

BAL HARBOUR VILLAGE BUDGET COMMITTEE
REGULAR MEETING MINUTES – JULY 30, 2013

A Regular Meeting of the Bal Harbour Village Budget Committee was held on Tuesday, July 30, 2013, in the Council Chamber at Bal Harbour Village Hall (655 – 96th Street, Bal Harbour, Florida).

The meeting was called to order at 8:40 p.m. by Councilman Packer.

1. CALL TO ORDER/ROLL CALL: The following members were present:

Councilman Martin Packer
Dina V. Cellini
Seth E. Salver
Raj Singh

Absent: Michael M. Krop

Others Present: Mayor Jean Rosenfield¹
Assistant Mayor Joni D. Blachar²
Councilwoman Patricia Cohen
Councilman Jaime M. Sanz³
Jay Smith, Interim Village Manager
Ellisa L. Horvath, MMC, Village Clerk

As a quorum was determined to be present, the meeting commenced.

2. PLEDGE OF ALLEGIANCE: The pledge was previously done at the Special Council Meeting.

DISCUSSION OF VILLAGE'S ADMINISTRATIVE CHARGES FOR THE GATED AREA: It was the consensus of the Committee to discuss Tab 3 out of order. The Committee commenced discussion on the Administrative Charges, estimated by Mr. Smith to be \$18,508.39.

Councilman Packer suggested that the Gated Area hire someone to handle the day-to-day operations for their area and eliminate the Village's Administrative Fee from the budget.

Stuart Sobel - 271 Bal Cross Drive, noted that Kent Security was taking over control of the security for the Gated Area.

Anamarie Kelly Stoppa - 77 Camden Drive, questioned if Kent Security would also handle policing and patrolling in the Gated Area. Councilman Packer advised that would still be done by the Police Department.

¹ Mayor Rosenfield left the meeting during Discussion of Proposed Budget for the Police Account.

² Assistant Mayor Blachar left the meeting after Discussion of Village's Administrative Charges for the Gated Area.

³ Councilman Sanz left the meeting during Discussion of Proposed Budget for the Police Account.

Ms. Cellini thought that since Kent Security would be handling the eGO pass process, instead of the Police Department, the Village's Administrative Charges for the next fiscal year would be less, until the Gated Residential Section Advisory Committee (RAC) found a management person/company. She urged the RAC to have Kent Security also handle the keys for the Gated Area.

Ms. Stoppa noted that she had legal documents that she owned 77 Camden Drive, but had been denied access to the Gated Area. Councilman Packer thought that Kent would provide Ms. Stoppa with an eGO pass and will discuss that with Village Attorney Richard Weiss.

Assistant Mayor Blachar clarified that another family lived at 77 Camden Drive, not Mrs. Stoppa, and it wasn't within Councilman Packer's scope to determine who should have access into the Gated Area.

Assistant Mayor Blachar left the meeting.

3. APPROVAL OF MINUTES - JULY 9, 2013 REGULAR MEETING: Ms. Cellini requested that page 3 (Health Insurance) be clarified that retired Village employees could keep the Village's insurance.

A motion was offered by Mr. Singh and seconded by Mr. Salver to approve the July 9, 2013 Regular Meeting Minutes, as clarified. The motion carried (4-0).

4. DISCUSSION OF TOP TEN VILLAGE VENDORS: The Committee commenced discussion on the top ten Village vendors (October 1, 2012 to date).

The following items were highlighted:

Mr. Wallace will provide:

- The total amount spent for the IT Company (Professional Network Solutions)
- A list of vendors (paid \$50,000.00 and above) for Fiscal Year 2012/2013 and Year to date for Fiscal Year 2013/2014
- A list of large vendors (paid \$50,000.00 and above) on the purchasing cards, regardless of the employee

Beth Berkowitz - 10160 Collins Avenue, suggested review of who had the purchasing cards and the number of employees that needed to have them. She suggested that someone be assigned to control the purchasing department. Councilman Packer noted that could be looked at.

Mr. Smith felt comfortable with the employees who had the cards. He noted that Marcum (Village Auditors) had provided a proposal (\$5,000.00), to audit the purchasing cards. Mr. Singh thought that an audit would be up to the Council to decide.

Mr. Singh discussed the difficult threshold that had to be met, for the Village to receive the rebate for the cards and noted that residents were discouraged by the purchasing card system. He suggested that the Committee recommend that the Council provide an American Express card for employees who traveled and provide the rest of the employees

that needed cards with a limit and immediate review. He noted that there was room for tighter controls. Mr. Singh will schedule an appointment to review the card charges.

Mr. Wallace reported that there were credit limits on the existing cards.

Chief Daddario explained the need for police personnel to have cards. Ms. Cellini questioned the need for Ms. Arneson to have a card, since she only worked one day a week. Mr. Singh suggested that one person in each department, as well as the department head, have a card for purchasing. Chief Daddario was fine with having fewer cards.

Councilwoman Cohen reviewed some of the card charges and questioned the number of meetings that food and water was needed. Chief Daddario explained those were prior charges, when Chief Hunker was with the Department.

Mr. Salver left the meeting.

Councilwoman Cohen agreed that changes needed to be made in the future and the charges needed to be looked at. She spoke in favor of an independent audit, to review the charges.

David Kwiat - 10185 Collins Avenue, spoke against the need for everyone to have a card.

Mr. Salver returned to the meeting.

Mr. Singh questioned the last time the Village received the 5% rebate. Mr. Wallace clarified that it was .5%. He will provide information on the last time the Village received the rebate.

5. DISCUSSION OF VILLAGE'S ADMINISTRATIVE CHARGES FOR THE GATED AREA: This item was discussed earlier in the meeting.

6. DISCUSSION OF PROPOSED BUDGET FOR THE POLICE ACCOUNT: The Committee commenced discussion on the Police budget.

Michael Daddario, Interim Police Chief, addressed the Committee.

The following items were highlighted:

Red Light Cameras: Mr. Wallace will review the revenue, report, and expenditures for accuracy. Mr. Singh requested the net figure.

Councilman Sanz left the meeting. Mayor Rosenfield left the meeting.

Overtime: Chief Daddario explained that Police Officers working at the Consultatio project site were on off-duty, not overtime, and did not cause a staff shortage.

Retirement: Mr. Wallace discussed the Actuary calculations, based on 72% of payroll.

Mr. Singh noted that anything that went into fund balance before was not available, which

could be considered overtaxing the residents. Mr. Wallace explained the forecast, but explained that he wouldn't know until the audit was done. Mr. Singh requested that it be looked at.

Mr. Singh suggested that if the \$795,000.00 (appropriated to pay money back to the Federal government) wasn't spent this year it should be moved to revenue for next year, instead of budgeted for twice. Mr. Wallace explained that the money would go into fund balance as unspent and would have to be appropriated to be spent. Mr. Salver agreed with Mr. Singh. Mr. Wallace explained that by Charter and State law anything that wasn't spent would lapse and could not be spent anymore. He added that would go into the General Fund and would have to be appropriated.

Mr. Singh requested that the numbers be more realistic and not to carry a budgeted item from year to year, without any real rationale behind it. He spoke in favor of cuts in every department.

Mr. Wallace noted that the Committee could make a recommendation to re-appropriate the Fund Balance for specific items.

Councilwoman Cohen questioned how changes would be initiated, since there was consensus to do so.

Mr. Salver spoke in favor of re-appropriating the funds that weren't used. Councilman Packer noted that Mr. Wallace had explained that unused funds would be expired and could not be used. Mr. Singh noted that when an amount lapsed and went into the General Fund that was a one-time charge, it should be appropriated for that specific line item. He added that the net effect would be nothing, but the taxpayer wouldn't be charged anything.

Mr. Singh suggested that the same level of service be provided, with a 10% decrease in each budget. He thought that the worst case scenario should be the rolled-back rate, but shouldn't be the current rate. Mr. Wallace would be surprised, if the millage rate wasn't lowered. He cautioned against the rolled-back rate. Mr. Singh noted that residents thought that their taxes should be lower, since the St. Regis property was now on the tax roll.

Salaries: Ms. Cellini questioned the same amount being budgeted, since one officer had resigned. Mr. Smith wasn't sure on the status of that Officer, since he had rescinded his resignation. He agreed that the calculations needed to be redone if the Officer's resignation remained valid.

Ms. Cellini spoke in favor of increasing the amount (\$1.3 million had been mentioned as the possible amount to be paid back to the Federal government) for the DOJ investigation. Mr. Wallace suggested waiting and appropriating the money from Fund Balance, if the Village had to pay the Federal government. Mr. Singh agreed that should be kept in mind.

Councilwoman Cohen questioned the same budget amount, if there were nine less employees. Mr. Smith explained that the employees from the Police VIN unit were now being paid by the Police Department, in lieu of forfeiture funds. Councilwoman Cohen questioned the need for those Officers. Mr. Smith noted that the Police manpower was now less than when Chief Hunker started. Councilwoman Cohen spoke in favor of cutting the budget. Chief Daddario explained how the VIN Police Officers were absorbed into the

Police budget. Councilman Packer noted that the strength of the Police Department was the same and the Officers that were absorbed were doing different jobs. Councilwoman Cohen spoke in favor of reviewing the number of Officers, etc. and what the Village's needs were. Chief Daddario will meet with Councilwoman Cohen.

Mr. Wallace noted that there was a pending budget amendment, which would raise the amount of the current year's budget.

Mr. Singh questioned Chief Daddario if he could cut 5% to 10% from the budget. Chief Daddario discussed the desire to have an Officer, in lieu of money for traveling to conferences.

Telephone: Mr. Singh suggested that this item be decreased. Chief Daddario noted that the air cards, used for online report writing, were also under this line item. He is receiving prices from another provider.

Mr. Salver suggested a wireless signal from Village Hall.

Mr. Singh thought that AT&T should have been listed as a top vendor.

K-9 Unit: Ms. Cellini suggested a mutual aid agreement, with another Department, for a K-9 unit, in lieu of the Village having its own. Chief Daddario noted that the Village owned the dog and if the vehicles were sold then the money would have to be given back to the federal government. He spoke in favor of keeping the K-9 unit.

Sergeant Jack Young explained that the dog and the handler (Police Officer) were together, so the Village couldn't sell the dog to another agency.

Mr. Singh spoke in favor of tweaking the numbers for the budget. Chief Daddario reviewed the Officers and staff.

Mr. Singh suggested doing a cost benefit analysis, to lease 25 vehicles at \$600.00 each (lease and striping), which he estimated to cost \$180,000.00 annually (the current budget of Maintenance of Vehicles and Rentals/Leases was \$350,000.00). He also suggested paying \$300.00 monthly, for Officers to drive their own vehicles to and from work.

Councilwoman Cohen discussed phasing out the training trailer.

Chief Daddario spoke in favor of keeping the training trailer, since there wasn't another room to conduct training. Mr. Singh suggested a cost benefit analysis to determine if it was better to send people off-site for training. Chief Daddario didn't think that sending Officers off-site would be sufficient enough and would also take the Officer out of the Village. He discussed agency specific training, which was done in the trailer. Ms. Cellini discussed the 4-year certification requirement, etc.

OTHER BUSINESS:

Mr. Singh questioned if the Resort Tax Committee's art program was self-sustained.

Mr. Salver recommended that resort tax funds be used for the beach storage boxes. Ms.

Cellini spoke against doing so, since she thought those needed to be paid by the buildings.

7. DISCUSSION OF FUTURE MEETING DATE: *It was the consensus of the Committee to schedule a meeting for August 8, 2013, at 7:00 p.m. to discuss the Committee's recommendations to the Council.*

8. OTHER BUSINESS:

Councilwoman Cohen suggested that the formula for the Gated Area assessments be changed, to be based on square footage.

Mr. Singh explained that it would be considered a tax, if it was based on the value of a property.

Mr. Salver suggested that the formula be based on lot size.

Mr. Smith discussed the numerous meetings held by the Gated Residential Section Advisory Committee, for review of the formula.

Mr. Singh noted that any legal grievances regarding the special assessment would come to the Council, since it was the Council's responsibility. He suggested that an impartial person (judge, etc.), from the outside, review the formula.

Councilman Packer suggested that the Council hold a workshop meeting, to discuss the issue. He pointed out that the Council appointed the Gated Residential Section Advisory Committee and they weren't elected by the residents in the Gated Area and may not reflect the feelings in the community. He agreed that maybe an impartial person should review it.

Mr. Singh felt that the Council did the right thing today (approving the initial assessment resolution) and the year should be used to review the formula.

Ms. Cellini explained the continuous discussions regarding the formula and the majority heard (at the Civic Association and the RAC meetings) were in favor of the current assessment, although many apartment owners had hoped to change the formula.

Councilwoman Cohen spoke in favor of the Council getting a sense of what the community wanted, before it was considered by the RAC.

Mr. Singh suggested that the formula be reviewed during the year.

Mr. Wallace clarified that the public hearing, in September, was for the property owners to voice their concerns regarding and/or challenge the assessment.

Ms. Cellini noted that the Council minutes (2011) should show that residents voiced their objections to the formula and the Council just approved the RAC recommendation to keep the formula the same.

Councilman Packer discussed the possible need for the Council to over-ride the RAC recommendation.

Councilwoman Cohen spoke in favor of the Village also sending out a letter to the homeowners regarding the assessment, in addition to the tax notice.

Ms. Cellini noted that any letter concerning that should be charged to the RAC.

Susan Packer, 10205 Collins Avenue, noted that if the Council approved broadcasting the meetings, then everyone could hear what was being discussed.

9. ADJOURN: There being no further business, a motion was offered by Mr. Salver and seconded by Mr. Singh to adjourn. The motion carried (4-0) and the meeting was adjourned at 11:04 p.m.

Attest:




Ellisa L. Horvath, MMC, Village Clerk


Councilman Martín Packer