 2, requires the hearings shall be held after 5 p.m. and cannot conflict with the budget hearing dates for the Miami-Dade County School Board (July 24th and September 3rd) and Miami-Dade County (September 4th and September 18th).

TAX ROLL, MILLAGE RATE, AND AD VALOREM REVENUE

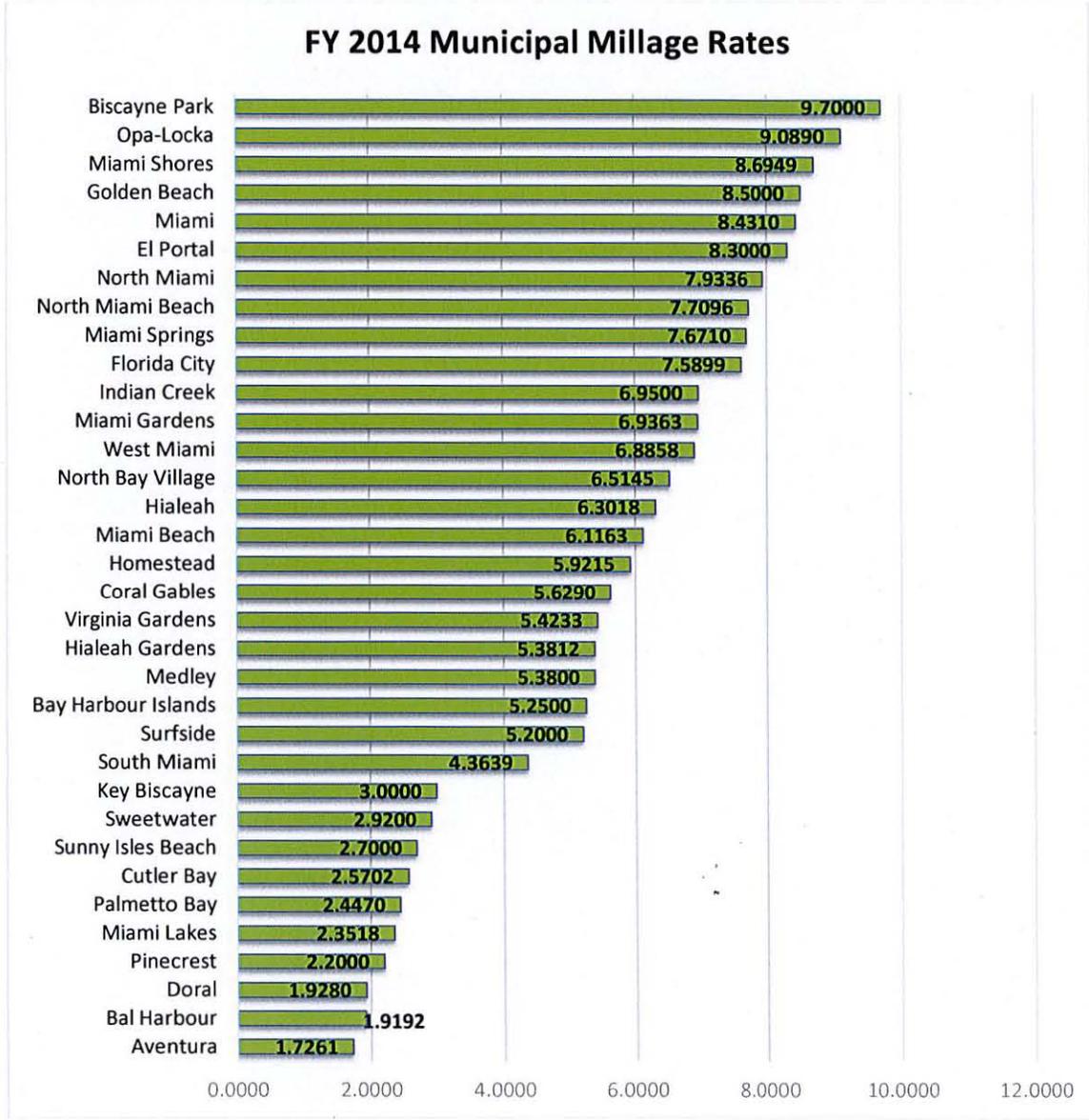
The tax roll certified by the Property Appraiser on July 1, 2014 reflects a gross taxable value of \$3,954,448,059, which includes an increase of \$1,951,172 in new construction and improvements. At the current millage rate of 1.9192 mills and calculated 95% of the adjusted taxable value certified as required per F.S. 200.065(1)(a)1, the ad valorem revenue generated is \$7,206,350, this represents an increase of \$334,047 over prior year ad valorem proceeds of \$6,872,304.

Millage Rate History & Analysis

The following chart reflects the recent millage rates for the Village. Over the past seven years the millage rate has dropped significantly, by more than a third (33.86%).



The FY 2013-14 adopted millage rate for Bal Harbour Village is the second lowest millage rate in Miami-Dade County as compared to other municipal rates. It is the only long established municipality within the grouping of the lowest eight millage rates for Miami-Dade County cities. The following chart reflects municipal millage rates for FY 2014.



The General Fund Budget

MILLAGE RATE

The Proposed General Fund Budget reflects a Tentative Millage Rate of 2.2678 as adopted as a millage ceiling by Council during their July 15, 2015 meeting.

OPTIONS TO CONSIDER

It is recommended that Village Council set one of two preliminary millage rates for Fiscal Year 2014-15. For consideration is a rate of 2.2678 mills as approved by Council in July as the Village's tentative millage. If adopted, this rate would allow for the programming of the excess funds toward the Collins Avenue Corridor beautification capital project in future years. Doing this will essentially create a reserve of funds which will be used to fund a major capital project on Collins Avenue on a pay-as-you-go basis. This will decrease the need to borrow funds in the future for this project. In the alternative, a rate of 2.0611 mills, a rate at which current revenue and expenditures are balanced is also viable for FY 2014-15. This is the millage rate recommended by the Village Budget Committee.

The FY 2012-13 millage rate of 2.2678 mills, is \$2.2678 per \$1,000 of assessed property value, or in the alternative a millage rate of 2.0611, which is \$2.0611 per \$1000 of assessed property value. These millage rates, calculated at 95% for budget purposes, and based upon the July 01, 2014 estimated adjusted Taxable Value as provided by the Miami-Dade County Property Appraiser are anticipated to yield \$8.5 million, and \$7.7 million respectively for FY 2014-15. The two millage rate scenarios and related values are summarized below. A rate of 2.2678 would generate an additional \$1.3 million more in ad valorem revenue over the current year millage rate, and a millage rate of 2.0611 would generate an additional \$530,000 more than the current year millage rate.

IMPACT OF MILLAGE OPTIONS TO VILLAGE PROPERTY OWNERS

The median assessed property value for the Village is \$440,000, this is a value at which there are as many above it as there are below it. The impact of these two millage rate options to the median assessed property value for the Village are \$907/year and \$998/year, the difference between the two amounts is \$91/year or \$7.58 a month. For the Village, the value of the average for homestead exempt property is approximately \$800,000. The impact of the two millage rate options to this average for homestead exempt property are \$1,814/year and \$1,649/year, the difference between the two amounts is \$165/year or \$13.78 a month.

Millage Rate Impact for Homeowners					
	FY 2014 Millage	Option 1: Tentative Millage	Difference from FY 2014 Millage Rate	Option 2: Budget Committee Rate	Difference from FY 2014 Millage Rate
Millage Rates	1.9192	2.2678		2.0611	
Median Assessed Value of \$440,000	\$844	\$998	\$153	\$907	\$62
Average Assessed Value for Homestead Exempt of \$800,000	\$1,535	\$1,814	\$279	\$1,649	\$114

Over the current year millage rate of 1.9192 mills, Option 1 at 2.2678 mills presents an additional \$153/year for the median assessed value property and \$279/year for the average homestead exempt property, and Option 2 at 2.0611 mills presents an additional \$62/year for the median assessed value property and an additional \$114/year for the average homestead exempt property within the Village.

ROLLED-BACK RATE

The rolled-back rate for FY 2014-15 is 1.7387 mills. The rolled-back rate, calculated as required by the State Department of Revenue will provide the same ad valorem tax revenue as levied during the prior year exclusive of new construction and improvements. The FY 2012-13 millage rate of 2.2678 is 30.43% higher than the current year aggregate roll-back rate, and the millage rate of 2.0611 mills is 18.54% higher than the current year aggregate roll-back rate. The state required methodology for calculating the rolled back rate requires the use of the roll value after the Value Adjustment Board action, for the Village, the final gross taxable value is \$3,580,816,961 which is \$299,714,194 more than the original \$365,2782,693 base roll figure.

OTHER FACTORS AFFECTING FY 2014-15 BUDGET

General Fund Expense

In developing the Proposed Budget, we assessed available revenues, expected expenses, potential enhancements, and opportunities for cost savings or efficiencies.

The Proposed General Fund Budget incorporates the funding for operating departments and activities inclusive of proposed enhancements with proposed expenditures at \$12,844,720. At the proposed millage rate of 2.2678mills, this provides \$776,000 of excess revenue over budgeted expenses, which can be reprogrammed toward advancing future year capital projects, if the Council so desires.

INFLATIONARY IMPACTS

The Proposed Budget incorporates cost escalations for pensions, health benefits, liability insurance, payouts for retiring employees and a cost of living adjustment for existing employees with an expense that is \$517,000 more than the current fiscal year as a result of basic inflationary increases.

Pension related increases for the General Employee Pension are \$67,800, and increased Police Pension expenses are \$85,400 more than the current fiscal year. Village health insurance is \$22,000 more, and liability insurance is up by \$68,400 more than current year expenses. The Proposed Budget reflects for the first time the programmed cost associated with separation payments for tenured employees who are anticipated to retire during FY 2014-15, in the amount of \$150,000. In addition, a up to three-percent cost of living adjustment for employees is budgeted at \$123,000, subject to completed negotiations with the PBA union.

REVENUE ASSESSMENT

Beyond the assessment of the millage rate, other revenues were evaluated throughout the budget development process, while many may be re-evaluated throughout the coming fiscal year, an adjustment to the Local Business Tax rate and water and wastewater utility rates are incorporated within the budget.

Local Business Tax

Under Florida State Statutes, Local Business Tax rates can be increased five percent every other year. The Local Business Tax rates were eligible for adjustment in FY 2012 and again in FY 2014, no adjustments were implemented in those Fiscal Years. By selecting to not adjust these rates as provided by Florida Statutes the Village has not kept pace with the Consumer Price Index for the same time period, and has forgone \$174,000 in additional revenue over four years. Since the rate can be adjustment for FY 2014-15, an adjustment of 5% is incorporated in the Proposed Budget, this adjustment alone will generate approximately \$30,000 in additional revenue in the coming fiscal year. This increase was recommended by the Village Budget Committee.

Water & Wastewater Utility Fund and Rates

Water and Wastewater services within the Village are provided as an enterprise operation, services are funded as payments for measurable water and wastewater services are consumed. Rates established as charges for services should sustain its operations and satisfy any related debt. Throughout the FY 2014-15 budget development process, current year and historical line item expenditure detail was analyzed for every department and fund. For the Utility, and public works operations, this process identified expenditures which should properly be charged to the Utility (i.e., personnel, engineering and design, repair, etc.) which were impacting the General Fund rather than the Utility Fund. This means tax dollars and other revenue were subsidizing the operations of this enterprise utility. In addition, the Miami-Dade County Water and Sewer Department our wholesale service provider, advised the rates they charge us will increase 3.93% for water and 4.39% for wastewater in the next fiscal year.

The Wastewater rate was last adjusted in November of 2013, from \$5.90/1,000 gallons to \$6.60/1,000 gallons. The Water rate was adjusted in September of 2009, from \$3.75/1,000 gallons of water consumed to \$4.15/1,000 gallons of water. A rate adjustment sufficient to offset the Miami-Dade County rate increases and the reprogramming of utility related expenses from the General Fund to the Utility Fund are \$4.55/1,000 gallons of water consumed with a 3,000 gallon minimum monthly charge for Water and \$7.30/1,000 gallons of water consumed with a 3,000 gallon minimum monthly charge for Waste Water, these adjustments amount to an 8.79% and 9.59% increase over current utility rates.

The impact of rate adjustments for customers varies by use, the table below summarizes the value of the adjustment for three use scenarios 3,740 gallons, 6,750 gallons, and 10,000 gallons per month. The Miami-Dade County pass through rate adjustment has a monthly value ranging from \$2.06 to \$5.50 per month, and \$24.68 to \$66.00 per year. The additional adjustment to end the General Fund subsidy of the Utility has a monthly value ranging from \$2.06 to \$5.50 per month, and \$24.68 to \$66.00 per year over the rate adjustment to pass through Miami-Dade County proposed changes. Combined, the adjusted rates would have an impact of \$4.11 to \$11.00 per month, and \$49.37 to \$132.00 per year.

Water & Wastewater Adjustment Comparisons			
Average Use in Gallons	3,740	6,750	10,000
MDC Pass Through Rate Adjustment			
<i>Monthly Impact</i>	\$2.06	\$3.71	\$5.50
<i>Annual Impact</i>	\$24.68	\$44.55	\$66.00
Additional Adjustment to end GF Subsidy of Utility			
<i>Monthly Impact</i>	\$2.06	\$3.71	\$5.50
<i>Annual Impact</i>	\$24.68	\$44.55	\$66.00
To Adjust Rates for Both			
<i>Monthly Impact</i>	\$4.11	\$7.43	\$11.00
<i>Annual Impact</i>	\$49.37	\$89.10	\$132.00

The rate increase is sufficient to pass through the Miami-Dade County rate adjustments, and to end the General Fund subsidy of the Utility is incorporated in the Proposed Budget and was recommended by the Village Budget Committee.

Recurring Revenue Summary

The chart below summarizes recurring revenue for all funds as proposed for FY 2014-15.

The Total General Fund recurring revenue is \$13,620,782, Resort Tax Fund recurring revenue is \$3,547,130, and for the Water and Wastewater Utility Fund \$3,985,500.

	FY 2010-11 Actual	FY 2011-12 Actual	FY 2012-13 Actual	FY 2013-14 Adopted Budget	FY 2014-15 Proposed Budget
General Fund	9,995,053	10,373,880	11,544,654	11,230,286	13,620,782
Resort Tax Fund	2,164,312	2,769,633	3,259,931	3,547,131	3,547,130
Water and Wastewater Fund	3,504,805	3,706,110	3,631,124	3,620,750	3,985,500
Total Operating Revenue	\$ 15,664,170	\$ 16,849,623	\$ 18,435,709	\$ 18,398,167	\$ 21,153,413
Sec & Landscape Assessment Fund	\$ 539,140	\$ 803,379	\$ 964,248	\$ 638,926	\$ 433,143

Total recurring revenue for the Landscape and Security Assessment Fund are \$433,100, the reduction in recurring revenue is due to a reduction to the assessment rates recommended by the Residential Advisory Committee.

Non-Recurring Revenue

Recurring and non-recurring are two broad classifications applied to revenue. Recurring revenue, are from sources which can be anticipated year over year, examples of these are ad valorem taxes, state revenue sources, and fees or charges for service. Non-recurring revenue are those which cannot be anticipated in future years, examples of

these for the Village are proceeds from developer agreements, the programming of prior year fund balance, single year funding allocations from other agencies, and debt proceeds.

The FY 2014-15 includes non-recurring revenue in the amount of \$7,805,000. The overwhelming majority of this revenue is included in the Water and Wastewater Utility Fund and is programmed to fund the implementation of the major capital improvements included in the Utility Master Plan for the Village.

The non-recurring revenue sources incorporated into the Proposed Budget are \$325,000 of carry forward revenue for the Resort Tax Fund, and \$7,480,000 for the Water & Wastewater Utility which includes an anticipated carryover for FY 2015-16 in the amount of \$2,621,790, for future year expenditures of the Master Plan Project. This amount incorporates the anticipated \$6,500,000 of the Building Better Community General Obligations Funds from Miami-Dade County and \$600,000 from a 2014 State of Florida appropriation of funds for the Project.

Resort Tax

Bal Harbour Village levies a Resort Tax of four percent of the Rent received on the occupancy of a room in any hotel, motel, or apartment house, and two percent of such retail sales of all items of food or beverages, alcoholic or otherwise, sold at retail for consumption on the premises, at any place of business within the Village. This levy is consistent with Part I, Chapter 212, of Florida Statutes.

Bal Harbour Village is one of only three Miami-Dade County municipalities to levy such a tax, and in doing so has enjoyed the benefits derived from this revenue source for beautification and maintenance of the Village and reinvesting in the promotion of tourism and enhancing tourist eligible activities throughout the Village. For the FY 2014-15 Proposed Budget, the Resort Tax Funding allocated for Beautification Greensapce, and other resort tax eligible activities such as Special Events and Community Activities is equivalent to 0.5005 mills, if the services and activities were funded within the General Fund through ad valorem revenue.

The FY 2014-15 Proposed Budget for Resort Tax includes \$1,667,632 or 47.01% for Tourism related activities, \$366,750 for Special Events and Community Activities or 10.34% , and \$1,512,748 or 42.65% for Beautification and Greenspace Maintenance and other Resort Tax Eligible expenses. Further detail regarding Beautification and Greenspace Maintenance activities is included with the Parks and Public Spaces Departmental Narrative, as these activities are managed within that department. In addition to the proposed enhancements in the General Fund, which are discussed below,

the Proposed Budget for the Resort Tax Fund includes \$433,700 of enhancements, summarized in the chart below.

PROPOSED RESORT TAX SERVICE ENHANCEMENTS TO FY 2014-15	
Public Safety Beach Patrol	85,000
Enhanced landscaping, beach raking, and pressure cleaning	148,300
Enhance Holiday Lighting Program	75,000
Special Event Programming & Increased Communication	125,400
Total Proposed Enhancements	\$433,700

Proposed Enhancements

The FY 2014-15 Proposed General Fund Budget includes \$1,277,900 of enhancements, bringing total proposed expense to \$12,844,720. These enhancements will increase the service levels provided by the Village in a variety of areas, all focused on delivering quality services to our residents and visitors. The enhancements are aligned with the five key goals used to develop the FY 2014-15 budget and position the Village for sustained fiscal health. The following chart summarizes the proposed enhancements.

PROPOSED ENHANCEMENTS TO FY 2014-15 BASE BUDGET		
Police and PW Fleet Replacements	156,100	
Enhanced Law Enforcement	444,000	
Enhanced Code Compliance	57,000	
Collins Avenue Corridor Feasibility/Concept Plan	50,000	
Stormwater Pump Station #2	100,000	
Investments in Information Technology	170,800	
Funding Future Capital and Information Technology	300,000	
Total Proposed Enhancements		\$ 1,277,900
FY 2014/15 Proposed General Fund Budget		\$ 12,844,719
Revenue Less Expense		(776,063)
OPTIONS TO CONSIDER		
Collins Avenue Corridor Capital Project Funding		\$ 776,063
Reduced Proposed Mileage from 2.2678 to 2.0611		

As you can see, the Tentative Millage Rate will yield an excess of revenue over expenses in the amount of \$776,063. This amount can either be set aside as in a reserve fund for a future capital project. In the alternative, the Tentative Millage Rate can be reduced to 2.0611 mills and the proposed budget will be balanced.

Budget Committee Review Process

The Bal Harbour Village Budget Committee was established to assist with budget development and with the development of fiscal policy. Through six publicly advertised and attended meetings the Committee evaluated and provided advisory recommendations on the preliminary millage rate, and possible Charter amendments to purchasing thresholds; heard from department directors about their evolving operations and operating needs; evaluated the need for capital equipment and recommended lease to own options for cost savings; Assessed the Red Light Camera Program operations and net revenue; Evaluated village revenue sources and revenues, and recommended a 5% increase to Local Business Tax rates, and an adjustment to water and wastewater rates sufficient to both pass through Miami-Dade County's rate increases, and end the General Fund subsidy of the Utility. At the August 26th meeting, the Committee evaluated all departmental line items including proposed enhancements, and ultimately recommended approval of each and a millage rate which is sufficient to balance the Proposed Budget.

Acknowledgments

I want to thank the Village Budget Committee chaired by Seth Salver for their thoughtful guidance in the preparation and input to the FY 2014-15 Proposed Operating and Capital Budget. In addition, I would like to thank the residents and Elected Officials who attended public meetings and provided their input. Finally, I want to thank Directors and Staff for their efforts to evaluate current operations for the identification of efficiency development, and for their thoughtful evaluation of enhancement requests which was instrumental in reducing expense related to these needs. Specifically, Amber Riviere, Dolores Mejia and Paula Rodriguez were instrumental in the development of this proposed budget and the extensive analysis and production which was required.

Respectfully submitted,


Jorge M. Gonzalez
Village Manager

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BAL HARBOUR

OVERVIEW

OVERVIEW

Bal Harbour Village remains a pristine community, a carefully designed haven for the very best in residential living and upscale tourism. With elegant homes and condominiums, elite shops and exquisitely manicured roadways, the Village is widely recognized as the jewel in the crown of South Florida's communities - a model for the good life.

The "dream village" that founder Robert C. Graham envisioned so many years ago continues to prosper and thrive today. The vision for this subtropical paradise began in 1929 when Miami Beach Heights, a Detroit-based real estate development corporation purchased the raw land. Headed by industrialist Graham with associates Carl Fisher and Walter O. Briggs, Miami Beach Heights began the task of crafting a new community. Perhaps most significantly, they hired one of the leading urban planning firms of the twentieth century - Harland Bartholomew & Associates - to design the Village. Bal Harbour and Coral Gables are the only Miami-Dade municipalities that were built with a fully conceived master plan in place.

From the beginning, the Village was envisioned as a modern community that would maintain exceptionally high standards, provide superior services and foster civic pride.

From the very beginning, Village founders thoughtfully master-planned this model community and it has evolved into an internationally renowned place to live and visit. As stated by founder Robert Graham more than sixty years ago, "We have only one objective. We want to make this village, with its unusual advantages of ocean and bay and South Florida climate, a lovely place to live."



Government Structure

The Village of Bal Harbour has a “council-manager” form of government.

The Bal Harbour Village Council is made up of the mayor and four Councilmembers. The Mayor presides over Council meetings and is considered the Village’s representative both locally, nationally and internationally. The Mayor and Councilmembers set policy for the village. Setting policy means making decisions about what is allowed and what is not allowed in the Village, about what services need to be provided to the residents, businesses and visitors, and about how to solve problems that concern citizens.

The Village Council appoints the Village Manager to manage the day-to-day operations of the Village. The Village Manager works closely with the Mayor and Councilmembers to provide Village services and pass ordinances that are important to residents. With the assistance of his executive management team, the Village Manager oversees the Village’s departments and major Village functions.

Financial Structure

The following details the Bal Harbour Village Fund Structure, describing the various funds and providing information regarding appropriations, or spending authority, within those funds. A fund is a set of self-balancing accounts that are segregated for the purpose of carrying on specific activities or attaining certain objectives, as required by special regulations, restrictions, or limitations. Bal Harbour Village’s funds can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds. Only governmental funds and proprietary funds are appropriated as part of the annual budget. The budget resolution that is presented to the Council in September for the two public budget hearings follows this fund structure.

Governmental Funds

Governmental funds account for most of the Village’s basic services. Taxes, intergovernmental revenues, and charges for services, principally support the activities reported in this fund. The General Fund is the Village’s primary operating fund. It is used to account for the financial resources of the general government and operating departments except those required to be accounted for in another fund. Within the general fund, the operating budget separates expenditures by departments and operational activities. The separation provides accountability for directors to manage and monitor their departmental expenditures and also to track expenditures at the more discrete activity level. Proposed General Fund Budget for FY 2014/15, reflects an increase of 14.4% over the current FY. These expenditures include public safety, parks and open space, building and permitting and administrative activities.

Proprietary Funds

Proprietary funds are those funds where the Village charges a user fee in order to recover costs; they are used to finance and account for the acquisition, operation, and maintenance of facilities and services that are intended to be entirely or predominantly self-supporting through the collection of charges from external customers. The Village has two proprietary funds, the Water & Wastewater Utility Fund and the Security and Landscape Assessment Fund.

The Water & Wastewater Utility Fund captures the fees for service and expense, related debt, and capital projects associated with operations of the utility. The FY 2014/15 Proposed Budget

for the Water & Wastewater Utility Fund includes a rate increase and funding for future year capital projects.

Fiduciary Funds

Fiduciary funds are used to report assets held in a trust for a specific purpose. The Village currently has State Forfeiture moneys from prior fiscal years held in a restricted fund. The use of these funds must follow an approval process required by State Statute with subsequent approval by the Village Council. In addition, the Village has two pension related fiduciary funds for the General Employee and Police Pensions.

What Is A Budget?

An annual budget is a financial, operating, and capital plan for the coming fiscal year. It provides an outline of service levels provided to the citizen and public capital investments in the community, to be used by both our customers and us. Bal Harbour Village's Proposed Budget for FY 2014/15 is a tool that serves five purposes:

- **Planning:** The budget process is an annual plan for management of the Village to coordinate and schedule program and services to address the Village's priorities.
- **Prioritization:** Village resources that address needs identified by the Mayor, Councilmembers, and residents, are prioritized through this process.
- **Information:** The Proposed Budget document is the primary way for the Village to explain to the public what it intends to do with the taxes and fees it collects. Through the document, the public can see how and where tax dollars and other revenues raised by the Village will be spent.
- **Evaluation:** The budget is used to help determine how well services are provided and how successful the Village is in meeting the community's needs.
- **Accountability:** The budget is a tool for legally authorizing public expenditures and to account for and control the use of public resources.

The Fiscal Year 2014/15 Proposed Operating and Capital Budget for Bal Harbour Village, Florida is intended to serve as a policy guide, a financial plan, and a means of communication.

The annual budget is determined for a fiscal year, which is the twelve-month cycle that comprises the jurisdiction's reporting period. The State of Florida and certain federal programs have different fiscal years than the Village. The Village's fiscal year starts on October 1 and ends September 30 of the following year.

This Proposed Budget is for the period October 01, 2014 to September 30, 2015 and is shown as either 'FY 2014/15' or 'FY 14/15'

Property Taxes

Millage Rates

The millage rate is the tax rate that is applied to property values to generate the revenue needed to pay for services proposed and adopted in the budget. A mill is a rate of tax equal to \$1 for each \$1,000 of assessed taxable property value. If a piece of property has a taxable value of \$100,000 and the millage rate is 1, the property owner would pay \$100 in taxes. The rolled-back rate, calculated as required by the State Department of Revenue will provide the same ad valorem tax revenue as levied during the prior year exclusive of new construction and improvements. Overall, the proposed millage rate is 30.43 percent above the state defined

aggregate rolled-back rate. The tentative operating millage rate for FY 2014/15 is 2.2678, still among the five lowest of Miami-Dade County municipalities.

Setting the Millage Rates

Each year, the Proposed Budget is developed with millage rates necessary to fund the property tax supported portion of the budget. At its July meeting, the Council must determine the millage rates that will be used for the tax notices that will be mailed to all property owners in August. The tax notices also referred to as TRIM notices; TRIM stands for Truth In Millage. The tax rates that are on the notices property owners receive in August represent the ceiling of the rates that can be approved by the Council at the September budget hearings, unless additional notices are sent to all property tax payers. Because re-noticing all taxpayers is difficult and expensive, the tax rates included in the TRIM notices are considered the ceiling.

Several years ago, the State Legislature approved legislation intended to provide tax relief to the citizens of Florida. In addition to requirements to lower the tax rates themselves for one fiscal year, it instituted new definition and voting requirements that apply to governing boards when setting millage rates. Already established was the State defined *rolled-back millage rate* which is the millage rate that, when applied to the tax roll for the new year, excluding the value of new construction and any dedicated increment value, would allow the taxing authority to raise the same amount of property tax revenue for the new budget as it estimates to receive in the current year. Section 200.065 of State Statutes outlines this rate, known as the “no tax increase” rate because it allows the entity to generate the same property tax revenue from year to year, adjusted only by any new properties that may have been placed on the property tax roll. Because it does not take into account value adjustments for properties already on the property tax roll, the *rolled-back rate* does not take into account inflationary growth in the Village. The current year rolled-back rate for the Village is 1.7387.

The State has defined the highest millage rate that may be levied with a simple majority vote of the governing body known as the maximum millage rate. This rate is the rolled-back rate, adjusted for the growth in per capital personal income in Florida (1.0315). Beginning in FY 2009/10, the maximum millage rate is based on the rolled-back rate (the rate that generates the same property tax revenue) assuming the *maximum millage rate* had been adopted for the prior year and then adjusted for growth in per capita Florida personal income, whether or not the *maximum millage rate* had been adopted in the prior year. In other words, if the millage rate that was adopted was higher than the calculated *maximum millage rate*, that rate is the cap. If a millage rate below the *maximum millage rate* is adopted, an adjustment is made to credit the revenue that was lost because a rate below the *maximum millage rate* was adopted. The formulas used to calculate the various millage rates is promulgated by the Florida Department of Revenue.

The Council may adopt a rate that is higher than the state-defined *maximum millage rate*. State law provides that a millage rate of up to 110 percent of the calculated *maximum millage rate* may be adopted if approved by a two-thirds vote of the governing body of the Village. A millage rate higher than 110 percent may be adopted by unanimous vote or a three-fourths vote if the governing body has nine or more members. The penalty for violating these standards is the loss of state revenue from the local government half-cent sales tax for a period of twelve months.

Additional Property Tax Legislation

Amendment 10 to the State Constitution from 1992, also known as Save Our Homes limits the growth in assessed value of residential properties with a homestead exemption to the lesser of the growth in the Consumer Price Index or three percent. Adjustments for Amendment 10 have resulted in a disparity for assessed values among homestead exempt properties with long standing owners and non-homestead exempt properties or those which have changed hands in recent years.

The State Constitution allows an exemption of up to \$50,000 for homesteaded properties and caps the assessment value increase for non-homestead properties at ten percent. There is also an exemption of \$25,000 for tangible personal property (TPP), which is usually the equipment and other assets of a business.

Calculation of Property Taxes

There are four factors for calculating the amount of property tax assessed on property:

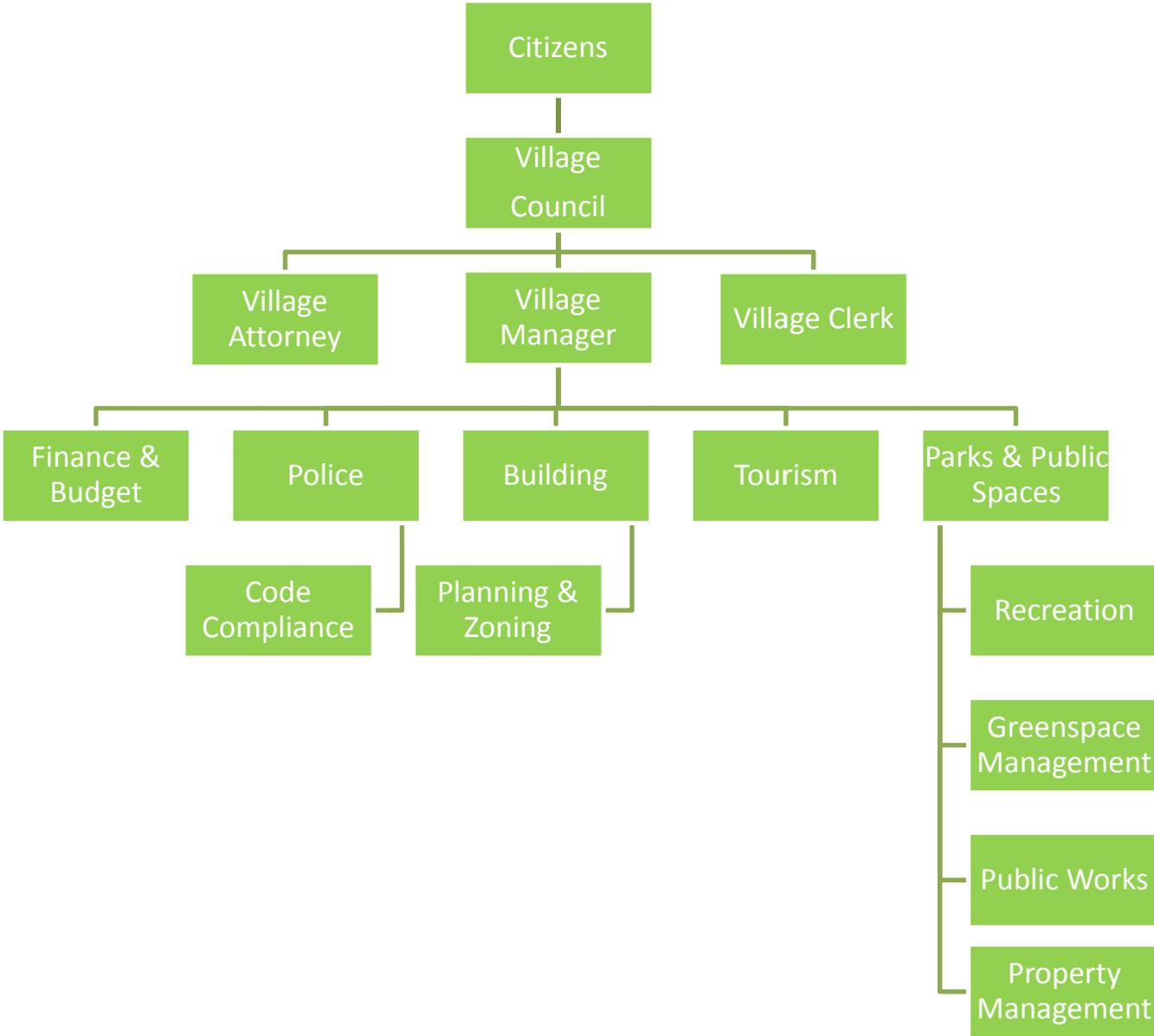
1. The assessed value of the property;
2. Adjustments for Amendment 10 of the Florida Constitution, if applicable this amendment limits the growth in assessed value of residential properties with a homestead exemption to the lesser of the growth in the Consumer Price Index (CPI) or three percent (for FY 2014/15 such growth is limited to CPI growth of three percent);
3. The amount of value that is not subject to taxes (e.g., the \$50,000 homestead exemption and the additional homestead exemption for senior citizens who meet income criteria, the \$25,000 exemption for personal property); and
4. The millage rate, established according to state law restrictions.

According to state law, the County Property Appraiser determines the market value of each property in Bal Harbour Village as of January 1 each year. Then Amendment 10 adjustments are applied to find the assessed value. Finally, appropriate exemptions are applied to reach the taxable value. The taxable value is then multiplied by the millage rates set by the Council in September to determine the amount of property taxes that must be paid for the property when the notice is mailed in November.

The Village levies a municipal millage rate and a solid waste assessment, and security and landscape assessment, these items appear on the tax notice for the Village along with County, School Board, and Special District taxes.

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FUNCTIONAL TABLE OF ORGANIZATION FISCAL YEAR 2014/2015



BAL HARBOUR

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BAL HARBOUR

FY 2014/15 PROPOSED OPERATING & CAPITAL BUDGET

	FY2010/11 Actual	FY2011/12 Actual	FY2012/13 Actual	FY2013/14 Adopted Budget	FY 2014/15 Base Budget	% Change From FY 2013/14 Adopted Budget	FY 2014/15 Proposed Budget w Enhancements	% Change From FY 2013/14 Adopted Budget
GENERAL FUND								
LEGISLATIVE								
Salaries & Benefits	21,504	40,830	48,360	39,803	60,081	50.9%	60,081	50.9%
Other Operating	106,489	67,967	68,480	100,600	100,600	0.0%	100,600	0.0%
Operating Capital								
TOTAL LEGISLATIVE	127,993	108,797	116,840	140,403	160,681	14.4%	160,681	14.4%
ADMINISTRATION								
Salaries & Benefits	510,920	568,197	951,859	828,506	887,556		887,556	
Other Operating	89,225	89,388	104,292	137,000	100,785	-26.4%	100,785	-26.4%
Operating Capital								
TOTAL ADMINISTRATION	600,145	657,586	1,056,151	965,506	988,341	2.4%	988,341	2.4%
FINANCE								
Salaries & Benefits	202,468	223,457	267,600	525,801	448,715		448,715	
Other Operating	169,464	161,806	195,893	176,011	145,325	-17.4%	145,325	-17.4%
Operating Capital								
TOTAL FINANCE	371,932	385,263	463,493	701,812	594,040	-15.4%	594,040	-15.4%
GENERAL GOVERNMENT								
Salaries & Benefits	116,784	116,434	74,395	70,343	150,514	114.0%	150,514	114.0%
Other Operating	661,972	958,349	727,047	887,001	991,473	11.8%	991,473	11.8%
Operating Capital	0	0	0	0	0		200,000	
TOTAL GENERAL GOV'T	778,756	1,074,783	801,442	957,344	1,141,987	19.3%	1,341,987	40.2%
LAW ENFORCEMENT								
Salaries & Benefits	4,714,068	4,604,416	4,329,208	4,270,310	4,559,171	6.8%	4,938,409	15.6%
Other Operating	807,912	849,995	995,119	850,500	892,140	4.9%	1,128,902	32.7%
Operating Capital								
TOTAL LAW ENFORCMENT	5,521,980	5,454,412	5,324,327	5,120,810	5,451,311	6.5%	6,067,311	18.5%
BUILDING								
Salaries & Benefits	168,400	143,399	152,845	182,169	144,925	-20.4%	144,925	-20.4%
Other Operating	211,150	211,068	454,418	383,050	570,700	49.0%	570,700	49.0%
Operating Capital								
TOTAL BUILDING	379,550	354,467	607,263	565,219	715,625	26.6%	715,625	26.6%
PUBLIC WORKS								
Salaries & Benefits	205,910	164,134	393,049	446,456	389,125	-12.8%	389,125	-12.8%
Other Operating	284,605	232,216	1,039,758	946,150	1,202,239	27.1%	1,293,339	36.7%
Operating Capital	5,110	26,586	6,055	460,000	0	-100.0%	100,000	-78.3%
TOTAL PUBLIC WORKS	495,625	422,937	1,438,861	1,852,606	1,591,364	-14.1%	1,782,464	-3.8%
PARKS & RECREATION								
Salaries & Benefits	271,461	282,302	248,286	226,487	179,221	-20.9%	179,221	-20.9%
Other Operating	85,259	93,295	83,456	109,100	108,970	-0.1%	108,970	-0.1%
Operating Capital								
TOTAL RECREATION	356,720	375,597	331,742	335,587	288,191	-14.1%	288,191	-14.1%
INFORMATION TECHNOLOGY								
Salaries & Benefits								
Other Operating					204,000		204,000	
Operating Capital					1,100		271,900	
<i>*Prior FY actuals reflected in Departmental Line items above approx</i>								
TOTAL	\$153,000/yr				205,100		475,900	
LEGAL SUPPORT SERVICES (General Fund only)								
Salaries & Benefits								
Other Operating	275,707	276,469	416,256	591,000	430,179	-27.2%	430,179	-27.2%
Operating Capital								
TOTAL LEGAL SUPPORT	275,707	276,469	416,256	591,000	430,179	-27.2%	430,179	-27.2%
GENERAL FUND TOTAL	8,908,407	9,110,311	10,556,375	11,230,285	11,566,819	3.0%	12,844,719	14.4%

BAL HARBOUR

FY 2014/15 PROPOSED OPERATING & CAPITAL BUDGET

	FY2010/11 Actual	FY2011/12 Actual	FY2012/13 Actual	FY2013/14 Adopted Budget	FY 2014/15 Base Budget	% Change From FY 2013/14 Adopted Budget	FY 2014/15 Proposed Budget w/ Enhancements	% Change From FY 2013/14 Adopted Budget
WATER & WASTEWATER UTILITY FUND								
WATER & WASTEWATER UTILITY								
Salaries & Benefits	131,140	125,467	107,103	106,843	174,299	63.1%	180,809	69.2%
Other Operating	1,839,853	3,061,328	2,458,394	3,479,357	3,792,902	9.0%	3,792,902	9.0%
Capital Projects				1,680,000	4,870,000	189.9%	4,870,000	189.9%
TOTAL UTILITY FUND	1,970,993	3,186,796	2,565,497	5,266,200	8,837,201	67.8%	8,843,711	67.9%
RESORT TAX FUND								
TOURISM								
Salaries & Benefits	206,078	216,858	237,321	257,428	260,783	1.3%	253,861	-1.4%
Other Operating	1,722,307	1,880,395	1,769,561	2,056,617	1,837,816	-10.6%	1,780,521	-13.4%
Operating Capital							325,000	
TOTAL TOURISM	1,928,385	2,097,253	2,006,882	2,314,045	2,098,599	-9.3%	2,359,382	2.0%
BEAUTIFICATION/ GREENSPACE /OTHER RESORT TAX ELIGIBLE								
Salaries & Benefits		232,668	246,011	254,923	255,869	0.4%	311,303	22.1%
Other Operating		869,305	809,888	978,163	1,088,079	11.2%	1,201,445	22.8%
TOTAL BEAUTIFICATION		1,101,973	1,055,899	1,233,086	1,343,948	9.0%	1,512,748	22.7%
TOTAL RESORT TAX FUND	1,928,385	3,199,226	3,062,782	3,547,131	3,442,547	-2.9%	3,872,130	9.2%
SECURITY & LANDSCAPE ASSESSMENT FUND								
SECURITY & LANDSCAPE ASSESSMENT FUND								
Salaries & Benefits								
Other Operating	268,295	573,638	425,534	638,927	618,142	-3.3%	618,142	-3.3%
TOTAL SECURITY & LANDSCAPE	268,295	573,638	425,534	638,927	618,142	-3.3%	618,142	-3.3%

BAL HARBOUR

FY 2014/15 PROPOSED OPERATING & CAPITAL BUDGET

FY 2014-15 PROPOSED GENERAL FUND BUDGET

Revenue Projected at Tentative Millage @
2.2678 \$ 13,620,782

FY 2013/14 Adopted General Fund Budget \$ 11,230,286

CHANGES TO FY 2013-14 ADOPTED BUDGET

Cost of Living Adjustments (COLA)	3%	123,360	
DROP Pay Out		150,000	
Pension Increase			
	<i>General</i>	67,766	
	<i>Police</i>	<u>85,394</u>	
Total Pension Increase		153,160	
Health Benefits		22,026	
Liability Insurance		68,466	
Less Reductions		(180,479)	
Total Change to FY 2013-14 Budget			<u>336,533</u>

FY 2014-15 General Fund Base Budget \$ 11,566,819

PROPOSED ENHANCEMENTS TO FY 2014-15 BASE BUDGET

Police and PW Fleet Replacements	156,100
Enhanced Law Enforcement	444,000
Enhanced Code Compliance	57,000
Collins Avenue Corridor Feasibility/Concept Plan	50,000
Stormwater Pump Station #2	100,000
Investments in Information Technology	170,800
Funding Future Capital and Information Technology	300,000
Total Proposed Enhancements	<u>\$ 1,277,900</u>

FY 2014/15 Proposed General Fund Budget \$ 12,844,719

Revenue Less Expense (776,063)

OPTIONS TO CONSIDER

Collins Avenue Corridor Capital Project Funding \$ 776,063
Reduced Proposed Mileage from 2.2678 to 2.0611

BAL HARBOUR

FY 2014/15 PROPOSED OPERATING & CAPITAL BUDGET

The Millage and Budget Resolutions are the legislation approved by the Village Council to adopt the annual budget. The attachment to the Resolutions which establishes the expenditure authority by department and by fund are included in this document. There are seven pieces of legislation associated with the adoption of the Proposed Budget. The first two Resolutions (A and B) delineate the millage rate, revenues and expenditures for the Village departments and funds. The second two Resolutions establish solid waste service assessments, and establish the assessment rate for security and landscape services within the gated residential section (C and D). A fourth Resolution establishing Water & Wastewater rates for the Village Utility, an Ordinance adopting a rate increase for Local Business Taxes, and a Resolution adopting a comprehensive fee schedule for the Village. Discussion of the millage rate must be the first substantive action taken at the public hearings.

As you know, Bal Harbour Village has three primary funds used for operating the Village, the General Fund, the Resort Tax Fund, and the Water and Wastewater Utility Fund. The General Fund Proposed Budget is \$12,844,720, which is an increase 14.4% over the FY 2013/14 Adopted Budget. *It should be noted that the tentative millage set in July will yield revenues of revenues of \$776,063 above the General Fund Proposed Budget, these funds should be reserved toward the Collins Avenue Corridor Beautification Capital Project, should the Council decide to leave the tentative millage rate unchanged.*

Resort Tax fund budget is \$3,872,000 which is an increase of 9.2% over the FY 2013/14 Adopted Budget. The Water and Wastewater Utility Fund is \$8,843,720, which is a 67% increase over the FY 2013/14 Adopted Budget. This increase is a direct result of our beginning to implement the major capital improvements included in the Utility Master Plan for the Village. To fund this increase, we include significant revenue for this major capital investment from an anticipated allocation from Miami Dade County Building Better Communities General Obligation Funds in the amount of \$6,500,000, as well as a State Appropriation of \$600,000 for the capital project.

REVENUES

Municipalities within the State of Florida are entitled by law to collect revenues for eligible public purposes. Municipalities generate their revenue from a combination of sources including fees and charges, property taxes, state shared revenue and specifically authorized taxes.

A summary of primary General Fund revenue sources is provided below.

Ad Valorem Taxes

The most significant source of discretionary revenue to local governments in Florida is property tax revenue. Ad valorem tax or "property tax" is a major source of revenue for local governments in Florida. "Ad valorem" is Latin for "the value of." Ad valorem taxes constituted 30 percent of total county revenue, and 15 percent of total municipal revenues. This makes it by far the largest single source of general revenue for general-purpose governments in Florida. The property tax is a limited revenue source. The Florida Constitution caps the millage rate assessed against the value of the property at 10 mills per taxing entity. That is, taxing units are prohibited from levying more than \$10 in taxes per \$1,000 of taxable value on properties they tax, without obtaining voter approval at least every two years. FY 2013 revenues are \$6,578,300, and projected FY 2014 revenues are \$7,990,000, and anticipated revenue for the

BAL HARBOUR

FY 2014/15 PROPOSED OPERATING & CAPITAL BUDGET

FY 2014/15 Proposed Budget are \$8,515,299, derived from a tentative millage rate of 2.2678 mills.

Local Government Half-Cent Sales Tax Program

Authorized in 1982, the program generates the largest amount of revenue for local governments among the state-shared revenue sources currently authorized by the Legislature. It distributes a portion of state sales tax revenue via three separate distributions to eligible county or municipal governments. FY 2013 revenues are \$174,000, projected FY 2014 revenues are \$212,500, and anticipated FY 2015 revenue is \$217,000.

Local Option Sales Tax

Seven different types of local discretionary sales surtaxes (also referred to as local option sales taxes) are currently authorized in law and represent potential revenue sources for county and municipal governments and school districts. The local discretionary sales surtaxes apply to all transactions subject to the state tax imposed on sales, use, services, rentals, admissions, and other authorized transactions, and communications. FY 2013 revenues are \$115,500, projected FY 2014 revenues are \$117,300, and anticipated FY 2015 revenue are \$126,000.

Revenue Sharing

The Florida Revenue Sharing Act of 1972, codified as Part II of Chapter 218, Florida Statutes, was an attempt by the Florida Legislature to ensure a minimum level of revenue parity across municipalities and counties. Provisions in the enacting legislation created separate revenue sharing trust funds for municipalities and counties, identified appropriate revenue sources, specified formulas for redistribution and listed eligibility requirements.

The current Municipal Revenue Sharing Trust Fund includes three sources for municipalities: 1.3409 percent of net sales and use tax collections, the state-levied one-cent municipal gas tax collections, and 12.5 percent of the state alternative fuel user decal fee collections. FY 2013 revenues are \$65,000, projected FY 2014 revenues are \$64,000, and anticipated FY 2015 revenue are \$69,000.

Public Service or Utility Tax

Section 166.231(1)(a), Florida Statutes, provides that a municipality may levy a tax, not to exceed ten-percent, on the purchase of electricity, metered or bottled gas (natural liquefied petroleum gas or manufactured), and water service. This tax is often referred to as a "utility tax." The tax shall be levied only upon purchases within the municipality. By Ordinance No. 427 (1997), the Village applies a rate of ten-percent on the purchase of public utility services. FY 2013 revenues are \$817,800, projected FY 2014 revenues are \$863,600, and anticipated FY 2015 revenue are \$759,000.

Communication Services Tax

In 2000, the Florida Legislature created the Communications Services Tax. This legislation created a new simplified tax structure for communications services which is codified in Chapter 202, Florida Statutes. Municipalities and charter counties are authorized to levy a tax up to 5.1 percent on the transmission of voice, data, audio, video or other information services, including cable services. In addition, municipalities are authorized to levy an additional surcharge up to 0.12 percent to cover the costs of permitting activity within public rights of way. Please note that some cities' rates are higher due to a revenue-neutral conversion rate enacted by the Legislature for this law. FY 2013 revenues are \$320,000 projected FY 2014 revenues are \$264,700, and anticipated FY 2015 revenue are \$305,000.

BAL HARBOUR

FY 2014/15 PROPOSED OPERATING & CAPITAL BUDGET

recommending changes to the state investment policy and its duties in reviewing investments and vendors of investments eligible for receiving public funds.

Section 166.261, Florida Statutes, is amended by this legislation to prescribe the duties of municipalities with respect to investment funds: "The governing body of each municipality shall invest and reinvest any surplus funds in its control or possession in accordance with the state investment policy for public funds." The term "surplus funds" is redefined as "funds in any general or special account or fund of the municipality, held or controlled by the governing body of the municipality, which funds are not reasonably contemplated to be needed to meet current expenses".

This law further requires that all municipalities shall adopt written investment policies by October 1, 1995 or a municipality's investments must be limited to certain categories of investments authorized by statute. Surplus Village funds are presently invested within the State Board of Administrations Funds A and B, in accordance with these requirements, and are presently earning approximately sixteen basis points. FY 2013 investment revenues are \$22,000 projected FY 2014 revenues are \$24,000, and FY 2015 revenue is anticipated at \$25,000.

REVENUE SUMMARY

Recurring and non-recurring are two broad classifications applied to revenue. Recurring revenue, are from sources which can be anticipated year over year, examples of these are ad valorem taxes, state revenue sources, and fees or charges for service. Non-recurring revenue are those which cannot be anticipated in future years, examples of these for the Village are proceeds from developer agreements, the programming of prior year fund balance, single year funding allocations from other agencies, and debt proceeds.

The FY 2014-15 includes non-recurring revenue in the amount of \$7,805,000. The overwhelming majority of this revenue is included in the Water and Wastewater Utility Fund and is programmed to fund the implementation of the major capital improvements included in the Utility Master Plan for the Village.

The non-recurring revenue sources incorporated into the Proposed Budget are \$325,000 of carry forward revenue for the Resort Tax Fund, and \$7,480,000 for the Water & Wastewater Utility which includes an anticipated carryover for FY 2015-16 in the amount of \$2,621,790, for future year expenditures of the Master Plan Project. This amount incorporates the anticipated \$6,500,000 of the Building Better Community General Obligations Funds from Miami-Dade County and \$600,000 from a 2014 State of Florida appropriation of funds for the Project.

BAL HARBOUR

FY 2014/15 PROPOSED OPERATING & CAPITAL BUDGET

Franchise Fees

A “franchise fee” is often confused with a public service or utility tax. There is, however, a very clear distinction. A franchise fee is a negotiated fee to a company or utility for the use of municipal rights of way (for their poles, lines, pipes, etc.), and could include the value of the right for the utility to be the exclusive provider of its services within a specified area. It is charged directly to the utility and payable to the municipal governing body by the utility as a cost of doing business. It cannot be a direct charge to the customers of the utility, but it appears to be done so due to a Florida Public Service Commission rule. By Ordinance No. 530 (2008), the Village has a thirty-year franchise agreement with Florida Power & Light Company providing for payment of fees to the Village equal to five-ninths percent of billed revenues. This is fortunate for the Village as Miami-Dade County and municipalities who’s franchise agreements are through the County are experiencing negative declines to their franchise fee revenue in excess of six figures for the last few FYs. For the Village FY 2013 revenues are \$684,000 projected FY 2014 revenues are \$692,000, and anticipated FY 2015 revenue are \$683,800.

Beverage License Tax

Various alcoholic beverage license taxes are levied on manufacturers, distributors, vendors, and sales agents of alcoholic beverages in Florida. The tax is administered, collected, enforced, and distributed back to the local governments by the Division of Alcoholic Beverages and Tobacco within the Florida Department of Business and Professional Regulation. Proceeds from the license tax fees are deposited into the Alcoholic Beverage and Tobacco Trust Fund, which is subject to the 7.3-percent General Revenue Service Charge.

From the alcoholic beverage license tax proceeds collected within an incorporated municipality, 38 percent is returned to the appropriate municipal officer. An authorized use of the proceeds is not specified in the statutes. FY 2013 revenues are \$6,800 projected FY 2014 revenues are \$6,100, and anticipated FY 2015 revenue are \$6,700.

Fines and Forfeitures

This revenue source includes receipts from fines and penalties imposed for the commission of statutory offenses, violation of legal administrative rules and regulations, and for neglect of official duty.

Fines include, but are not limited to, court fines, and violations of municipal ordinances. Forfeitures include revenues resulting from confiscation of deposits or bonds held as performance guarantees, and proceeds from the sale of contraband property seized by law enforcement agencies. FY 2013 revenues are \$545,600 projected FY 2014 revenues are \$348,400, and anticipated FY 2015 revenue are \$321,100.

Investment Income

Revenues derived from the investment of cash receipts and idle funds are an important source of revenue. Many local governments in Florida are recognizing the importance of establishing effective investment policies and cash management programs.

The 1995 Florida Legislature, also recognizing this critical need of state and local governments, enacted Chapter 95-194, Laws of Florida. This act creates the state investment policy for public funds and provides its applicability to the state, local governments, and public officers. This act also creates the “State Investment Policy Committee” and provides for its duties in

BAL HARBOUR

FY 2014/15 PROPOSED OPERATING & CAPITAL BUDGET

All operating revenues by Fund are summarized in chart below for five fiscal years.

Revenue Summary by Fund

	FY 2010/11 Actual	FY 2011/12 Actual	FY 2012/13 Actual	FY 2013/14 Adopted Budget	FY 2014/15 Proposed Budget
General Fund	9,995,053	10,373,880	11,544,654	11,230,286	13,620,782
Resort Tax Fund	2,164,312	2,769,633	3,259,931	3,547,131	3,547,130
Water and Wastewater Fund	3,504,805	3,706,110	3,631,124	3,620,750	3,985,500
Total Operating Revenue	\$ 15,664,170	\$ 16,849,623	\$ 18,435,709	\$ 18,398,167	\$ 21,153,413
Security and Landscape Assessment Fund	\$ 539,140	\$ 803,379	\$ 964,248	\$ 638,926	\$ 433,143

Total recurring revenue for the Security and Landscape Assessment Fund are \$433,100, the reduction in recurring revenue is due to a reduction to the assessment rates recommended by the Residential Advisory Committee, the proposed rates for FY 2014/15 are \$1,802 for each Single Family Residential Unit, half that number, \$901, for each Unimproved Property and \$7,208 for each Private Recreational Facility as opposed to \$2,616.15 for each Single Family Residential Unit, \$1,308.08 for each Unimproved Property, and \$10,464.60 for each Private Recreational Facility adopted in FY 2013/14. To compensate for the assessment rate reduction, the proposed budget for the residential gated area incorporates the programming of \$185,000 of fund balance revenue to provide planned services for FY 2014/15, as recommended by the Residential Advisory Committee during their final meeting in July. This is not a sustainable practice, for future years the assessment rate will need to be adjusted up or service levels will need to be reduced.

All Village revenue sources are summarized in the chart below by value and by percentage to show their proportion of total revenue.

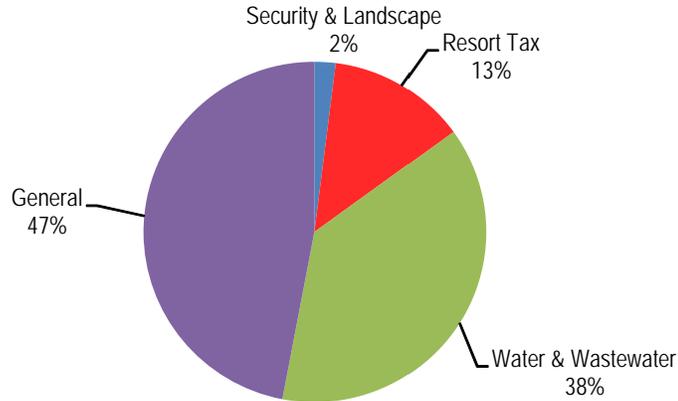
Intergovernmental revenue comprises 26 percent of the total and for the General Fund includes Communication Services Taxes, State Revenue Sharing, Local Option Fuel Taxes, and grants totaling \$727,000, the Water & Wastewater Utility Fund includes State of Florida Appropriation Funds and County General Obligation Bond funds totaling \$7.1 million.

Due to the programming of these intergovernmental revenues into the Utility Fund for the construction Utility Master Plan Capital Project the Water & Wastewater Utility comprises a larger percentage of total revenue by fund for FY 2014/15, and future years. For the Proposed Budget the Utility Fund comprises 38% of total revenue as compared to the General Fund's 47%; these are the two largest funds for the Village. The Tourist Tax Fund comprises 13% of revenue within the Proposed Budget and the Security and Landscape Assessment Fund 2%, as depicted by the chart below.

BAL HARBOUR

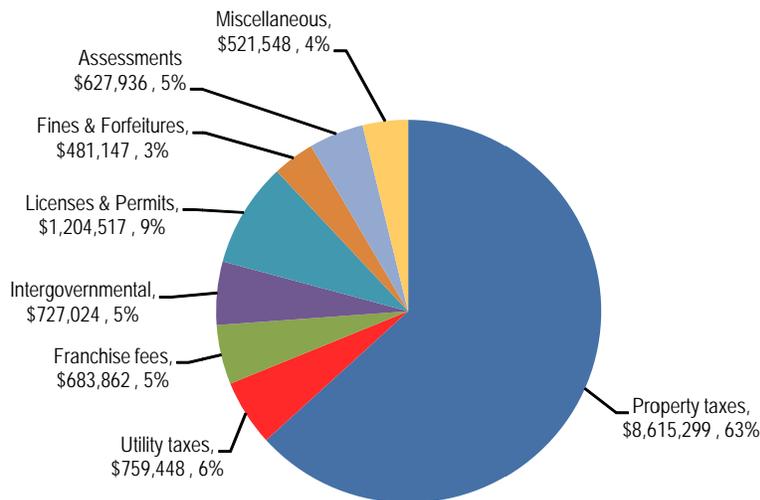
FY 2014/15 PROPOSED OPERATING & CAPITAL BUDGET

Percentage of Total Revenue by Fund



The largest source of General Fund Revenues is property taxes at 60 percent. All other revenue sources comprise single digit percentages, with Licenses and Permits as the next highest percentage at eight percent. These include Local Business Tax and Building Permit revenue, anticipated at \$1.2 million for FY 2014/15. Assessments include revenue collected for residential solid waste collection services at four percent of total General Fund revenue at \$628,000 for FY 2014/15. Miscellaneous revenue are those which are not otherwise categorized for financial reporting purposes, these include interest earnings, lobbyist registration fees, parking meter collections, and administrative service charges, for the Village these comprise four percent of total General Fund revenue at \$522,000. Fine and Forfeitures include traffic related fines and judgments, code enforcement and burglar alarm fines, and red light camera fines, these comprise three percent of General Fund revenue at \$488,200 for FY 2014/15.

General Fund Revenue by Type



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FY 2014/15 PROPOSED OPERATING & CAPITAL BUDGET

Fees and Charges

The evaluation of fees and service charges, provides an opportunity to ensure those that use services pay for the cost of service provision. Efforts have begun to collect and evaluate existing fees for service within the Village, a comprehensive fee schedule accompanies the proposed budget for adoption by Ordinance with the FY 2014-2015 Proposed Budget. This will serve to codify existing fees, so they are clearly identified for customers and staff alike. In this manner the schedule can be re-evaluated each Fiscal Year throughout the budget development and adoption process. This provides an opportunity, if so desired, to limit the proportionate share of revenue generated from property taxes.

Local Business Tax Rate Adjustment

The schedule of fees includes a five-percent increase to current Local Business Tax rates, as proposed by Ordinance which accompanies the FY 2014/15 Proposed Budget. This increase would generate approximately \$30,000 in additional revenue next fiscal year, with estimated revenue at \$545,000. Under Florida Statutes Chapter 205, the rate structures and classifications cannot be modified but the rates can be increased five percent every other year.

The Local Business Tax rates were eligible for adjustment in FY 2012 and again in FY 2014, no adjustments were implemented in those Fiscal Years. By selecting to not adjust these rates as provided by Florida Statutes the Village has not kept pace with the Consumer Price Index for the same time period, and has forgone approximately \$174,000 in additional revenue over four years.

Water & Wastewater Utility Fund Rates and Adjustments

Water and Wastewater services within the Village are provided as an enterprise operation, through the Utility within the Parks and Open Space Department. Services are funded as payments for measurable water and wastewater services are consumed. Pursuant to Chapter 180, Florida Statutes, municipalities are authorized to establish just and equitable rates to be paid for the use of the utility. Rates established as charges for services should sustain its operations and satisfy any related debt. Water and wastewater rates for the Village are presently at \$4.15/1,000 gallons of water consumed with a 3,000 gallon minimum monthly charge for Water and \$6.60/1,000 gallons of water consumed with a 3,000 gallon minimum monthly charge for Waste Water.

The Wastewater rate was last adjusted in November of 2013, from \$5.90/1,000 gallons to \$6.60/1,000 gallons. The Water rate was adjusted in September of 2009, from \$3.75/1,000 gallons of water consumed to \$4.15/1,000 gallons of water.

For the Village utility operations, water is purchased at a wholesale rate from the Miami-Dade County Water and Sewer Department (WASD) and we are charged a wholesale rate for their processing our wastewater. Additionally the City of Miami Beach applies a rate for wastewater which passes through their system as it ultimately travels to the MDWASD plant at Virginia Key. The Miami-Dade County Water and Sewer Department (WASD) has incorporated rate increases in their proposed FY 2015 Budget, due to projected operating expenses, the first debt service payments due in 2015, and increases in reserve requirements due to new debt. The FY 2015 proposed budget increases by WASD are 3.93% for water and 4.39% for wastewater. They further cautioned that these are the last of the nominal increases we will see from them as the expense of bi-annual debt payments for system-wide infrastructure improvements will be passed on to customers in future years.

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FY 2014/15 PROPOSED OPERATING & CAPITAL BUDGET

Wholesale Water Rates	FY 2013/14	FY 2014/15	% Change
Rate Per 1,000 Gallons	\$1.7142	\$1.7816	3.93%
Rate Per 1,000 Gallons	\$2.4523	\$2.5600	4.39%

At the July 2014, Village Council Meeting, the Manager provided a recommendation that the rate increases outlined above are passed on to Village customers through a rate adjustment in September, and in turn requested authorization from Village Council to notify residents of possible rate increases in accordance with Florida Statutes 180.136. Village Council approved the Resolution and notification was sent in the August utility bills advising customers of the time and date of the first public budget hearing in which rates will be considered. Amendment to Village Water and Wastewater rates in an amount sufficient to pass through the Miami-Dade County Water and Sewer wholesale rate adjustments are \$4.35/1,000 gallons of water consumed with a 3,000 gallon minimum monthly charge for Water and \$6.95/1,000 gallons of water consumed with a 3,000 gallon minimum monthly charge for Waste Water, these adjustments amount to a 4.6% and 5.04% increase over current rates respectively.

Throughout the FY 2015 budget development process, current year and historical line item expenditure detail was analyzed for every department and fund. For the Utility, and public works operations, this process identified expenditures which should properly be charged to the Utility (i.e., personnel, engineering and design, repair, etc.) which were impacting the General Fund rather than the Utility Fund. This means tax dollars and other revenue were subsidizing the operations of this enterprise utility.

While this occurred historically and in the current Fiscal Year, the intent is to ameliorate the matter within the FY 2015 Proposed Budget. To accomplish this, the expenses which should properly be charged to the utility for performance of water and wastewater utility functions are being programmed within the utility as well as professional services and expenses for utility related projects (\$175,500) and a 2% general contingency of (\$105,300). A rate adjustment sufficient to offset the reprogramming of these utility related expenses from the General Fund to the Utility Fund are \$4.55/1,000 gallons of water consumed with a 3,000 gallon minimum monthly charge for Water and \$7.30/1,000 gallons of water consumed with a 3,000 gallon minimum monthly charge for Waste Water, these adjustments amount to a 4.40% and 4.79% increase over the rate adjust to pass through Miami-Dade County proposed changes or, a 8.79% and 9.59% increase over current rates respectively.

Water & Wastewater Adjustment Comparisons			
	Current Year Rates	MDC Pass Through Rate Adjustment	Additional Adjustment to end GF Subsidy
Water	\$4.15	\$4.35	\$4.55
Wastewater	\$6.60	\$6.95	\$7.30

The impact of rate adjustments for customers varies by use, the table below summarizes the value of the adjustment for three use scenarios 3,740 gallons, 6,750 gallons, and 10,000 gallons

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FY 2014/15 PROPOSED OPERATING & CAPITAL BUDGET

per month. The Miami-Dade County pass through rate adjustment has a monthly value ranging from \$2.06 to \$5.50 per month, and \$24.68 to \$66.00 per year. The additional adjustment to end the General Fund subsidy of the Utility has a monthly value ranging from \$2.06 to \$5.50 per month, and \$24.68 to \$66.00 per year over the rate adjustment to pass through Miami-Dade County proposed changes. Combined, the adjusted rates would have an impact of \$4.11 to \$11.00 per month, and \$49.37 to \$132.00 per year.

Water & Wastewater Adjustment Comparisons			
Average Use in Gallons	3,740	6,750	10,000
MDC Pass Through Rate Adjustment			
<i>Monthly Impact</i>	\$2.06	\$3.71	\$5.50
<i>Annual Impact</i>	\$24.68	\$44.55	\$66.00
Additional Adjustment to end GF Subsidy of Utility			
<i>Monthly Impact</i>	\$2.06	\$3.71	\$5.50
<i>Annual Impact</i>	\$24.68	\$44.55	\$66.00
To Adjust Rates for Both			
<i>Monthly Impact</i>	\$4.11	\$7.43	\$11.00
<i>Annual Impact</i>	\$49.37	\$89.10	\$132.00

As recommended by the Village Budget Committee, the adjusted rates of \$4.55/1,000 gallons of water consumed with a 3,000 gallon minimum monthly charge for Water and \$7.30/1,000 gallons of water consumed with a 3,000 gallon minimum monthly charge for Waste Water are incorporated into the FY 2014/15 Proposed Budget, which allows for the pass-through of Miami-Dade County Water and Sewer Department wholesale rate adjustments, and ends the General Fund subsidy of the Utility Fund in future years. A corresponding reduction equal to the reprogrammed expenses has been incorporated into the Proposed FY 2014/15 Budget for the General Fund.

EXPENDITURE SUMMARY

GENERAL FUND

The FY 2014/15 Proposed Budget incorporates additional expenditures due to inflationary impacts in pensions, insurance, pay outs and cost of living adjustments of \$517,000. These include increases to Village liability insurance of \$68,466, increases to Health Insurance \$22,026, General Employee Pension increases of \$67,766, Police Officers' Pension Plan \$85,394, a cost of living adjustment of \$123,360, and the inclusion of payouts for tenured employees anticipated to retire during FY 2015. The impact of these increases were offset by \$180,479 of reductions which were identified and made within the proposed operating base budget, bringing the Base Budget for FY 2014/15 to \$11,566,819.

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FY 2014/15 PROPOSED OPERATING & CAPITAL BUDGET

CHANGES TO FY 2013/14 ADOPTED BUDGET			
Cost of Living Adjustments (COLA)			123,360
DROP Pay Out			150,000
Pension Increase			
	<i>General</i>	<i>67,766</i>	
	<i>Police</i>	<i><u>85,394</u></i>	
Total Pension Increase			153,160
Health Benefits			22,026
Liability Insurance			68,466
Less Reductions			(180,479)
Total Change to FY 2013/14 Budget			<u>336,533</u>
FY 2014/15 General Fund Base Budget			\$ 11,566,819

To develop the FY 2014/15 Proposed Budget, staff conducted an assessment of existing services, processes, and resources. Current service delivery levels were evaluated and opportunities for improvement were identified. While efforts in this regard continue, proposed enhancements were identified for law enforcement, public works, and information technology for inclusion as a necessary component of the budget. These include enhancing law enforcement and accountability through increased community policing and equipment; enhancing public spaces through improved upkeep and maintenance; and investing in information technology and capital equipment.

Proposed enhancements included the replacement of Public Works and Police fleet vehicles through lease-to-own options for \$156,100, five additional positions within the Police Department, two Dispatchers, one Lieutenant, and two Police Officers for \$444,000, and an additional Code Compliance Officer for \$57,000. Funding for the Collins Avenue Corridor Concept Plan in the amount of \$50,000 is included in order to improve this visual asset of the Village, and an additional \$100,000 for the replacement of Stormwater Pump Station #2.

Information technology needs were a recurring theme villagewide, to begin rebuilding IT infrastructure \$170,800 is included for hardware, software and services for security, network, back-ups, Phase I website restructuring & redesign, security cameras and business software solutions for departments. These systems will allow for greater accountability and efficiency in operations, and provide improved customer service; enabling the Village to bring our capabilities in line with industry best practices. In order to establish an information technology renewal and replacement program an additional \$100,000 in funding is incorporated to provide for future IT improvements and purchases. Capital Reserve funding is also established in the Proposed Budget for future capital projects in the amount of \$200,000,

Similar to the renewal and replacement funding provided for information technology, this establishes a process to set aside earmarked funds for specific future capital needs such as repairs to the Village Hall, the Parks and Public Spaces Operations Facility, the stormwater utility system, and the park seawall.

BAL HARBOUR

FY 2014/15 PROPOSED OPERATING & CAPITAL BUDGET

PROPOSED ENHANCEMENTS TO FY 2014/15 BASE BUDGET	
Police and PW Fleet Replacements	156,100
Enhanced Law Enforcement	444,000
Enhanced Code Compliance	57,000
Collins Avenue Corridor Feasibility/Concept Plan	50,000
Stormwater Pump Station #2	100,000
Investments in Information Technology	170,800
Funding Future Capital and Information Technology	300,000
Total Proposed Enhancements	\$ 1,277,900
FY 2014/15 Proposed General Fund Budget	\$ 12,844,719

The inclusion of the \$1,277,900 of proposed enhancements to the General Fund base budget brings the proposed operating expense for the Fund to \$12,844,719.

With the Tentative millage rate of 2.2678 mills, as set in July, an additional \$776,063 in revenue is generated over the proposed budgeted expenditures. This presents options for Council action. The additional revenue could be programmed for future capital projects such as the Collins Avenue Corridor beautification, or as recommended by the Village Budget Committee, the millage rate could be reduced to 2.0611 mills, which produces a balanced budget for the General Fund.

Revenue Less Expense	(776,063)
OPTIONS TO CONSIDER	
Collins Avenue Corridor Capital Project Funding	\$ 776,063
Reduced Proposed Mileage from 2.2678 to 2.0611	

SUMMARY OF ALL FUNDS

Bal Harbour has three primary Funds used for operating the Village, the General Fund, the Resort Tax Fund, and the Water & Wastewater Utility Fund. The FY 2014/15 Proposed Operating and Capital Budget includes increases over the FY 2013/14 Adopted Budget. There is a 14.4% increase to General Fund at \$12,844,720, a 9.2% increase in Resort Tax funding for Tourism and Beautification and Greenspace maintenance at an amount of \$3,872,000, and a 67.9% increase to the Water and Wastewater Utility Fund at \$8,843,720, largely attributable to the inclusion of capital projects within the fund. In addition, there is also a Security and Landscape Assessment Fund, and a Forfeiture Fund, which are restricted in use. The Security and Landscape Assessment Fund includes a 3.3% decrease with funding at \$618,150.

BAL HARBOUR

FY 2014/15 PROPOSED OPERATING & CAPITAL BUDGET

	FY2010/11 Actual	FY2011/12 Actual	FY2012/13 Actual	FY2013/14 Adopted Budget	FY 2014/15 Base Budget	% Change From FY 2013/14 Adopted Budget	FY 2014/15 Proposed Budget w Enhancements	% Change From FY 2013/14 Adopted Budget
General Fund	8,908,407	9,110,311	10,556,375	11,230,285	11,566,819	3.0%	12,844,719	14.4%
Water & Wastewater Utility Fund	1,970,993	3,186,796	2,565,497	5,266,200	8,837,201	67.8%	8,843,711	67.9%
Resort Tax Fund	1,928,385	3,199,226	3,062,782	3,547,131	3,442,547	-2.9%	3,872,130	9.2%
Security & Landscape Fund	268,295	573,638	425,534	638,927	618,142	-3.3%	618,142	-3.3%

Water & Wastewater Utility Fund

The non-recurring revenue within the Water & Wastewater Utility are \$380,000 from prior year debt proceeds for the purchase of capital equipment for the Utility, \$600,000 from a 2014 State of Florida Appropriation of funds, and an anticipated \$6,500,000 of General Obligation Bond funds from Miami-Dade County for the implementation of the Utility Master Plan construction project. Due to the programming of these capital expenditures into the Utility Fund for the construction Utility Master Plan Capital Project the Water & Wastewater Utility comprises a larger percentage of total Village expenditures by fund for FY 2014/15, than prior years.

Operating expenditure increases to the Utility are due to the reprogramming of Utility related expenses which were occurring within the General Fund, to the Utility, and due to planned increases to the wholesale Water and Wastewater rates charged to the Village by Miami-Dade Water and Sewer Department. These increased expenditures are offset by the operating proposed rate increase which will generate an additional \$150,300 for water, and \$201,300 for wastewater for FY 2014/15.

	FY2010/11 Actual	FY2011/12 Actual	FY2012/13 Actual	FY2013/14 Adopted Budget	FY 2014/15 Base Budget	% Change From FY 2013/14 Adopted Budget	FY 2014/15 Proposed Budget w Enhancements	% Change From FY 2013/14 Adopted Budget
WATER & WASTEWATER UTILITY FUND								
Salaries & Benefits	131,140	125,467	107,103	106,843	174,299	63.1%	180,809	69.2%
Other Operating	1,839,853	3,061,328	2,458,394	3,479,357	3,792,902	9.0%	3,792,902	9.0%
Capital Projects	0	0	0	1,680,000	4,870,000	189.9%	4,870,000	189.9%
TOTAL UTILITY FUND	1,970,993	3,186,796	2,565,497	5,266,200	8,837,201	67.8%	8,843,711	67.9%

Resort Tax Fund

FY 2014/15 proposed expenditures for the Resort Tax Fund reflect an overall increase of 9.2%. This is due to the programming of \$325,000 of FY 2014 carry forward revenue for the continuation of the branding initiative from the current fiscal year. In addition, the FY 2014/15 Proposed Budget includes \$433,700 of enhancements within the Fund.

BAL HARBOUR

FY 2014/15 PROPOSED OPERATING & CAPITAL BUDGET

	FY2010/11 Actual	FY2011/12 Actual	FY2012/13 Actual	FY2013/14 Adopted Budget	FY 2014/15 Base Budget	% Change From FY 2013/14 Adopted Budget	FY 2014/15 Proposed Budget w Enhancement s	% Change From FY 2013/14 Adopted Budget
RESORT TAX FUND								
TOURISM								
Salaries & Benefits	206,078	216,858	237,321	257,428	260,783	1.3%	253,861	-1.4%
Other Operating	1,722,307	1,880,395	1,769,561	2,056,617	1,837,816	-10.6%	1,780,521	-13.4%
Operating Capital	0	0	0	0	0		325,000	
TOTAL	1,928,385	2,097,253	2,006,882	2,314,045	2,098,599	-9.3%	2,359,382	2.0%
BEAUTIFICATION/ GREENSPACE /OTHER RESORT TAX ELIGIBLE								
Salaries & Benefits		232,668	246,011	254,923	255,869	0.4%	311,303	22.1%
Other Operating		869,305	809,888	978,163	1,088,079	11.2%	1,201,445	22.8%
TOTAL		1,101,973	1,055,899	1,233,086	1,343,948	9.0%	1,512,748	22.7%
TOTAL RESORT TAX FUND	1,928,385	3,199,226	3,062,782	3,547,131	3,442,547	-2.9%	3,872,130	9.2%

These include improvements to beautification and greenspace maintenance, public safety, enhanced special event programming and communication to village residents. The aesthetic of our Village is readily identifiable through our public spaces, to increase the level of service to these areas the Proposed Budget includes pressure cleaning of Village sidewalks, curbs, gutters and medians from an intermittent basis currently to four times a year, and increasing the frequency of trimming of median hedges to add sixteen additional pruning and a third trimming of date palms per year. To enhance the aesthetic of the Village throughout the holidays, enhanced holiday lighting displays will be developed for full roll out during the 2015 holiday season. The appearance of the Bal Harbour Village Beach will improve through establishing a daily Sand Raking Program. FY 2014/15 funding for these enhancements is programmed at \$223,300.

The addition of one new Public Safety Beach Patrol -Certified Paramedic position is proposed to provide enhanced community policing services to our Village's most visible and tourist filled stretch of open space, as a mobile beach rescue unit and Public Service Aide, funding of \$85,000 for the position and related supplies is proposed.

To improve communication with the resident and business community, through newsletters, social media, and the Village website; enhancements to these activities and special event programming are also proposed. Local quarterly printed and e-newsletters will be used for direct communication with residents, this in addition to improved Social Media services, and Web content development through the use of Public Information Officer services. Improved communication will be used to inform residents and visitors alike about the expansion of the current Museum Access Program to include and expanded Fairchild Tropical Botanical Garden, the Jewish Museum of South Florida, the Ft. Lauderdale Museum of Art, the Ft. Lauderdale Museum of Science and Discovery, and the Frost Art Museum at Florida International University is proposed, in addition to an enhanced Fireworks Display for New Year's Eve Celebration. Funding for these enhancements in the amount of \$125,400 is proposed for FY 2014/15.

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FY 2014/15 PROPOSED OPERATING & CAPITAL BUDGET

FY 2014/15 PROPOSED RESORT TAX SERVICE ENHANCEMENTS	
PUBLIC SAFETY	
Public Safety Beach Patrol - 1 Certified Paramedic/PSA and Gator and auxiliary equip for mobile beach rescue station	85,000
BEAUTIFICATION & GREENSPACE	
Enhance the Village Pressure Cleaning Program of all sidewalks, curbs, gutters and medians from non-routine basis to a regular 4 times yearly	48,300
Enhance Landscape and Beautification - Median Hedge Trimming additional 16 @ \$1,500 (weekly during peak season)	24,000
Date Palm Third Trimming	26,000
Replace and Enhance Holiday Lighting Program	75,000
SPECIAL EVENTS & COMMUNITY ACTIVITIES	
Enhance Commication with Resident and Business Community by providing Local Quarterly Printed Newsletters- events & Local Monthly Email Newsletters- events	32,000
Social Media, Web content, Public Information Officer (PIO)	36,000
Beach Sand Maintenance	50,000
TOURISM DEPARTMENT	
Enhance Art Programming by expanding program to include Fairchild Tropical Botanic Garden, Jewish Museum of South FL, Museum of Art Ft. Lauderdale, Science, The Frost Musuem at Floirda international University	30,000
Fireworks for New Years Eve	27,400
Total Resort Tax	\$ 433,700

	FY2010/1 1 Actual	FY2011/1 2 Actual	FY2012/1 3 Actual	FY2013/14 Adopted Budget	FY 2014/15 Base Budget	% Change From FY 2013/14 Adopted	FY 2014/15 Proposed Budget w Enhanceme nts	% Change From FY 2013/14 Adopted
SECURITY & LANDSCAPE ASSESSMENT AREA								
Salaries & Benefits								
Other Operating	268,295	573,638	425,534	638,927	618,142	-3.3%	618,142	-3.3%
TOTAL SECURITY & LANDSCAPE	268,295	573,638	425,534	638,927	618,142	-3.3%	618,142	-3.3%

Expenditure reductions to the Security and landscape Assessment Fund are due to the assessment rate reductions recommended by the Residential Area Committee for FY 2014/15. The Proposed Budget was prepared based on the rates of \$1,802 for each Single Family Residential Unit, half that number, \$901, for each Unimproved Property and \$7,208 for each Private Recreational Facility as opposed to \$2,616.15 for each Single Family Residential Unit, \$1,308.08 for each Unimproved Property, and \$10,464.60 for each Private Recreational Facility adopted in FY 2013/14. The impacts of the rate reduction were mitigated through the one-time use of \$185,000 of fund balance to provide for area services for FY 2014/15, as recommended by the Residential Area Committee in their June meeting.

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BAL HARBOUR

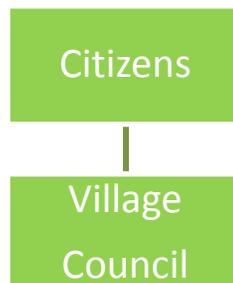
LEGISLATIVE

DESCRIPTION

The Bal Harbour Village Council is made up of the mayor and four Councilmembers. The Mayor presides over Council meetings and is considered the Village's representative both locally, nationally and internationally. The Mayor and Councilmembers set policy for the village. Setting policy means making decisions about what is allowed and what is not allowed in the Village, about what services need to be provided to the residents, businesses and visitors, and about how to solve problems that concern citizens.

As elected officials, the Mayor and Councilmembers respond to citizens who seek their assistance in matters involving the governance and operation of the Bal Harbour Village. Through the enactment of ordinances and resolutions, the review and approval of contracts, and proclamations, the Village Council works to improve quality of life, economic development, and enhanced communication between village government and the community.

FUNCTIONAL TABLE OF ORGANIZATION



BAL HARBOUR

LEGISLATIVE

FINANCIAL SUMMARY

	FY 2010/11 Actual	FY 2011/12 Actual	FY 2012/13 Actual	FY 2013/14 Adopted Budget	FY 2014/15 Base Budget	% Change From FY 13/14 Adopted Budget	FY 2014/15 Proposed Budget w Enhancements	% Change From FY 13/14 Adopted Budget
GENERAL FUND								
LEGISLATIVE								
Salaries & Benefits	21,504	40,830	48,360	39,803	60,081	50.9%	60,081	50.9%
Other Operating	106,489	67,967	68,480	100,600	100,600	0.0%	100,600	0.0%
Operating Capital								
TOTAL	127,993	108,797	116,840	140,403	160,681	14.4%	160,681	14.4%

BUDGET HIGHLIGHTS

- The Proposed Budget reflects the full funding of health insurance coverage for the five elected officials at Point of Service level coverage; if officials opt not to avail themselves of the insurance funds will not be spent
- The funding for Legal Support Services, historically reflected within this Department is consolidated into a standalone activity for the Village

BAL HARBOUR

ADMINISTRATION

DESCRIPTION

The Village Manager is appointed by the Village Council, and vested with the responsibility to ensure that policies, directives, resolutions, and ordinances adopted by the Village Council are enforced and implemented. As the Village Chief Executive Officer, the Village Manager is responsible for providing executive-level leadership, vision, and guidance to the organization, providing recommendations to the Village Council and implementing policy directives in an efficient and effective manner. In addition, the Village Manager is responsible for the daily operations of the Village, preparing and administering the budget, planning the development of the Village, supervising Village employees, interacting with citizen groups and businesses, and is otherwise responsible for the health, safety, and welfare of the residents, members of the business community, as well as and the visitors to the Village.

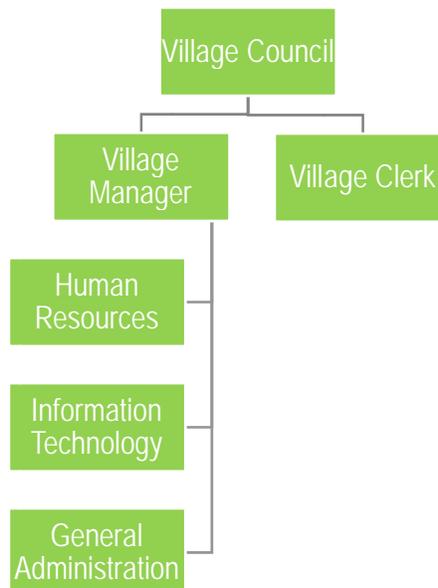
The Administration operating budget includes the following functions:

Human Resources which is responsible for personnel, recruitment, benefits, compensation, risk management and labor relations.

General Administration which encompasses activities related to the coordination and supervision of day to day operations of Village administration these activities include contract management, records management, agenda coordination, among other.

The Village Clerk is appointed by the Village Council and serves as the secretary and custodian of the Village Seal, compiling official Village Council and committee agendas and minutes, and serving as the facilitator in providing public records and information expeditiously to the Village Council, the public, Village staff and other governmental agencies and all Village departments.

FUNCTIONAL TABLE OF ORGANIZATION



BAL HARBOUR

ADMINISTRATION

FINANCIAL SUMMARY

	FY 2010/11 Actual	FY 2011/12 Actual	FY 2012/13 Actual	FY 2013/14 Adopted Budget	FY 2014/15 Base Budget	% Change From FY 13/14 Adopted Budget	FY 2014/15 Proposed Budget w Enhancements	% Change From FY 13/14 Adopted Budget
General Fund								
ADMINISTRATION								
Salaries & Benefits	510,920	568,197	951,859	828,506	887,556		887,556	
Other Operating	89,225	89,388	104,292	137,000	116,785	-14.8%	100,785	-26.4%
Operating Capital								
TOTAL	600,145	657,586	1,056,151	965,506	1,004,341	4.0%	988,341	2.4%

BUDGET HIGHLIGHTS

- The Proposed Budget includes the Village Receptionist position, which was formerly reflected within General Government (\$58,718)
- Election expenses are reduced due to the Village elections coinciding with the November primary (-\$36,215)

BAL HARBOUR

INFORMATION TECHNOLOGY

DESCRIPTION

As a part of Administration, Information Technology supports all aspects of the Village operations. Prior to May 2014, information technology services for the Village were based on an on-demand technical support model, which provided network support, on demand end user support, email management, as well as completing the purchase and installation of any hardware and software required for the Village's daily business operations. Typically, users contacted the vendor as issues arose, and technical support was provided either remotely or on-site, based on the vendor's availability. Aside from these professional services, the vendor would procure software and equipment; website hosting services; email maintenance and support; email filtering; off-site backup solutions; and domain renewals for Village websites.

At the May 13, 2014 Council Meeting, an agreement with Calvin Giordano and Associates (CGA) was approved to transition the Village's information technology services, which would provide a greater level of service and support to internal stakeholders, as well as evaluate the Village's information technology infrastructure and capacity

The ability to implement future enhancements to the Village's e-government capabilities, such as solutions to more effectively communicate with residents and other stakeholders, and the implementation of online services (i.e., online bill payment, etc.) are dependent on the availability of quality, up-to-date technology infrastructure.

A thorough analysis of the Village's existing information technology (IT) environment, IT infrastructure, redundant back up services and security standards was completed by CGA as part of their first year services.

As a result of this assessment, an IT Strategic Plan and Multi-Year Capital Plan has been developed in order to address vulnerabilities identified, as well as recommended upgrades to the Village's technology infrastructure (servers, computers, back up methods, etc.) to support the day-to-day operations of the Village.

FUNCTION TABLE OF ORGANIZATION



BAL HARBOUR

INFORMATION TECHNOLOGY

FINANCIAL SUMMARY

	FY 2010/11 Actual	FY 2011/12 Actual	FY 2012/13 Actual	FY 2013/14 Adopted Budget	FY 2014/15 Base Budget	% Change From FY 13/14 Adopted Budget	FY 2014/15 Proposed Budget w Enhancements	% Change From FY 13/14 Adopted Budget
General Fund								
INFORMATION TECHNOLOGY								
Salaries & Benefits								
Other Operating					204,000		204,000	
Operating Capital					1,100		271,900	
<i>*Prior FY actuals reflected in Departmental Line items above approx</i>								
TOTAL \$153,000/yr					205,100		475,900	

BUDGET HIGHLIGHTS

- The Proposed Budget incorporates Villagewide investment in Information Technology for hardware, software and services for security, network, backups, security cameras, and Phase I of restructuring and redesign of the Village website (\$170,800)
- The Proposed Budget also incorporates funding for a much needed renewal and replacement program for Information Technology equipment on a recurring basis (\$100,000)

BAL HARBOUR

FINANCE & BUDGET

DESCRIPTION

As a part of Administration, the Finance Department delivers financial services for sound management decision-making and is responsible for centralized accounting, cash management, financial and debt management, tax and utility collections, and preparation of the annual budget.

The Finance Department provides fiscal and accounting controls over resources by processing vendor payments and payroll checks, maintaining the Village's general ledger system, and providing financial reports.

Surplus funds are monitored and invested, maintaining sufficient cash balances in compliance with Florida Statutes.

The Finance Department serves all Village departments as well as those entities conducting financial transactions with the Village including Water and Wastewater Utility Customers, Local Business Tax, and Resort Tax customers. The Department prepares non-ad valorem special assessment rolls, issues and collects local business tax receipts, and resort taxes.

FUNCTIONAL TABLE OF ORGANIZATION



FINANCIAL SUMMARY

	FY 2010/11 Actual	FY 2011/12 Actual	FY 2012/13 Actual	FY 2013/14 Adopted Budget	FY 2014/15 Base Budget	% Change From FY 13/14 Adopted Budget	FY 2014/15 Proposed Budget w Enhancements	% Change From FY 13/14 Adopted Budget
General Fund								
FINANCE								
Salaries & Benefits	202,468	223,457	267,600	525,801	448,715		448,715	
Other Operating	169,464	161,806	195,893	176,011	145,325	-17.4%	145,325	-17.4%
Operating Capital								
TOTAL	371,932	385,263	463,493	701,812	594,040	-15.4%	594,040	-15.4%

BUDGET HIGHLIGHTS

- The Proposed Budget reflects a 15.4% reduction largely due to decreases in professional service expenses due to the addition of a full time Finance Director, discontinuing the use of Contractual Services to perform this function as approved in the FY 2013-14 Adopted Budget; the calculation of retirement expenses from the FY 2014-15 Adopted Budget also contributed to this percentage decrease

BAL HARBOUR

FINANCE & BUDGET

DESCRIPTION

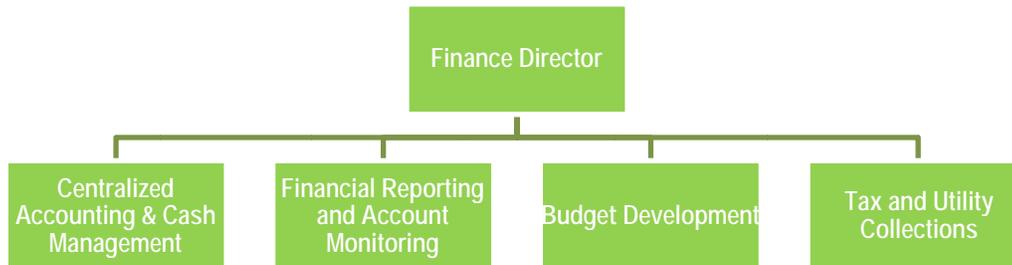
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FUNCTIONAL TABLE OF ORGANIZATION



FINANCIAL SUMMARY

	FY 2010/11 Actual	FY 2011/12 Actual	FY 2012/13 Actual	FY 2013/14 Adopted Budget	FY 2014/15 Base Budget	% Change From FY 13/14 Adopted Budget	FY 2014/15 Proposed Budget w Enhancements	% Change From FY 13/14 Adopted Budget
General Fund								
FINANCE								
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Other Operating	169,464	161,806	195,893	176,011	145,325	-17.4%	145,325	-17.4%
Operating Capital								
TOTAL	371,932	385,263	463,493	701,812	594,040	-15.4%	594,040	-15.4%

BUDGET HIGHLIGHTS

- The Proposed Budget reflects a 15.4% reduction largely due to decreases in professional service expenses due to the addition of a full time Finance Director, discontinuing the use of Contractual Services to perform this function as approved in the FY 2013-14 Adopted Budget; the calculation of retirement expenses from the FY 2014-15 Adopted Budget also contributed to this percentage decrease

BAL HARBOUR

LEGAL SUPPORT SERVICES

DESCRIPTION

Village legal services are provided by Weiss Serota Helfman, Pastoriza, Cole and Boniske, P.L., a full service municipal law firm (the "Firm"). The Firm has served as Village Attorney for more than 20 years, providing guidance to the Village Council, its advisory committees and Village staff on a wide array of legal matters in order to ensure that the various laws, rules and requirements of the local, state and federal governments are understood and followed by the Village. While the legal services required by the Village vary slightly from time to time, the Firm employs attorneys with expertise in each area of the law that has been or may be required. In recent years, the Firm's attorneys have provided legal services to the Village in the following areas:

- Labor and Employment
- Real Estate
- Finance
- Land Use & Zoning
- Code Enforcement
- Compliance with State and County Ethics Requirements
- Procurement / Contract Administration
- Police Department Procedure
- Tourism
- Drafting Ordinances and Resolutions
- Contract Review
- General Legal Advice

FINANCIAL SUMMARY

	FY 2010/11 Actual	FY 2011/12 Actual	FY 2012/13 Actual	FY 2013/14 Adopted	FY 2014/15 Base Budget	% Change From FY 13/14 Adopted Budget	FY 2014/15 Proposed Budget w Enhancements	% Change From FY 13/14 Adopted Budget
LEGAL SUPPORT SERVICES (General Fund only)								
Salaries & Benefits								
Other Operating	275,707	276,469	416,256	591,000	430,179	-27.2%	430,179	-27.2%
Operating Capital								
TOTAL	275,707	276,469	416,256	591,000	430,179	-27.2%	430,179	-27.2%

*Additional legal fees are included in the Gated Residential, Resort Tax and Utility funds for an aggregate total of \$480,000

BUDGET HIGHLIGHTS

- The Proposed Budget incorporates a \$205,000 reduction in expense for Contracted Legal Support Services from the FY 2013-14 Adopted Budget (\$480,000)

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BAL HARBOUR

GENERAL GOVERNMENT

DESCRIPTION

The General Government activity has historically included expenses which were not uniquely attributable to a specific operating department. As presented within the FY 2014/15 Proposed Budget, development of this activity is refined to exclude facility maintenance and transit operating related expenses which are reflect in Public Works. The Village Receptionist, was historically located within this activity, but has been included as a part of Administration for the Proposed Budget. In addition, expense related to payouts for retiring employees, a cost of living adjustment for employees, and the establishment of a capital projects reserve.

FINANCIAL SUMMARY

	FY 2010/11 Actual	FY 2011/12 Actual	FY 2012/13 Actual	FY 2013/14 Adopted Budget	FY 2014/15 Base Budget	% Change From FY 13/14 Adopted Budget	FY 2014/15 Proposed Budget w Enhancements	% Change From FY 13/14 Adopted Budget
GENERAL FUND								
GENERAL GOVERNMENT								
Salaries & Benefits	116,784	116,434	74,395	70,343	150,514	114.0%	150,514	114.0%
Other Operating	661,972	958,349	727,047	887,001	991,473	11.8%	991,473	11.8%
Operating Capital							200,000	
TOTAL	778,756	1,074,783	801,442	957,344	1,141,987	19.3%	1,341,987	40.2%

BUDGET HIGHLIGHTS

The Proposed Budget modifies the use of the General Government activity for FY 2014-15:

- Salary and fringe expenses are no longer within this activity as the one position formerly located here has been consolidated within Administration;
- Contractual Transit Circulator expenses are moved to Public Works, consistent with the management of the contract (-\$107,000), likewise fuel, maintenance of vehicles, landscape materials, and janitorial expenses are also moved into Public Works (-54,000);
- Expenses for contractual planning and zoning services are moved to Building & Permitting (-\$51,700);
- Payouts for the separation of tenured employees anticipated to retire during FY 2014-15 are budgeted (\$150,000); and
- A 3% cost of living adjustment for employees is included (\$123,360), in addition to the establishment of a Capital Projects Reserve (\$200,000)

BAL HARBOUR

GENERAL GOVERNMENT

DESCRIPTION

The General Government activity has historically included expenses which were not uniquely attributable to a specific operating department. As presented within the FY 2014/15 Proposed Budget, development of this activity is refined to exclude facility maintenance and transit operating related expenses which are reflect in Public Works. The Village Receptionist, was historically located within this activity, but has been included as a part of Administration for the Proposed Budget. In addition, expense related to payouts for retiring employees, a cost of living adjustment for employees, and the establishment of a capital projects reserve.

FINANCIAL SUMMARY

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GENERAL GOVERNMENT								
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Operating Capital							200,000	
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BAL HARBOUR

POLICE DEPARTMENT

DESCRIPTION

The Bal Harbour Police Department (BHPD) came into existence in 1946 when the Village was incorporated. The BHPD provides public safety services to Village residents, visitors and businesses based on a community policing model. The BHPD is comprised of two (2) main functions – Operations and Administration.

Operations Division

The Operations Division is the most visible representative of Village services, with 20 full-time sworn personnel and two (2) civilian staff. This Division is responsible for high profile, proactive public safety and crime prevention patrol functions including:

- Directed Patrol (including bike patrol, ATV details and beach patrol);
- Marine Patrol;
- Traffic Enforcement; and,
- Code Enforcement.

In addition, this Division is responsible for responding to calls for service, as well as the investigation of any crimes, which occur within the Bal Harbour Village jurisdiction. A summary of primary activities includes:

- Criminal incident investigative follow up;
- Prosecution of case(s) via the Criminal Justice System;
- Tracking crime trends and Uniform Crime Reporting (UCR) to the State of Florida; and,
- Arrest and Search Warrant Affidavit Coordination and Verification.

Administration

The Police Administration, which includes the Office of the Chief of Police, is responsible for the fulfillment of the mission of the BHPD through leadership, direction, and the establishment of policies, procedures, rules and regulations, including:

- Budget monitoring and fiscal management;
- Personnel Management Consistent with Fair Labor Standards/Collective Bargaining Agreement/State Law Enforcement Standards;
- Media Relations
- Mutual Aid Coordination with Local, State and Federal law enforcement agencies

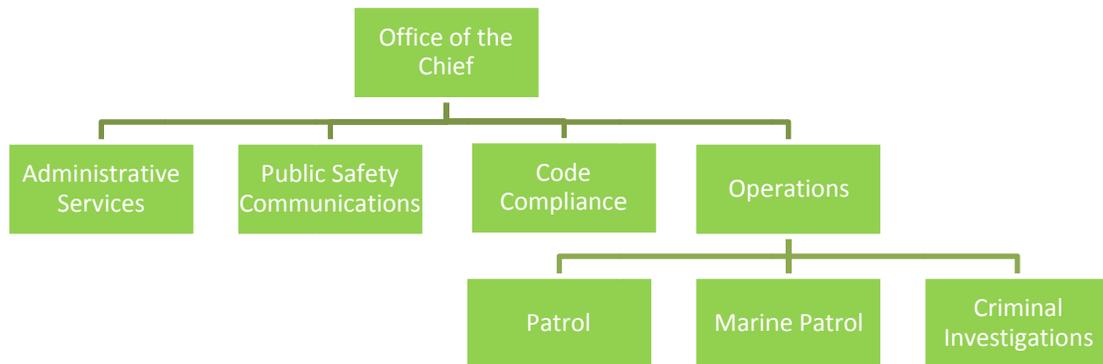
Support functions and departmental logistics also form part of the Police Administration functions, including:

- Emergency Communications (9-1-1 radio communications service);
- Sworn mandatory training, such as firearms and tactics, as well as ensuring that sworn officers receive necessary legal updates (i.e., new State statues, procedural law updates and changes, etc.);
- Fleet Management;
- Equipment inventory and maintenance;
- Property and Evidence Management;
- Off Duty and Special Event Police Service Coordination;
- Internal Affairs and Personnel Compliance; and
- Major Event Coordination and Operational Response.

BAL HARBOUR

POLICE DEPARTMENT

FUNCTION TABLE OF ORGANIZATION



FINANCIAL SUMMARY

	FY 2010/11 Actual	FY 2011/12 Actual	FY 2012/13 Actual	FY 2013/14 Adopted Budget	FY 2014/15 Base Budget	% Change From FY 13/14 Adopted Budget	FY 2014/15 Proposed Budget w Enhancements	% Change From FY 13/14 Adopted Budget
GENERAL FUND								
LAW ENFORCEMENT								
Salaries & Benefits	4,714,068	4,604,416	4,329,208	4,270,310	4,559,171	6.8%	4,938,409	15.6%
Other Operating	807,912	849,995	995,119	850,500	892,140	4.9%	1,128,902	32.7%
Operating Capital								
TOTAL	5,521,980	5,454,412	5,324,327	5,120,810	5,451,311	6.5%	6,067,311	18.5%

BUDGET HIGHLIGHTS

- The Proposed Budget includes the addition of two Dispatcher Positions, one Lieutenant Position, two Police Officers, and one Code Enforcement Officer and related costs (\$501,000)
- First year funding for the replacement of existing fleet vehicles with lease to own vehicles is included (\$115,000)
- With Resort Tax funding a public safety Beach Patrol / Paramedic position is being added, with necessary equipment (\$85,000)
- Expense related to fuel for fleet vehicles is consolidated within Public Works (-\$120,000)

BAL HARBOUR

BUILDING DEPARTMENT

DESCRIPTION

The Building Department is responsible for Enforcing the Florida Building Code, Village Ordinances, and Miami-Dade County Ordinances. Historically, the Village has contracted out its Building Department. On March 01, 2013, CAP Government (CAP) was contracted to provide these Services. A combination of Village and CAP employees work together to provide permitting and inspections to Village residents as governed by the Florida Building Code.

The Building Department is self-funded through permit fees as required by Florida Statute. The Village currently employs two full time permit clerks and CAP is required to provide, at a minimum, all the technical staff required to perform plan review and inspection services. However, the specific staffing levels are currently established by CAP. In exchange for these services, the Village pays CAP 70% of the permit revenue collected up to the first \$50,000 and 65% of the amount in excess of \$50,000.

Specifically, CAP, per the Florida Building Code is required to:

- Enforce the Florida Building Code.
- Coordinate with outside departments including Fire, DERM, Public Works, and Utilities.
- Perform Building, Mechanical, Electrical, Plumbing and Structural plan review.
- Performs inspections for all Building Code disciplines.
- Issue Certificates of Completion and Occupancy.

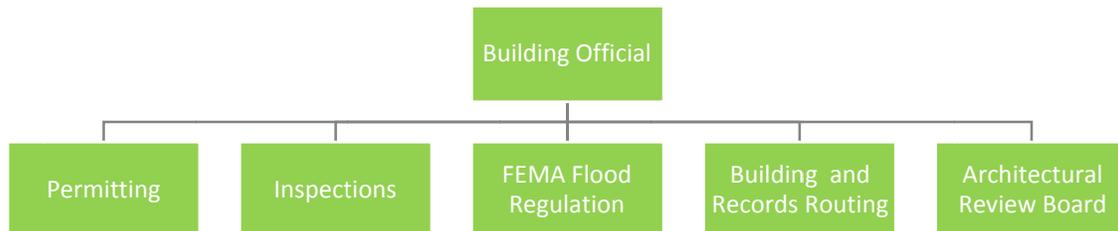
The unique needs of the Village's building department have required that CAP's responsibilities grow, and essentially establish a full-time building director. Some of the additional work unique to this Village include:

- Reviewing all plans prior to submittal to Architectural Review Board (ARB).
- Verifying compliance with the zoning and appearance ordinances.
- Writing recommendations and presents monthly to the ARB.
- Enforcing ARB Certificates of Appropriateness through construction completion.
- Performing Zoning reviews.
- Administering the Community Rating System to ensure residents receive maximum discount for flood insurance.
- Representing the Village in Local Mitigation Strategy Groups.
- Participating in ISO's Building Code Effectiveness Grading Schedule which is used to develop insurance rates for individual properties.
- Implementing a standardized permitting system through development of a standard operating manual and standardization of forms and letters.

BAL HARBOUR

BUILDING DEPARTMENT

FUNCTION TABLE OF ORGANIZATION



FINANCIAL SUMMARY

	FY 2010/11 Actual	FY 2011/12 Actual	FY 2012/13 Actual	FY 2013/14 Adopted Budget	FY 2014/15 Base Budget	% Change From FY 13/14 Adopted Budget	FY 2014/15 Proposed Budget w Enhancements	% Change From FY 13/14 Adopted Budget
GENERAL FUND								
BUILDING								
Salaries & Benefits	168,400	143,399	152,845	182,169	144,925	-20.4%	144,925	-20.4%
Other Operating	211,150	211,068	454,418	383,050	570,700	49.0%	570,700	49.0%
Operating Capital								
TOTAL	379,550	354,467	607,263	565,219	715,625	26.6%	715,625	26.6%

BUDGET HIGHLIGHTS

- The Proposed Budget incorporates funding for Planning and Zoning consulting services previously included within the General Government activity (\$51,700)
- Funding for a potential reorganization of the Department is incorporated as a Reorganization Contingency (\$64,000)

BAL HARBOUR

PARKS AND PUBLIC SPACES

DESCRIPTION

The Parks and Public Spaces Department, is comprised of four (4) areas of focus; Public Works, Facilities, Recreation and Greenspace Management. The Department provides public right-of-way and infrastructure repair and maintenance services, landscape design and maintenance, as well as recreation program management, utilizing a staff of twelve (12) full-time and five (5) part-time employees, along with various contracted service providers. Each unit provides services, which support the infrastructure needs, beautification and upkeep of public spaces and community recreation programming.

Public Works

The Public Works Unit is charged with providing maintenance, repair, and operation of Village infrastructure, including:

- Water, sewer and storm water utility systems
- Street and landscape up lighting
- Street furniture and signage
- Pedestrian walkways and surfaces
- Residential solid waste services
- Transit services;
- Fleet management and,
- Park maintenance

The Public Works Unit is also accountable for Village cleanliness, and is responsible for managing the Solid Waste Collection and Disposal Program. Additionally, the review of all landscape plans submitted for permitting to the Building Department is completed by the Public Works Unit.

Facilities

The Facilities Unit is responsible for the maintenance, repair, and operation of Village buildings and equipment at the following sites;

- Village Hall
- The Police Department
- The Recreation Center
- Bal Harbour Park
- The Public Works Operations Warehouse

Additionally, the Facilities Unit provides oversight for the Village fleet maintenance program along with the administration of the contractor-provided Bal Harbour shuttle service.

BAL HARBOUR

PARKS AND PUBLIC SPACES

Recreation

The Recreation Unit is tasked with providing recreational and leisure programs and services for children, adults and seniors in our community through the use of Village Park and adjacent Recreation Center. Additionally, recreation staff develop and produce several community focused special events during the year to provide additional recreational opportunities for our residents such as;

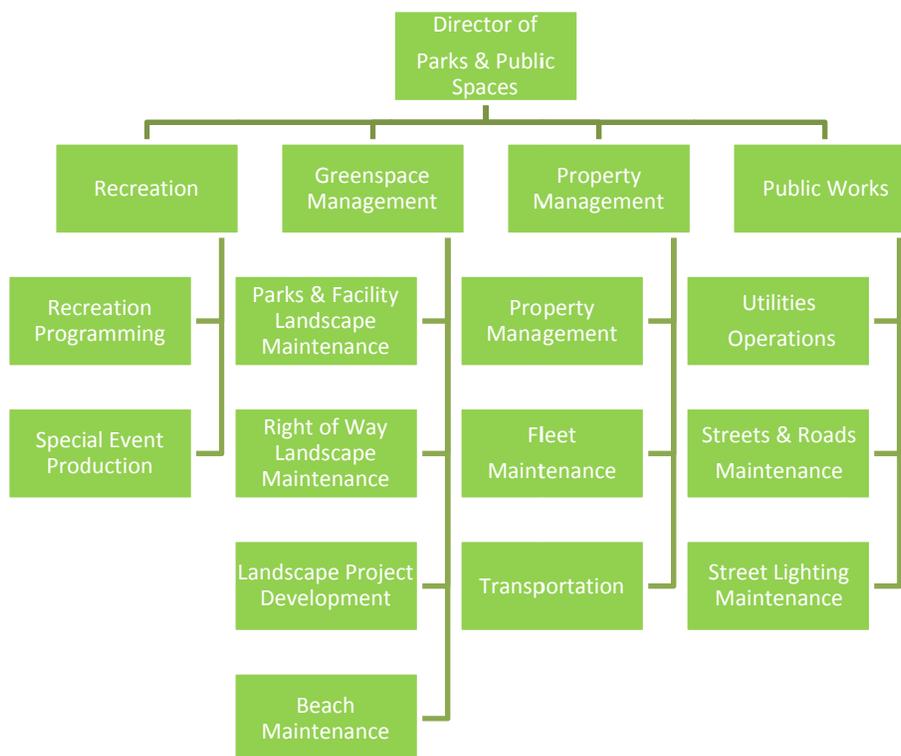
- Labor Day “Summer Seaside Fair”
- Halloween
- Snow Fest
- Spring Egg Hunt

Greenspace Management Program

The Greenspace Management Program is responsible for the grounds maintenance and appearance of the Village, including:

- All building grounds
- Park and Village-controlled medians, swales, and landscape areas (including the beach and the gated residential section)
- The management of the urban forestry program for the Village

FUNCTIONAL TABLE OF ORGANIZATION



BAL HARBOUR

PARKS AND PUBLIC SPACES

FINANCIAL SUMMARY

	FY 2010/11 Actual	FY 2011/12 Actual	FY 2012/13 Actual	FY 2013/14 Adopted Budget	FY 2014/15 Base Budget	% Change From FY 13/14 Adopted Budget	FY 2014/15 Proposed Budget w Enhancements	% Change From FY 13/14 Adopted Budget
PARKS AND PUBLIC SPACES								
General Fund								
PUBLIC WORKS								
Salaries & Benefits	205,910	164,134	393,049	446,456	389,125	-12.8%	389,125	-12.8%
Other Operating	284,605	232,216	1,039,758	946,150	1,202,239	27.1%	1,293,339	36.7%
Operating Capital	5,110	26,586	6,055	460,000	0	-100.0%	100,000	-78.3%
TOTAL	495,625	422,937	1,438,861	1,852,606	1,591,364	-14.1%	1,782,464	-3.8%
PARKS & RECREATION								
Salaries & Benefits	271,461	282,302	248,286	226,487	179,221	-20.9%	179,221	-20.9%
Other Operating	85,259	93,295	83,456	109,100	108,970	-0.1%	108,970	-0.1%
Operating Capital								
TOTAL	445,431	466,055	390,904	419,524	356,133	-15.1%	356,133	-15.1%
TOTAL GENERAL FUND	941,056	888,992	1,829,765	2,272,130	1,947,497	-14.3%	2,138,597	-0.06
Water & Wastewater Utility Fund								
WATER & WASTEWATER UTILITY								
Salaries & Benefits	131,140	125,467	107,103	106,843	174,299	63.1%	180,809	69.2%
Other Operating	1,839,853	3,061,328	2,458,394	3,479,357	3,792,902	9.0%	3,792,902	9.0%
Capital Projects	0	0	0	1,680,000	4,870,000	189.9%	4,870,000	189.9%
TOTAL	1,970,993	3,186,796	2,565,497	5,266,200	8,837,201	67.8%	8,843,711	67.9%
Resort Tax Fund								
BEAUTIFICATION/ GREENSPACE /OTHER RESORT TAX ELIGIBLE								
Salaries & Benefits		232,668	246,011	254,923	255,869	0.4%	311,303	22.1%
Other Operating		869,305	809,888	978,163	1,088,079	11.2%	1,201,445	22.8%
TOTAL		1,101,973	1,055,899	1,233,086	1,343,948	9.0%	1,512,748	22.7%
Landscape & Security Assessment Fund								
LANDSCAPE & SECURITY ASSESSMENT AREA								
Salaries & Benefits								
Other Operating	268,295	573,638	425,534	638,927	618,142	-3.3%	618,142	-3.3%
TOTAL	268,295	573,638	425,534	638,927	618,142	-3.3%	618,142	-3.3%
TOTAL PARKS AND PUBLIC SPACES	3,180,344	5,751,398	5,876,695	9,410,343	12,746,788	35.5%	13,113,198	39.3%

BUDGET HIGHLIGHTS

Public Works

- Facility and Fleet Maintenance related expenses are consolidated within the Public Works activity (\$248,950), these expenses were historically decentralized throughout operating departments and the General Government activity
- Expenditures related to Water and Wastewater Utility operations are moved from the General Fund, into the Utility Fund

BAL HARBOUR

PARKS AND PUBLIC SPACES

- Funding for Contractual Transit Circulator services is reflected within Public Works moved from the General Government activity (\$109,500)
- Funding for the replacement of two existing fleet trucks with lease to own vehicles is included (\$41,100); the replacement of Stormwater Pump Station #2 is included (\$100,000) and funds for the Collins Avenue Beautification Concept Plan are included (\$50,000)

Water and Wastewater

- The Water and Wastewater Utility Proposed Budget includes funding for the commencement of the Utility
- Master Plan Capital Project with funds provided by a State of Florida Allocation (\$600,000), anticipated Miami-Dade County General Obligation Bond Proceed funds (\$6,500,000), and Debt Proceeds (\$380,000); future year funding will need to be obtained to complete this anticipated \$28.8million project
- The Water and Wastewater Utility operating revenue reflects increases as a result of Proposed rate increases driven by Miami-Dade Water and Sewer Department's wholesale rate adjustments and the incorporation of all Utility related expenses within the Utility Fund, these generate an additional \$360,000 over revenue included in FY 2013-14 Adopted Budget

Beautification

- With Resort Tax funding the Proposed Budget includes enhanced pressure cleaning of all sidewalks, curbs, gutters and medians (\$48,300), enhanced landscape maintenance with additional hedge and date palm trimmings (\$50,000), and an enhanced holiday lighting program (\$75,000), and enhanced beach maintenance with daily raking of the sand (\$50,000)

BAL HARBOUR

WATER & WASTEWATER UTILITY FUND

Water & Wastewater Utility Fund

Water and Wastewater services within the Village are provided as an enterprise operation, through the Utility within the Parks and Public Spaces Department. Services are funded as payments for measurable water and wastewater services are consumed. Pursuant to Chapter 180, Florida Statutes, municipalities are authorized to establish just and equitable rates to be paid for the use of the utility. Rates established as charges for services should sustain its operations and satisfy any related debt.

This fund supports the operation and maintenance of the infrastructure, which distributes potable water to residents and businesses; collects, pumps, and transmits wastewater to the County treatment facilities. The activities funded in this area include:

- Professional engineering services;
- Utility locates;
- Water testing;
- Maintenance of sewer station pumps;
- Wet wells and generators;
- Meter installation and service;
- Fire hydrant and water/sewer mains service; and,
- Capital projects relating to the Utility.

The FY 2014-15 Proposed Operating and Capital Budget for the Water and Wastewater Utility Fund is \$8,843,720 which is a 67% increase over the FY 2013-14 Adopted Budget. This increase is a direct result of our beginning to implement the major capital improvements included in the Utility Master Plan for the Village. To fund this increase, we include significant revenue for this major capital investment from an anticipated allocation from Miami Dade County Building Better Communities General Obligation Funds in the amount of \$6,500,000, as well as a State Appropriation of \$600,000, and \$380,000 of issued debt for the Capital Project.

	FY2011 Actual	FY2012 Actual	FY2013 Actual	FY2014 Adopted Budget	FY 2015 Base Budget	% Change From FY 2014 Adopted Budget	FY 2015 Proposed Budget w Enhancements	% Change From FY 2014 Adopted Budget
WATER & WASTEWATER UTILITY FUND								
WATER & WASTEWATER UTILITY								
Salaries & Benefits	131,140	125,467	107,103	106,843	174,299	63.1%	180,809	69.2%
Other Operating	1,839,853	3,061,328	2,458,394	3,479,357	3,792,902	9.0%	3,792,902	9.0%
Capital Projects	0	0	0	1,680,000	4,870,000	189.9%	4,870,000	189.9%
UTILITY FUND TOTAL	1,970,993	3,186,796	2,565,497	5,266,200	8,837,201	67.8%	8,843,711	67.9%

The Village Utility system was constructed in 1946 (nearly 70 years ago) when the Village was initially developed and is experiencing numerous failures which are primarily due to age. The exposure to an abrasive salt water environment accelerates the decay and failure of many pipe materials. The combined age and quality of construction have impacted the integrity of the sewer system and resulted in failures and inflow & infiltration issues which need to be resolved. The Village has prepared a Master Plan which permanently addresses these issues by replacing the entire utility system throughout the Village in order that the health, safety and welfare of the residents will be preserved and that they are provided proper sewer

BAL HARBOUR

WATER & WASTEWATER UTILITY FUND

service for years to come, current estimates provided by the Utility Master Plan for infrastructure projects are at \$28.8million. The FY 2014-15 Proposed Operating and Capital Budget for the Utility Fund depicts future year allocations for the completion of this project. FY 2015-16 expenditure for the project is anticipated at \$8,640,000, FY 2016-17 \$8,640,000, and FY 2017-18 \$7,200,000. The future year expenditures for this project will require the identification of additional funding sources for project completion.

Water & Wastewater Utility Rates

Water and wastewater rates for the Village are presently at \$4.15/1,000 gallons of water consumed with a 3,000 gallon minimum monthly charge for Water and \$6.60/1,000 gallons of water consumed with a 3,000 gallon minimum monthly charge for Waste Water.

The Wastewater rate was last adjusted in November of 2013, from \$5.90/1,000 gallons to \$6.60/1,000 gallons. The Water rate was adjusted in September of 2009, from \$3.75/1,000 gallons of water consumed to \$4.15/1,000 gallons of water.

For the Village utility operations, water is purchased at a wholesale rate from the Miami-Dade County Water and Sewer Department (WASD) and we are charged a wholesale rate for their processing our wastewater. Additionally the City of Miami Beach applies a rate for wastewater which passes through their system as it ultimately travels to the MDWASD plant at Virginia Key.

The Miami-Dade County Water and Sewer Department (WASD) has incorporated rate increases in their proposed FY 2015 Budget, due to projected operating expenses, the first debt service payments due in 2015, and increases in reserve requirements due to new debt. The FY 2015 proposed budget increases by WASD are 3.93% for water and 4.39% for wastewater. They further cautioned that these are the last of the nominal increases we will see from them as the expense of bi-annual debt payments for system-wide infrastructure improvements will be passed on to customers in future years.

Throughout the FY 2015 budget development process, current year and historical line item expenditure detail was analyzed for every department and fund. For the Utility, and public works operations, this process identified expenditures which should properly be charged to the Utility (i.e., personnel, engineering and design, repair, etc.) which were impacting the General Fund rather than the Utility Fund. This means tax dollars and other revenue were subsidizing the operations of this enterprise utility. While this occurred historically and in the current Fiscal Year, the intent is to ameliorate the matter within the FY 2015 Proposed Budget. To accomplish this, the expenses which should properly be charged to the utility for performance of water and wastewater utility functions are being programmed within the utility as well as professional services and expenses for utility related projects (\$175,500) and a 2% general contingency of (\$105,300). A rate adjustment sufficient to offset the reprogramming of these utility related expenses from the General Fund to the Utility Fund are \$4.55/1,000 gallons of water consumed with a 3,000 gallon minimum monthly charge for Water and \$7.30/1,000 gallons of water consumed with a 3,000 gallon minimum monthly charge for Waste Water, these adjustments amount to a 4.40% and 4.79% increase over the rate adjust to pass through Miami-Dade County proposed changes or, a 8.79% and 9.59% increase over current rates respectively.

BAL HARBOUR

WATER & WASTEWATER UTILITY FUND

Water & Wastewater Adjustment Comparisons			
	Current Year Rates	MDC Pass Through Rate Adjustment	Additional Adjustment to end GF Subsidy
Water	\$4.15	\$4.35	\$4.55
Wastewater	\$6.60	\$6.95	\$7.30

The impact of rate adjustments for customers varies by use, the table below summarizes the value of the adjustment for three use scenarios 3,740 gallons, 6,750 gallons, and 10,000 gallons per month. The Miami-Dade County pass through rate adjustment has a monthly value ranging from \$2.06 to \$5.50 per month, and \$24.68 to \$66.00 per year. The additional adjustment to end the General Fund subsidy of the Utility has a monthly value ranging from \$2.06 to \$5.50 per month, and \$24.68 to \$66.00 per year over the rate adjustment to pass through Miami-Dade County proposed changes. Combined, the adjusted rates would have an impact of \$4.11 to \$11.00 per month, and \$49.37 to \$132.00 per year.

Water & Wastewater Adjustment Comparisons			
Average Use in Gallons	3,740	6,750	10,000
MDC Pass Through Rate Adjustment			
<i>Monthly Impact</i>	\$2.06	\$3.71	\$5.50
<i>Annual Impact</i>	\$24.68	\$44.55	\$66.00
Additional Adjustment to end GF Subsidy of Utility			
<i>Monthly Impact</i>	\$2.06	\$3.71	\$5.50
<i>Annual Impact</i>	\$24.68	\$44.55	\$66.00
To Adjust Rates for Both			
<i>Monthly Impact</i>	\$4.11	\$7.43	\$11.00
<i>Annual Impact</i>	\$49.37	\$89.10	\$132.00

A corresponding reduction equal to the reprogrammed expenses has been made to General Fund which will help to reduce the final millage rate required for FY 2014-15 in the event the Council wishes to do so.

The FY 2014-15 Proposed Budget for the Utility Fund incorporates the water and wastewater utility rate adjustments as recommended by the Budget Committee, of \$4.55/1,000 gallons of water consumed with a 3,000 gallon minimum monthly charge for Water and \$7.30/1,000 gallons of water consumed with a 3,000 gallon minimum monthly charge for Waste Water.

BUDGET HIGHLIGHTS

- The Water and Wastewater Utility Proposed Budget includes funding for the commencement of the Utility Master Plan Capital Project with funds provided by a State of Florida Allocation (\$600,000), anticipated Miami-Dade County General Obligation Bond Proceed funds (\$6,500,000), and Debt Proceeds (\$380,000); future year funding will need to be obtained to complete this anticipated \$28.8million project

BAL HARBOUR

WATER & WASTEWATER UTILITY FUND

- The Water and Wastewater Utility operating revenue reflects increases as a result of Proposed rate adjustments driven by Miami-Dade Water and Sewer Department's wholesale rate adjustments and the incorporation of all Utility related expenses within the Utility Fund, these generate an additional \$360,000 over revenue included in FY 2013-14 Adopted Budget

BAL HARBOUR

RESORT TAX

Bal Harbour Village levies a Resort Tax of four percent of the Rent received on the occupancy of a room in any hotel, motel, or apartment house, and two percent of such retail sales of all items of food or beverages, alcoholic or otherwise, sold at retail for consumption on the premises, at any place of business within the Village. This levy is consistent with Part I, Chapter 212, of Florida Statutes.

Bal Harbour Village is one of only three Miami-Dade County municipalities to levy such a tax, and in doing so has enjoyed the benefits derived from this revenue source for beautification and maintenance of the Village and reinvesting in the promotion of tourism and enhancing tourist eligible activities throughout the Village. For the FY 2014-15 Proposed Budget, the Resort Tax Funding allocated for Beautification Greensapce, and other resort tax eligible activities such as Special Events and Community Activities is equivalent to 0.5005 mills, if the services and activities were funded within the General Fund through ad valorem revenue.

	FY2010/11 Actual	FY2011/12 Actual	FY2012/13 Actual	FY2013/14 Adopted Budget	FY 2015 Base Budget	% Change From FY 2014 Adopted Budget	FY 2015 Proposed Budget w Enhancements	% Change From FY 2014 Adopted Budget
RESORT TAX FUND								
TOURISM								
Salaries & Benefits	206,078	216,858	237,321	257,428	260,783	1.3%	253,861	-1.4%
Other Operating	1,722,307	1,880,395	1,769,561	2,056,617	1,837,816	-10.6%	1,780,521	-13.4%
Operating Capital	0	0	0	0	0		325,000	
TOTAL	1,928,385	2,097,253	2,006,882	2,314,045	2,098,599	-9.3%	2,359,382	2.0%
BEAUTIFICATION/ GREENSPACE /OTHER RESORT TAX ELIGIBLE								
Salaries & Benefits		232,668	246,011	254,923	255,869	0.4%	311,303	22.1%
Other Operating		869,305	809,888	978,163	1,088,079	11.2%	1,201,445	22.8%
TOTAL		1,101,973	1,055,899	1,233,086	1,343,948	9.0%	1,512,748	22.7%
TOTAL RESORT TAX	1,928,385	3,199,226	3,062,782	3,547,131	3,442,547	-2.9%	3,872,130	9.2%

The FY 2014-15 Proposed Budget for Resort Tax includes \$1,667,632 or 47.01% for Tourism related activities, \$366,750 for Special Events and Community Activities or 10.34% , and \$1,512,748 or 42.65% for Beautification and Greenspace Maintenance and other Resort Tax Eligible expenses. Further detail regarding Beautification and Greenspace Maintenance activities is included with the Parks and Public Spaces Departmental Narrative, as these activities are managed within that department.

BAL HARBOUR

RESORT TAX

TOURISM DEPARTMENT

The Tourism Department's focus is to position Bal Harbour as the premier luxury and lifestyle destination. To continue to re-invest and support the community by generating business, awareness and building equity for the destination. Such investment will translate into continued and incremental funds, to be used for increasing the quality of life, beautification maintenance and enhancements, and the ongoing creation of programs and events.

In-Market Representation

Bal Harbour Village has eight contracts globally for Sales, Marketing, and PR services. Each office is charged with continuing to develop strategic sales & marketing efforts in each of our main markets: United States, Brazil, Canada, Argentina, Mexico, and Russia.

The markets where we have representation are strategically placed and are intended to offer incremental support, resulting in incremental resort tax revenue. They are chosen based on a series of indicators some of which include: in-country economic indicators, existing Bal Harbour business volumes, historical business volumes, and airlift into Miami.

The focus for Sales & Marketing, is to maximize relationships with the top travel trade communities, select end-consumers, and luxury travel distribution channels selling Bal Harbour as a destination and promotion of all the properties within. These targeted direct sales efforts have proven to increase production and provide critical support for our partners in each market.

Our Public Relations efforts are geared towards generating more news on Bal Harbour, to help build brand equity, in each region. Efforts are tracked weekly, monthly and yearly, based on Bal Harbour edit generated by each office.

In-Country Travel

In-country travel outlines the specific travel schedule for all sales professionals promoting Bal Harbour. Each key market: US/Canada, Argentina/Chile, Mexico, and Brazil, has its own in market calendar and travel to adhere to throughout the course of the year.

The travel trade (travel agents, tour operators, and consortia) continues to be the most important channel for business production in the luxury segment. Through our global network, and direct sales efforts, we are able to strategically target this community. Some sales actions initiated during in-country travel include: sales calls in key markets, hosting educational events for key clients from different sectors, sales trainings for front-line agents, and leveraging key travel agent marketing channels such as Virtuoso, Visit USA, and American Express. Additionally, through in country travel, Bal Harbour attends select tradeshow identified as the most important for the luxury travel trade such as: ILTM (International Luxury Travel Market), POW WOW, and Virtuoso Travel Week.

FAM (familiarizations) Program

FAM program refers to all visiting media and travel trade to Bal Harbour.

The In-Market representation for Public Relations in our key markets enables Bal Harbour to conduct a series of media familiarization trips throughout the year.

These trips result in subsequent media coverage for Bal Harbour from the visiting publication.

BAL HARBOUR

RESORT TAX

Advertising

The advertising program for Bal Harbour has four components: advertising agency and marketing fees, website, contribution to the GMCVB (Greater Miami Convention and Visitors Bureau), and advertising placements.

ADVERTISING/MARKETING FEES

This segment addresses the Bal Harbour creative project and its production. Bal Harbour Council has selected Chandelier Creative to execute these assignments. Other marketing tasks will include creative work such as: promotional items, brochures, collateral materials, etc.

WEBSITE

The existence of a completely functional and engaging web platform is crucial in today's marketplace. The new Bal Harbour website, will integrate the government and tourism sites, post-completion of our core creative efforts. Bal Harbour will build a new website featuring revised brand pillars and new creative direction.

GREATER MIAMI CONVENTION VISITORS BUREAU (GMCVB)

The GMCVB is an accredited destination sales and marketing organization. Its mission is to attract, encourage and induce all persons and organizations to visit Greater Miami and the Beaches for conventions, business and pleasures. Bal Harbour will work with the GMCVB on joint marketing efforts in targeted channels.

ADVERTISING PLACEMENTS

The advertising plan is comprised of a local, national, and international media buy. Bal Harbour works with key publications that are closely aligned with Bal Harbour's pillars and represent our targeted demographic. Approximately \$700,000 annually has been spent historically on media buying. The timing of placements is based on Bal Harbour's need periods and average booking windows.

EVENTS

Bal Harbour's intention is to build programming and events within the community to benefit our visitors and residents. The programs recommended to anniversary this year include: the Unscripted Bal Harbour Art Program and the Fourth of July fireworks.

- The Unscripted Bal Harbour Art Program
- The Unscripted Bal Harbour Museum Access Program
- Unscripted Bal Harbour Art Chats
- Unscripted Bal Harbour's Top Picks
- Fourth of July & New Year's Eve Fireworks

FUNCTIONAL TABLE OF ORGANIZATIONAL CHART



BAL HARBOUR

RESORT TAX

	FY2011 Actual	FY2012 Actual	FY2013 Actual	FY2014 Adopted Budget	FY 2015 Base Budget	% Change From FY 2014 Adopted Budget	FY 2015 Proposed Budget w Enhancements	% Change From FY 2014 Adopted Budget
RESORT TAX FUND								
TOURISM								
Salaries & Benefits	206,078	216,858	237,321	257,428	260,783	1.3%	253,861	-1.4%
Other Operating	1,722,307	1,880,395	1,769,561	2,056,617	1,837,816	-10.6%	1,780,521	-13.4%
Operating Capital	0	0	0	0	0		325,000	
TOTAL	1,928,385	2,097,253	2,006,882	2,314,045	2,098,599	-9.3%	2,359,382	2.0%

BUDGET HIGHLIGHTS

- The Proposed Budget includes reduction to travel, advertising, and promotional activities (-\$143,800)
- The Proposed Budget includes enhancements to Art Programming through the expansion of the Museum Access Program and New Year's Eve Fireworks display (\$57,400); and enhanced communication with residents and visitors through local quarterly printed newsletters, and monthly email newsletters regarding events; and contractual assistance of a Public Information Officer to develop website and social media content (\$118,000)
- Carryforward of \$325,000 from FY 2014 to fund the non-recurring expenses associated with the development and launch of the new Bal Harbour advertising campaign and branding program

BAL HARBOUR

POSITION DETAIL

	FY 2012/13		FY 2013/14		FY 2014/15		Difference	
	Adopted Budget		Adopted Budget		Proposed Budget		FY14/15 Proposed	
	FT	PT	FT	PT	FT	PT	FT	PT
GENERAL FUND								
Legislative	5.00	-	5.00	-	5.00	-	-	-
Administration	4.00	-	5.00	-	6.00	-	1.00	-
Finance	3.00	-	4.00	-	4.00	-	-	-
General Government	1.00	-	1.00	-	-	-	(1.00)	-
Law Enforcement	38.00	-	32.00	1.00	37.00	1.00	5.00	-
Building	2.00	7.00	2.00	2.00	2.00	2.00	-	-
Parks and Recreation	3.00	5.00	3.00	5.00	2.15	5.00	(0.85)	-
Public Works	5.00	1.00	5.00	1.00	5.35	-	0.35	(1.00)
Total General Fund	61.00	13.00	57.00	9.00	61.50	8.00	4.50	(1.00)
WATER AND SEWER FUND								
Water and Sewer	2.00	-	2.00	-	1.50	-	(0.50)	-
Total Water and Sewer Fund	2.00	-	2.00	-	1.50	-	(0.50)	-
RESORT TAX FUND								
Marketing	1.00	1.00	1.00	1.00	1.00	1.00	-	-
Beautification and Maintenance	2.00	-	2.00	-	4.00	-	2.00	-
Total Resort Tax Fund	3.00	1.00	3.00	1.00	5.00	1.00	2.00	-
TOTAL VILLAGE	66.00	14.00	62.00	10.00	68.00	9.00	6.00	(1.00)

BAL HARBOUR

POSITION DETAIL

	FY 2012/13 Adopted Budget		FY 2013/14 Adopted Budget		FY 2014/15 Proposed Budget		Difference FY14/15 Proposed - FY13/14 Adopted	
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GENERAL FUND

Legislative	FT	PT	FT	PT	FT	PT	FT	PT
Mayor	1.00	-	1.00	-	1.00	-	-	-
Councilmember	4.00	-	4.00	-	4.00	-	-	-
Total Legislative	5.00	0.00	5.00	0.00	5.00	0.00	0.00	0.00

Administration	FT	PT	FT	PT	FT	PT	FT	PT
Village Manager	1.00	-	1.00	-	1.00	-	-	-
Village Clerk	1.00	-	1.00	-	1.00	-	-	-
Human Resources Director	1.00	-	1.00	-	1.00	-	-	-
Executive Assistant	1.00	-	1.00	-	1.00	-	-	-
Records Liason	-	-	1.00	-	1.00	-	-	-
Receptionist	-	-	-	-	1.00	-	1.00	-
Total Administration	4.00	0.00	5.00	0.00	6.00	0.00	1.00	0.00

Finance	FT	PT	FT	PT	FT	PT	FT	PT
Finance Director	-	-	1.00	-	1.00	-	-	-
Accounting Clerk	3.00	-	3.00	-	3.00	-	-	-
Total Finance	3.00	0.00	4.00	0.00	4.00	0.00	0.00	0.00

General Government	FT	PT	FT	PT	FT	PT	FT	PT
Receptionist	1.00	-	1.00	-	-	-	(1.00)	-
Total General Government	1.00	0.00	1.00	0.00	0.00	0.00	(1.00)	0.00

Law Enforcement	FT	PT	FT	PT	FT	PT	FT	PT
Police Chief	1.00	-	1.00	-	1.00	-	-	-
Executive Secretary	-	-	1.00	-	1.00	-	-	-
Captain	3.00	-	2.00	-	1.00	-	(1.00)	-
Management Services Administrator	-	-	-	-	1.00	-	1.00	-
Quality Assurance Coordinator	-	-	-	-	-	1.00	-	1.00
Commander	1.00	-	-	-	-	-	-	-
Lieutenant	1.00	-	-	-	1.00	-	1.00	-
Training Sergeant	1.00	-	1.00	-	1.00	-	-	-
Investigation Sergeant	1.00	-	-	-	-	-	-	-
Administrative Sergeant	-	-	1.00	-	1.00	-	-	-
Patrol Sergeant	4.00	-	4.00	-	4.00	-	-	-
Detective	2.00	-	2.00	-	2.00	-	-	-
Motorcycle Officer	3.00	-	2.00	-	-	-	(2.00)	-
Canine Officer/Handler	2.00	-	1.00	-	1.00	-	-	-
Officer	10.00	-	9.00	-	13.00	-	4.00	-
Code Enforcement Officer	1.00	-	1.00	-	2.00	-	1.00	-
Public Service Aide	1.00	-	1.00	-	1.00	-	-	-
Dispatcher	4.00	-	4.00	-	6.00	-	2.00	-
Records Administrator	2.00	-	1.00	1.00	1.00	-	-	(1.00)
Mechanic	1.00	-	1.00	-	-	-	(1.00)	-
Total Law Enforcement	38.00	0.00	32.00	1.00	37.00	1.00	5.00	0.00

BAL HARBOUR

POSITION DETAIL

	FY 2012/13 Adopted Budget		FY 2013/14 Adopted Budget		FY 2014/15 Proposed Budget		Difference FY14/15 Proposed - FY13/14 Adopted	
	FT	PT	FT	PT	FT	PT	FT	PT
Building								
Building Official*	-	1.00	-	1.00	-	1.00	-	-
Permit Clerks	2.00	-	2.00	-	2.00	-	-	-
Clerical Assistant	-	1.00	-	1.00	-	1.00	-	-
Inspectors	-	5.00	-	-	-	-	-	-
Total Building	2.00	7.00	2.00	2.00	2.00	2.00	0.00	0.00
*Building Official is a contracted position								
Recreation								
Parks & Public Spaces Director					0.15	-	0.15	-
Parks and Rec. Director	1.00	-	1.00	-	-	-	(1.00)	-
Park Attendants	2.00	5.00	2.00	5.00	2.00	5.00	-	-
Total Recreation	3.00	5.00	3.00	5.00	2.15	5.00	(0.85)	0.00
Public Works								
Parks & Public Spaces Director					0.35	-	0.35	-
Public Works Director	1.00	-	1.00	-	1.00	-	-	-
Maintenance Staff	4.00	-	4.00	-	2.00	-	(2.00)	-
Management Analyst					1.00	-	1.00	-
Secretary	-	1.00	-	1.00	-	-	-	(1.00)
Mechanic					1.00	-	1.00	-
Total Public Works	5.00	1.00	5.00	1.00	5.35	0.00	0.35	(1.00)
TOTAL GENERAL FUND	56.00	13.00	52.00	9.00	56.50	8.00	4.50	(1.00)
WATER AND SEWER FUND								
Water and Sewer								
Parks & Public Spaces Director	1.00	-	1.00	-	0.30	-	(0.70)	-
Maintenance Staff	1.00	-	1.00	-	1.20	-	0.20	-
Total Water and Sewer	2.00	0.00	2.00	0.00	1.50	0.00	(0.50)	0.00
TOTAL WATER AND SEWER FUND	2.00	0.00	2.00	0.00	1.50	0.00	(0.50)	0.00
RESORT TAX FUND								
Marketing								
Tourism/Marketing Director	1.00	-	1.00	-	1.00	-	-	-
Assistant	-	1.00	-	1.00	-	1.00	-	-
Total Marketing	1.00	1.00	1.00	1.00	1.00	1.00	0.00	0.00
Beautification and Maintenance								
Parks & Public Spaces Director					0.20	-	0.20	-
Maintenance Staff	2.00	-	2.00	-	3.80	-	1.80	-
Total Beautification and Maintenance	2.00	0.00	2.00	0.00	4.00	0.00	2.00	0.00
TOTAL RESORT TAX FUND	3.00	1.00	3.00	1.00	5.00	1.00	2.00	0.00
TOTAL VILLAGE	66.00	14.00	62.00	10.00	68.00	9.00	6.00	(1.00)

BAL HARBOUR

POSITION DETAIL

	FY 2012/13 Adopted Budget		FY 2013/14 Adopted Budget		FY 2014/15 Proposed Budget		Difference FY14/15 Proposed - FY13/14 Adopted		
	FT	PT	FT	PT	FT	PT	FT	PT	
Building									
Building Official*	-	1.00	-	1.00	-	1.00	-	-	
Permit Clerks	2.00	-	2.00	-	2.00	-	-	-	
Clerical Assistant	-	1.00	-	1.00	-	1.00	-	-	
Inspectors	-	5.00	-	-	-	-	-	-	
Total Building	2.00	7.00	2.00	2.00	2.00	2.00	0.00	0.00	
*Building Official is a contracted position									
Recreation									
Parks & Public Spaces Director					0.15	-	0.15	-	
Parks and Rec. Director	1.00	-	1.00	-	-	-	(1.00)	-	
Park Attendants	2.00	5.00	2.00	5.00	2.00	5.00	-	-	
Total Recreation	3.00	5.00	3.00	5.00	2.15	5.00	(0.85)	0.00	
Public Works									
Parks & Public Spaces Director					0.35	-	0.35	-	
Public Works Director	1.00	-	1.00	-	1.00	-	-	-	
Maintenance Staff	4.00	-	4.00	-	2.00	-	(2.00)	-	
Management Analyst					1.00	-	1.00	-	
Secretary	-	1.00	-	1.00	-	-	-	(1.00)	
Mechanic					1.00	-	1.00	-	
Total Public Works	5.00	1.00	5.00	1.00	5.35	0.00	0.35	(1.00)	
TOTAL GENERAL FUND	56.00	13.00	52.00	9.00	56.50	8.00	4.50	(1.00)	
WATER AND SEWER FUND									
Water and Sewer									
Parks & Public Spaces Director	1.00	-	1.00	-	0.30	-	(0.70)	-	
Maintenance Staff	1.00	-	1.00	-	1.20	-	0.20	-	
Total Water and Sewer	2.00	0.00	2.00	0.00	1.50	0.00	(0.50)	0.00	
TOTAL WATER AND SEWER FUND	2.00	0.00	2.00	0.00	1.50	0.00	(0.50)	0.00	
RESORT TAX FUND									
Marketing									
Tourism/Marketing Director	1.00	-	1.00	-	1.00	-	-	-	
Assistant	-	1.00	-	1.00	-	1.00	-	-	
Total Marketing	1.00	1.00	1.00	1.00	1.00	1.00	0.00	0.00	
Beautification and Maintenance									
Parks & Public Spaces Director					0.20	-	0.20	-	
Maintenance Staff	2.00	-	2.00	-	3.80	-	1.80	-	
Total Beautification and Maintenance	2.00	0.00	2.00	0.00	4.00	0.00	2.00	0.00	
TOTAL RESORT TAX FUND	3.00	1.00	3.00	1.00	5.00	1.00	2.00	0.00	
TOTAL VILLAGE	66.00	14.00	62.00	10.00	68.00	9.00	6.00	(1.00)	



BAL HARBOUR