

COUNCIL MINUTES
SECOND BUDGET HEARING – SEPTEMBER 29, 2005

The Second Budget Hearing of Bal Harbour Village was held on Thursday, September 29, 2005, in the Council Chambers at Bal Harbour Village Hall. The meeting was called to order at 5:30 p.m. by Mayor Roth. The roll was called and those present were:

Mayor Seymour "Sy" Roth
 Assistant Mayor Howard J. Berlin¹
 Councilman Joel S. Jacobi
 Councilman Jean Rosenfield

Also present: Alfred J. Treppeda, Village Manager
 Ellisa L. Horvath, Village Clerk
 David Wolpin, Village Attorney

Absent: Councilman Jaime M. Sanz

As a quorum was determined to be present, the meeting commenced. The Pledge of Allegiance was led by Village resident Brian Mulheren.

2. ANNOUNCEMENT: Mrs. Horvath announced that the Bal Harbour Village rolled-back millage rate is 2.536 mills. The proposed millage rate is 2.902 mills, which is 14.43% greater than the rolled-back rate.

3. DISCUSSION OF PROPOSED TAX MILLAGE RATE AND DISCUSSION OF PROPOSED BUDGET: Mr. Treppeda conducted a Powerpoint presentation reviewing the Proposed Operating Budget for Fiscal Year 2005/2006, highlighting the following items:

- Taxable Property Values Increased by 23.2% (\$350,195,168)
- Proposed Millage Rate 2.902 – 14.43% greater than rolled-back rate of 2.536 (Shows as an Increase due to Property Value Increase)
- Bal Harbour's Millage is the 5th Lowest in Miami-Dade County
- Chart Showing Bal Harbour's Millage Rate Since 1978
- Comparison of Year-to-Year Taxes Paid to Bal Harbour
- Expenditure % by Department
 - Law Enforcement – 39%
 - General Government – 18%
 - Building & Zoning – 12%
 - Roads/Streets & Open Space – 9%
 - Solid Waste – 7%
 - Executive – 5%
 - Park & Recreation – 4%
 - Legislative – 4%
 - Finance – 2%
- Expenditure Increase/Decrease by Department

¹ Assistant Mayor Berlin participated via telephone for the Budget Ordinance portion only.
 Council Meeting – Second Budget Hearing 09/29/2005

- Total Increase \$2,541,661 (Not a True Increase)
- Budget Increase Adjusted for Restricted Revenues
 - \$963,000 is for Bond Money
 - \$991,587 is Building Department Operations
 - True Increase is \$587,074
- Largest Expenditure Increases/Decreases
 - General Government – Bond Money (\$963,000)
 - Building Department – Excess Revenue \$873,670
 - Police – Increase of \$391,006 for PBA Contract
 - Parks and Recreation – Increase of \$158,009
 - New Employees, Recreation Center, Special Events
- Bal Harbour Total Tax Bill Comparison
 - Total Rate Decrease of 1.53%
- Largest Revenue Sources
 - Property Taxes – 49.5%
 - Licenses and Permits – 15% (Can Only be Spent in Bldg. Dept.)
 - Franchise and Utility Taxes – 12.8%
 - County Bond Money – 9.3%
 - (Can Only be Spent on the Village Hall/Police Station Project)
 - Contribution from Fund Balance – 4.8%
 - Intergovernmental Revenue – 4.3%
 - Miscellaneous Revenue – 3.1%
 - Fines and Forfeitures – 0.9%
 - Charges for Services – 0.3%
- Water Fund
 - Increase 29.2% (increase from \$1.85 to \$2.30 per thousand gallons)
- Sewer Fund
 - Increase 21.5% (increase from \$2.84 to \$3.45 per thousand gallons)

Mr. Treppeda explained that residents can discuss the water/sewer rate increases at the regular Council meeting on October 18, 2005. He advised that notice of the increases and the hearing will be shown on the next water bill. Mayor Roth advised that if the County uses the highest budget it will go up 1.7%. He doesn't think any of the resident's taxes will go up more than that, as long as they have Homestead Exemption.

Mayor Roth opened the meeting for public discussion.

Babak Raheb, resident – 128 Balfour Drive, discussed his concerns regarding expenditures in the Tourism Fund. He is concerned about spending advertising dollars, when the Sheraton will be closing and the One Bal Harbour will not be open. Mr. Raheb thinks that the reserves should be kept higher, instead of expenditures. He reviewed the Water Fund and expressed his concern about the reserves. He suggested borrowing money and keeping the reserve higher. Mr. Raheb reviewed the General Fund and thinks that the Council should promote fiscal responsibility. He discussed the Law Enforcement Fund (40% of the budget), which he thinks is too much for Bal Harbour. He thinks there are a lot of overexpenditures in the medians, flowers, etc. He is concerned about fiscal responsibility, because the Sheraton is closing and the Village doesn't know what the budget will be, or the affects of Katrina in the future and what expenses the Village will be facing. He requested not to raise taxes just to cover spending money. Mr. Raheb discussed the \$1 million shortfall and covering ½ million with reserves and ½ million with taxes.

Mayor Roth discussed the Resort Tax Fund being short ½ million and advised that he brought that up and thought that they shouldn't spend more than what is taken in, since the Sheraton will be closed for four months in that proposed fiscal year (June, July, August, and September 2006) and the Village will not receive revenue. Mayor Roth thinks that the budget of the Resort Tax Committee is fiscally irresponsible and agreed with Mr. Raheb. He discussed the Law Enforcement Fund and thinks that the residents like the visibility and safety of the police and are willing to pay for that.

Dan Holder, resident – 24 Bal Bay Drive, discussed the proposed Recreation Center House, which is 15 feet from his building. He advised that their concerns are outdoor activities, loud indoor activities with the windows open, and parties/special events. Mr. Holder would like the staff to avoid being a noise nuisance and would like those policies to be codified. Councilman Jacobi advised that this meeting is not the right forum for that and suggested that Mr. Holder come to the October Council meeting. Councilman Rosenfield requested that Mr. Holder attend the October Council meeting to discuss his concerns. Mr. Holder advised that they are okay with the numbers.

Dina Cellini, resident – 211 Bal Cross Drive, discussed the Security District Budget and her concern that the contract for the security gate is not subject to the same requirements that other Village contracts are subject to (putting out to bid, etc.). She thinks that the Village has a duty to go out to bid for the service, since the Village is now entering into the contract for this service. She requested that the Council come up with a procedure whereby the Village would seek bids from numerous security companies. Mr. Wolpin explained that the Village now has a direct contract with Kent Security, which has an annual renewal provision. He reported that the Council can request the Village Manager to look into whether there are other service providers for a better price, in accordance with the terms of the agreement, but explained that the security service doesn't require bidding under the Village Code. Mrs. Cellini questioned the expiration date of the contract with Kent. Mayor Roth requested Mr. Treppeda to research this and report back to the Council. Mrs. Cellini explained that at the First Budget hearing Mr. Treppeda confirmed that the maintenance of the open space outside the guard gate between the gate and Collins Avenue is covered in this budget. She questioned if that has also been covered under the Bal Harbour budget in past years. Mr. Treppeda responded that it has been. Mrs. Cellini questioned if it has been covered under any other budget besides the Village of Bal Harbour. Mr. Treppeda responded that it has not.

Brian Mulheren, resident – 10245 Collins Avenue, discussed the Tourism Fund and doesn't think that there is any reason to spend money for advertising, when the Sheraton will not be open and only the Sea View will be open. He discussed the Law Enforcement Fund and thinks that is a public safety issue and the services provided should be kept as proposed, or even increased.

4. RESOLUTION – ADOPTION OF THE FINAL MILLAGE RATE: A resolution was read by title, by Mrs. Horvath, adopting the final millage rate for fiscal year 2005/2006.

Mayor Roth opened the meeting for public discussion. There being no comments, Mayor Roth closed the meeting for public discussion.

A motion was offered by Councilman Jacobi and seconded by Councilman Rosenfield to approve the Resolution adopting a final millage rate for fiscal year 2005/2006. The motion carried unanimously (3-0), with Assistant Mayor Berlin and Councilman Sanz absent. Thus becoming:

RESOLUTION NO. 675

A RESOLUTION OF BAL HARBOUR VILLAGE, FLORIDA, ADOPTING A FINAL MILLAGE RATE FOR FISCAL YEAR 2005/2006; PROVIDING FOR AN EFFECTIVE DATE.

Assistant Mayor Berlin was contacted at this time, via telephone, to participate in the next item.

5. ORDINANCE SECOND READING/PUBLIC HEARING: An ordinance was read by title, by Mrs. Horvath, adopting a Budget for All Village Funds for fiscal year 2005/2006.

The public hearing was opened by Mayor Roth.

Babak Raheb, resident – 128 Balfour Drive, requested fiscal responsibility.

There being no additional comments, Mayor Roth closed the public hearing.

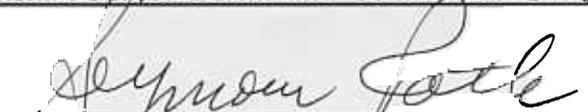
A motion was offered by Councilman Jacobi and seconded by Councilman Rosenfield to approve the Ordinance adopting a Budget for All Village Funds, for fiscal year 2005/2006. The motion carried with the vote as follows: Mayor Roth aye; Assistant Mayor Berlin aye; Councilman Jacobi aye; Councilman Rosenfield aye; Councilman Sanz absent. Thus becoming:

ORDINANCE NO. 501

AN ORDINANCE OF BAL HARBOUR VILLAGE ADOPTING A BUDGET FOR ALL VILLAGE FUNDS FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2005, AND ENDING SEPTEMBER 30, 2006; APPROPRIATING REVENUES AND OTHER FUNDS IN THE AMOUNT OF \$18,132,128; AUTHORIZING EXPENDITURES; AND ESTABLISHING AN EFFECTIVE DATE.

Assistant Mayor Berlin hung up the telephone at this time.

6. ADJOURN: There being no further business to come before the Council, *a motion was offered by Councilman Jacobi and seconded by Councilman Rosenfield to adjourn. The motion carried unanimously (3-0), with Assistant Mayor Berlin and Councilman Sanz absent; and the meeting adjourned at 6:00 p.m.*



Mayor Seymour Roth

Attest:



Ellisa Horvath, CMC
Village Clerk