

FY 2014-15 Proposed Budget



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- Sustainable budget
 - Does not rely upon one-time revenues to support on-going expense
 - Balanced for five years
- Responsible budget
 - Balances service needs against tax rate increases
 - Not dependent upon employee concessions
 - All snapbacks funded
 - Any savings identified through bargaining can be used to buy back cuts or enhance service



FY 2014-15 Proposed Budget

- Transformational budget
 - Changing service delivery models
 - Reduces total positions by more than 400
 - Utilizes more part-time hours
 - Outsourcing opportunities
 - Consolidating internal functions
 - Preparing for new technologies
 - CNG/LNG
 - Car sharing
 - Cloud computing
 - Automated route structuring



Libraries

- Proposed Budget recommended a shift in millage rates from the Countywide and Fire Rescue jurisdictions to Library
- Provided \$13 million in additional revenue to support operations
 - All libraries open the same number of hours; Sunday service at regionals
 - All programming maintained
 - Converted full-time to part-time
- Board adopted higher millage rate providing just over \$8 million more



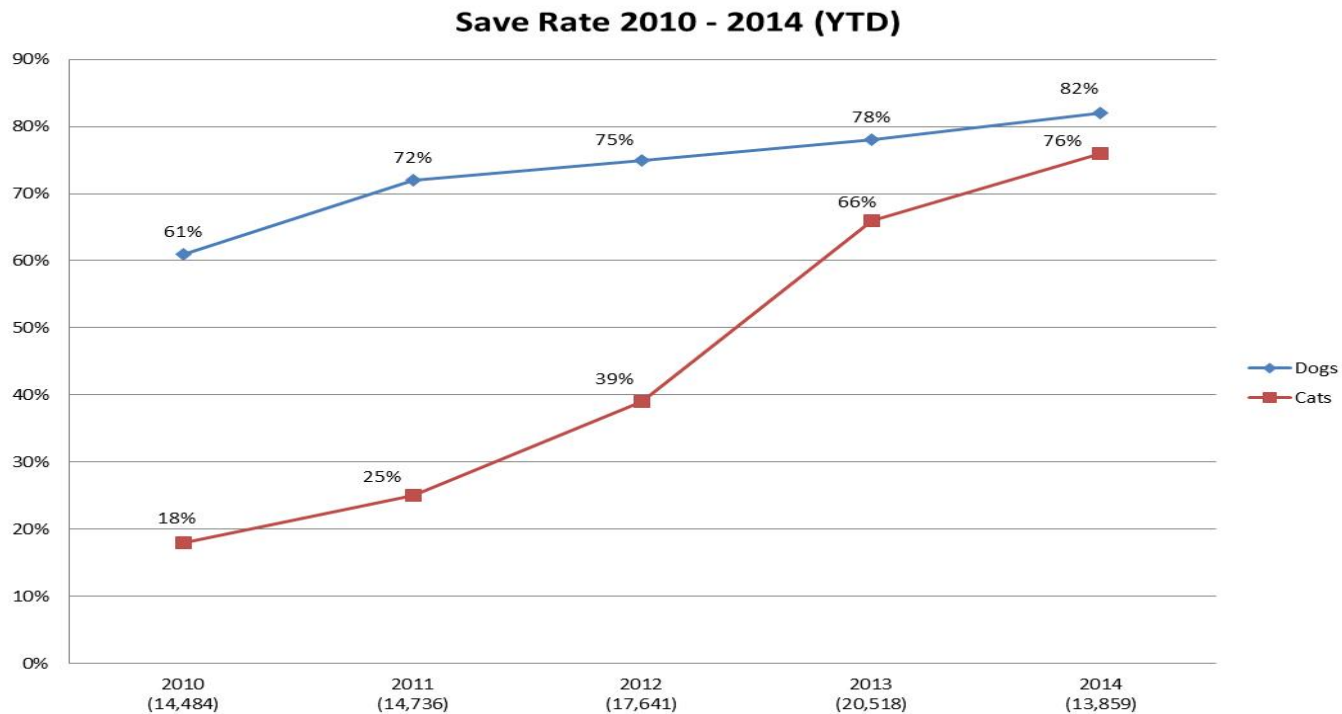
Fire Rescue

- Proposed Budget reduced millage rate for Fire Rescue District
- No impact to operations
- New facilities under construction to house existing units (temporarily assigned to other stations)
- 5-year forecast is balanced including absorbing the sunseting of the SAFER grant funding



Animal Services

- Maintains funding to Animal Services to support No Kill Shelter policies



Major Capital Projects

- Complete Children's Courthouse
- Continue construction of the Patricia and Phillip Frost Museum of Science, ZooMiami Florida exhibit, and dredging at PortMiami Post Panamax cargo ships
- Renovation of Culmer/Overtown Neighborhood Services Center, the Haitian Community Center, and the Animal Services Shelter
- Continue consent decree projects for WASD



Recommended Fee Adjustments

- **Transit:** bus/rail fares increase 25 cents from \$2.25 to \$2.50; STS fare increase eliminated
- **Water and Sewer:** 6% increase for retail customers (\$2.72 per month for average customer)
- **Special Taxing Districts:** adjusted as necessary to cover costs for landscaping, security guards, lighting
- **Solid Waste:** residential fee stays the same (\$439); disposal increases per CPI (1.5%) (paid by commercial customers)
- **Utility Services Fee:** increase 0.5% from 3.5% to 4% (charge on retail water and sewer charges to fund environmental remediation projects)
- **Various:** Animal Services, Vizcaya, Parks, PortMiami



FY 2014-15 Budget Challenges

Increased Personnel Cost	\$109,000,000
Loss of Significant Revenues	46,000,000
Deferred Costs	25,000,000
Increased Expense	<u>28,000,000</u>
Total	\$208,000,000



General Fund as of May 16, 2014

- Eliminated “deferred costs” and “increased expense”
- Continued “VAB” adjustments

Current Requests

Direct Services	\$ 1,015,945,000
Indirect Services	222,315,000
Mandates	315,632,000
Other	<u>162,092,000</u>

\$ 1,715,984,000

Available Revenues	<u>\$ 1,565,398,000</u>
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Remaining Gap	<u><u>\$ (150,586,000)</u></u>
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General Fund as of June 25, 2014

- ***New Revenues*** - additional ad valorem revenue: \$20.5 million; improved projections for non-ad valorem revenues: \$15.3 million; new and increased fees and charges: \$8.6 million
- ***Organizational Transformation*** - \$56 million across the County, \$12 million General Fund



General Fund as of June 25, 2014

- ***Renegotiation*** of interlocal agreements with Miami Beach - \$18 million

Estimated Payments to Miami Beach for South Pointe projects		
<i>Fiscal Year</i>	<i>Current</i>	<i>Renegotiated</i>
FY 2014-15	\$ (18,000,000)	\$ -
FY 2015-16	(18,500,000)	(4,625,000)
FY 2016-17	(9,000,000)	(9,000,000)
FY 2017-18	(9,400,000)	(16,150,000)
FY 2018-19	(9,700,000)	(16,575,000)
FY 2019-20	(10,100,000)	(10,100,000)
FY 2020-21	(10,400,000)	(19,400,000)
FY 2021-22	\$ -	\$ (9,250,000)
TOTAL	\$ (85,100,000)	\$ (85,100,000)

- ***Remaining gap:*** \$64 million



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- Assumes all snapbacks are returned to bargaining unit employees
- Assumes current healthcare plan costs are funded
- Negotiations with collective bargaining units and further budget analyses continue



FY 2014-15 Adjustments for first hearing

- West Course of Golf Club of Miami will remain open
- Recommendations for additional ad valorem revenue for Library District
- WASD reorganization – consolidations will reduce cost for all departments, improve response for WASD customers



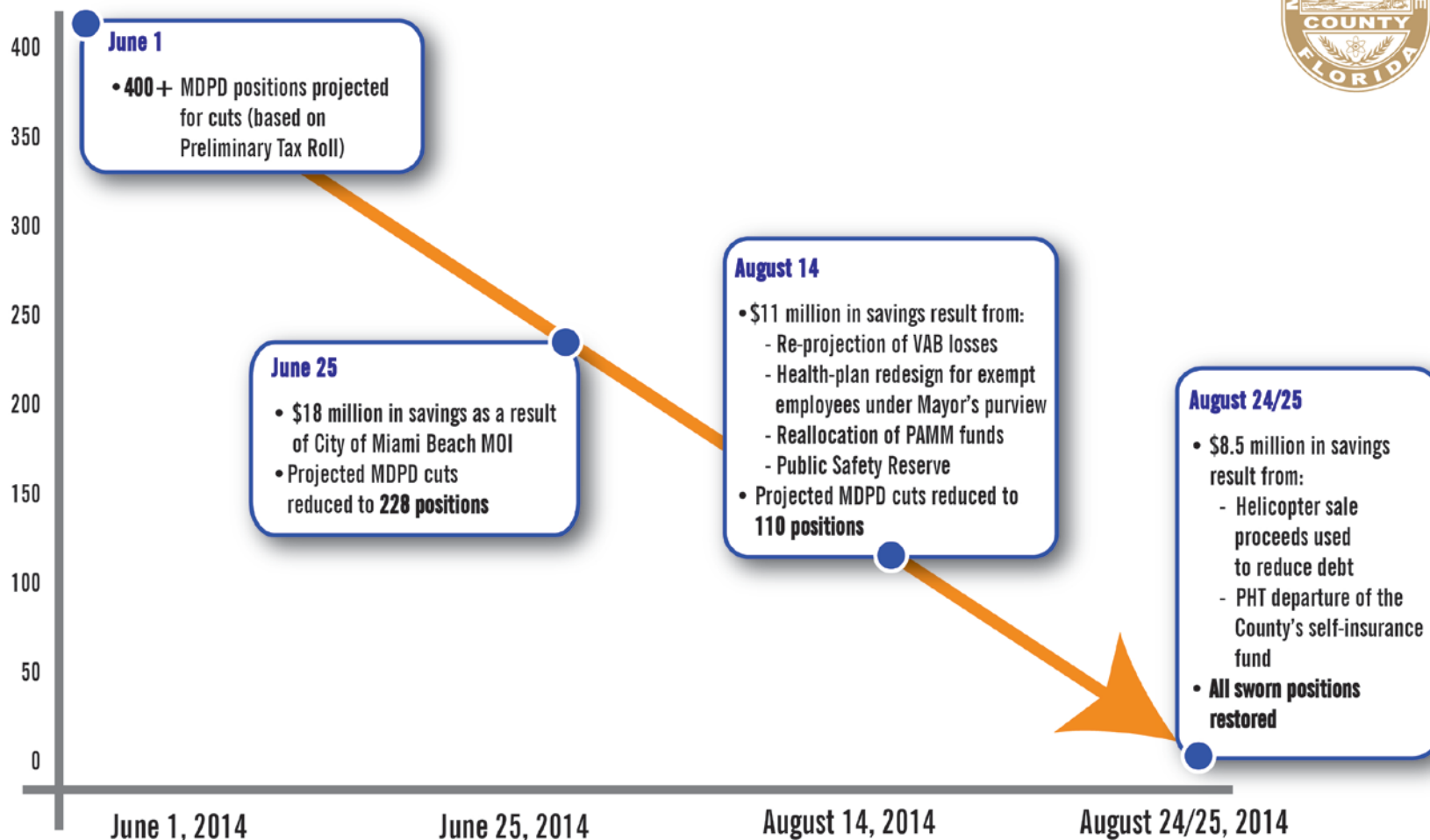
FY 2014-15 Adjustments for first hearing

- Restore all Police Officers
 - Public Safety Reserve
 - VAB Savings
 - Funding allocated to PAMM redirected to eligible general fund supported activities
 - Savings from healthcare plan redesign for employees under the Mayor's purview
 - PHT no longer part of County's Self-Insured Fund
 - Revenue available because of sale of Air Rescue helicopters





Drop in Projected Personnel Cuts



Healthcare Plan Redesign

- Reduces County's cost of healthcare by 15%
- Select Network choice allows for an average 20% reduction in dependent premiums
- Select Network includes 70% of current physicians, 24 hospitals in the tri-county area
- HMO and POS options will still be available



Healthcare Plan Redesign - Copays

Plan Element	Current High HMO & POS	Proposed Design Changes for HMO & POS	NEW Select Option
Inpatient Hospital Copay per Admit*	\$0	\$200	\$0
Emergency Room Copay	\$25/\$50	\$100	\$50
Urgent Care Copay	\$25/\$50	\$25/\$50	\$25
Outpatient Hospital Copay*	\$0	\$100	\$0
Freestanding Diagnostic Center Copay	\$0	\$0	\$0
Ambulatory Surgical Center Copay	\$0	\$0	\$0
Physician Copays	\$15/\$30	\$15/\$30	\$15/\$30



Healthcare Plan Redesign - Pharmacy

Plan Element	Current High HMO / POS	Proposed Design Changes for HMO / POS	NEW Select Option
Retail Pharmacy Copays	\$15/\$25/\$35	\$15/ \$40 / \$55	\$15/\$25/\$35
	(Generic/Pref Brand/Non-Pref Brand)		
Mail Order Pharmacy Copays	\$30/\$50/\$70	\$30/ \$80 / \$110	\$30/\$50/\$70
	(Generic/Pref Brand/Non-Pref Brand)		
Specialty Pharmacy Copay (HMO)	\$15/\$25/\$35	\$100	\$15/\$25/\$35
Specialty Pharmacy Copay (POS)	\$10/\$16.66/\$23.33		
Out of Pocket Maximum**	\$1,500	\$3,000	\$2,500
	(2x for family)		
* Waived at Jackson Health System			
**In 2015, pharmacy copays will count towards the Out of Pocket Maximum			



Healthcare Plan Redesign - Premiums

CURRENT PLANS:		CURRENT		PLAN REDESIGN		
Plan	Tier	Biweekly Premium	Annual Premium	Premium	Biweekly Difference	Annual Difference
High HMO	Employee Only	\$0.00	\$0.00	\$75.00	\$75.00	\$1,950.00
	Employee + Spouse	\$208.35	\$5,417.10	\$208.35	\$0.00	\$0.00
	Employee + Child(ren)	\$180.17	\$4,684.42	\$180.17	\$0.00	\$0.00
	Family	\$287.77	\$7,482.02	\$287.77	\$0.00	\$0.00
POS	Employee Only	\$14.90	\$387.40	\$100.00	\$85.10	\$2,212.60
	Employee + Spouse	\$344.54	\$8,958.04	\$344.54	\$0.00	\$0.00
	Employee + Child(ren)	\$285.86	\$7,432.36	\$285.86	\$0.00	\$0.00
	Family	\$595.59	\$15,485.34	\$595.59	\$0.00	\$0.00
Low HMO	Employee Only	\$0.00	\$0.00	ELIMINATE		
	Employee + Spouse	\$196.42	\$5,106.92			
	Employee + Child(ren)	\$169.83	\$4,415.58			
	Family	\$271.36	\$7,055.36			
NEW OPTION:						
Select Network	Employee Only			\$0.00	\$0.00	\$0.00
	*Employee + Spouse			\$166.00	\$42.35	\$1,101.10
	*Employee + Child(ren)			\$141.00	\$39.17	\$1,018.42
	*Family			\$236.00	\$51.77	\$1,346.02



With Union Agreements and Other Adjustments

- Increase mowing and road side maintenance cycles and reinstate five NEAT Teams
- Reinstall 311 Operating Hours to Monday – Friday 7 am to 7 pm, Saturdays 8 am to 5 pm, and maintain three outreach offices open
- Restore priority filled positions throughout the County



FY 2014-15 Budget Development Process

- Budgets Submitted to OMB: **February 28** ✓
- Budget Development Activities: **March - June** ✓
 - Revenue Estimating Conference, Finance Committee meetings
- Final Preliminary Tax Roll: **July 1** ✓
- Proposed Budget Submission: **July 8** ✓
- BCC Public Hearing, Approval of TRIM Rates: **July 15** ✓
- Town Hall Meetings: **August** ←
- Public Budget Hearings: **Sept 4 and Sept 18**
 - Committee of the Whole Meetings: **Aug 25 and Sept 11**
- New Fiscal Year begins: **October 1**



This presentation is available on our website at no charge and in three languages at:

<http://www.miamidade.gov/budget/fy14-15-proposed-budget-information.asp>

