

BAL HARBOUR VILLAGE COUNCIL MEETING MINUTES **FIRST BUDGET HEARING – SEPTEMBER 4, 2012**

The First Budget Hearing of Bal Harbour Village was held on Tuesday, September 4, 2012, in the Council Chambers at Bal Harbour Village Hall (655 – 96th Street, Bal Harbour, Florida).

1. CALL TO ORDER/ROLL CALL: The meeting was called to order at 5:05 p.m. by Mayor Rosenfield. The following were present:

Mayor Jean Rosenfield
Assistant Mayor Joni D. Blachar
Councilman Martin Packer
Councilman Jaime M. Sanz

Alfred J. Treppeda, Village Manager
Ellisa Horvath, MMC, Village Clerk
Matthew Pearl, Village Attorney

Absent: Councilwoman Patricia Cohen

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

2. PLEDGE OF ALLEGIANCE: The Pledge was led by Finance Director Chris Wallace.

3. ANNOUNCEMENT: Mayor Rosenfield reported that the proposed millage rate was the lowest, since Bal Harbour's incorporation.

Mayor Rosenfield announced the following:

THE BAL HARBOUR VILLAGE ROLLED-BACK MILLAGE RATE IS 2.2678 MILLS. THE NEW PROPOSED MILLAGE RATE IS 2.2678 MILLS, WHICH IS EQUAL TO THE ROLLED-BACK RATE.

4. DISCUSSION OF PROPOSED TAX MILLAGE RATE AND PROPOSED BUDGET FOR FISCAL YEAR 2012/2013:

Mayor Rosenfield opened the meeting for public discussion.

David Kwiat, 10185 Collins Avenue #808, questioned if sanitation was part of the total rate, or if it would be additional, similar to the prior year. He also questioned if there would be additional income from the Shops, due to the increased business from the St. Regis. Mr. Wallace reported that the millage rate did not include solid waste, since that was done by special assessment on the property tax bills for residential properties. He explained that the garbage rate would be decreased, due to the Village outsourcing solid waste operations.

Neil Alter, 9801 Collins Avenue, pointed out that solid waste was part of taxes before, not a special assessment. Mr. Wallace agreed (approximately \$700,000.00).

Mr. Wallace reviewed a Powerpoint presentation, dated September 4, 2012.

Councilman Sanz questioned if residents would be paying the same taxes this year. Mr. Wallace explained that if the assessed value of the property did not change then, on average, residents wouldn't pay anymore than the prior year (for those with homestead exemption) to the Village.

Neil Alter, 9801 Collins Avenue, questioned what the additional \$750,000.00 value of the St. Regis property meant for the residents and tax collections. Mr. Wallace explained that amounted to approximately \$1.5 million in property taxes. Mr. Alter questioned the amount for the drainage/water improvements. Mr. Wallace reported that was in the water/sewage budget. Mr. Alter questioned the bond issue of \$10 million. Mr. Wallace reported that was funding the water/sewer projects for two to three years (loan is for 15 years at a 2.47% interest). He reviewed the chart for the General Fund budget. Mr. Alter reviewed the 10% increase in the Police Department budget. Mr. Wallace explained that was due mostly to pension increases and noted that the Police Department was 60% of the budget. Mr. Alter questioned if that was comparable to other communities. Mr. Wallace didn't know, but thought so. He discussed the Shops as a tremendous use of the Village's resources. Mr. Alter questioned the number of police officers allocated to the Shops. Mr. Treppeda clarified that there wasn't a number of officers allocated to the Shops. He added that the Police were stationed at the Shops, but no specific officer(s) was dedicated to the Shops. Mr. Wallace noted that there was a demand for services by the Shops property, so it was difficult to compare the number of police to neighboring communities that didn't have a large shopping facility.

Dina Cellini, 211 Bal Cross Drive, reviewed the Gated Residential Section budget and discussed the unreasonable high assessment for the second year. She didn't think that any of the RAC (Gated Residential Section Advisory Committee) members were trying to reign in the costs and thought that the proposed budget was much greater than it should be. Ms. Cellini noted that it didn't seem like the gated area assessment was ever going to end, under the control of the current RAC. Mayor Rosenfield explained the budget process and noted that the Council relied on the RAC to make recommendations on the budget, for the gated area. She noted that Ms. Cellini needed to address the RAC regarding her comments. Ms. Cellini didn't think that any of the residents spoke in favor of the budget proposed by the Committee at the meeting when they discussed the budget. She clarified that the Council had the authority to vote the Committee members out (the residents don't). She pointed out that the Council selected the Committee members without term limits, so the same people could be reappointed after two years indefinitely. Mayor Rosenfield explained that the Council would consider anyone who was interested in serving on the Committee. Councilman Packer suggested that when the terms came up that the resolution for the RAC be amended, to provide for term limits. Ms. Cellini spoke in favor of doing that. Assistant Mayor Blachar clarified that none of the Village's Boards/Committees had term limits. She explained that term limits were decided against, because if there were term limits, then the Village may end up with nobody serving. She was insulted by Ms. Cellini's comments that the Committee was irresponsible, which she served as Chair. She discussed the diversity on the Committee. Assistant Mayor Blachar noted that nobody was happy about the increases, but explained that the money was needed for the budget and

the reserves. She felt that the Committee had done a great job and they listened to Ms. Cellini's and everybody's comments at the meetings.

David Kwiat, 10185 Collins Avenue, questioned how police negotiations were going and the COLA rate in the budget. Mr. Treppeda reported that the Police PBA (union) negotiations were ongoing and the COLA rate was part of that. Mr. Kwiat discussed municipalities going bankrupt, due to pension costs. Assistant Mayor Blachar clarified that was why they were working on it.

Councilman Sanz discussed the need for a better assessment formula for the gated area, since a large home paid the same as a smaller one. He suggested that it be based on the number of cars, or the size of a property. Councilman Packer agreed, but explained that it couldn't be apportioned according to the assessed valuation, since it was a special assessment not a tax. He questioned if it could be based on value, to make it fair. Assistant Mayor Blachar explained that the formula had been discussed numerous times and the RAC recommended the formula that was presented. She welcomed everyone to come to the meetings and to discuss the formula again next year. Councilman Packer questioned if the Council had the authority to overrule the Committee. Mr. Pearl explained that the Council had already approved the Initial Assessment Resolution setting the rates, so this would not be the forum to do that. He clarified that the Final Assessment Resolution would be considered on September 13th. Mayor Rosenfield noted that the Council had the authority to direct the RAC to review the formula again next year. Assistant Mayor Blachar didn't have a problem with doing that for next year. Councilman Packer questioned what would happen if the (Final Assessment) Resolution was not approved on September 13th. Mr. Wallace reported that they would have to show that the properties benefitted from the assessment and that it was fairly apportioned. He added that the issue had been discussed a lot by the Committee and other formulas were considered. He explained that it would be very difficult for the Village to build a case based upon value, so that it didn't look like a property tax. Mr. Wallace clarified that the test that would have to be proved is that the property benefitted in proportion to the value. He added that the RAC struggled with the decision, but felt that the assessment agreed to was the fairest formula. He reported that the Council had the ability to change the budget now, but that once it was decreased it couldn't be increased again. He further explained that the formula would then have to be abandoned and re-noticed for public hearings, etc. to change the methodology. Mr. Wallace noted that it would be difficult to change at this stage. Assistant Mayor Blachar noted that the issues should have been brought up before now. Councilman Sanz thought that the assessment formula was unfair. Mayor Rosenfield clarified that the Council was voting on the entire budget, not just for the Gated Area.

Neil Alter, 9801 Collins Avenue, questioned the amount of the beautification expenses for the Village, compared to the prior year. Mr. Wallace reported that the largest portion was in the tourism budget, which was funded with resort taxes (\$1,247,000.00 - an increase of \$34,000.00 from the prior year).

5. RESOLUTION/PUBLIC HEARING: The following Resolution was read by title, by Mrs. Horvath:

**A RESOLUTION OF THE VILLAGE COUNCIL OF BAL HARBOUR VILLAGE,
MIAMI-DADE COUNTY, FLORIDA, ADOPTING THE PROPOSED MILLAGE
RATE OF AD VALOREM TAXATION FOR FISCAL YEAR 2012/2013;**

PROVIDING FOR AN EFFECTIVE DATE.

A motion was offered by Councilman Packer and seconded by Assistant Mayor Blachar to approve the Resolution.

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

The motion carried (3-1) with the vote as follows: Mayor Rosenfield yes; Assistant Mayor Blachar yes; Councilman Packer yes; Councilman Sanz no; Councilwoman Cohen absent; thus becoming Resolution No. 2012-760.

6. ORDINANCE FIRST READING/PUBLIC HEARING: The following Ordinance was read by title, by Mrs. Horvath:

AN ORDINANCE OF BAL HARBOUR VILLAGE ADOPTING A BUDGET FOR ALL VILLAGE FUNDS FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2012, AND ENDING SEPTEMBER 30, 2013; APPROPRIATING REVENUES AND OTHER FUNDS; AUTHORIZING EXPENDITURES; AND ESTABLISHING AN EFFECTIVE DATE.

A motion was offered by Councilman Packer and seconded by Assistant Mayor Blachar to approve the Ordinance.

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

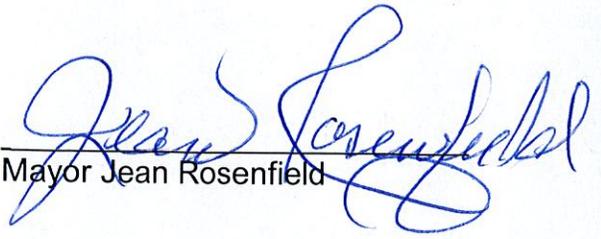
The motion carried (4-0) with the vote as follows: Assistant Mayor Blachar yes; Councilman Packer yes; Councilman Sanz yes; Mayor Rosenfield yes; Councilwoman Cohen absent.

7. ANNOUNCEMENT: Assistant Mayor Blachar announced the following:

Bal Harbour Village has tentatively adopted a millage rate of 2.2678 mills. Property taxes will increase by 0%. A final hearing on the tentatively adopted millage rate and the budget will be held on September 13, 2012, at 6:01 p.m., in the Council Chamber at Bal Harbour Village Hall, 655-96th Street, Bal Harbour, Florida.

Dina Cellini, 211 Bal Cross Drive, questioned how she could communicate her position on various issues, since she would not be at the September 13th meeting. Mayor Rosenfield suggested that Ms. Cellini send an email to Mr. Treppeda, to be distributed to the Council. Ms. Cellini requested that her position be read at the meeting. Mr. Treppeda suggested that Ms. Cellini send someone in to do that for her at the meeting.

8. ADJOURN: There being no further business to come before the Council, *the meeting was adjourned by consensus of the Council at 6:07 p.m.*


Mayor Jean Rosenfield

Attest:


Ellisa L. Horvath, MMC, Village Clerk