



MEMORANDUM
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FC
Agenda Item No. 6(C)

TO: Honorable Chairman Esteban L. Bovo, Jr.
and Members, Finance Committee

DATE: July 8, 2014

FROM: Christopher Agrippa, Director
Clerk of the Board Division

SUBJECT: Approval of Commission
Committee Minutes

The Clerk of the Board's office is submitting the following Clerk's Summary of Minutes for approval by the Finance Committee:

May 21, 2014

CA/ae
Attachment



Stephen P. Clark
Government Center
111 N.W. 1st Street
Miami, FL 33128

CLERK'S SUMMARY OF Meeting Minutes Finance Committee

Esteban L. Bovo, Jr. (13) Chair; Juan C. Zapata (11) Vice Chair; Commissioners Sally
A. Heyman (4), and Dennis C. Moss (9)

Wednesday, May 21, 2014

4:02 AM

Commission Chamber

Members Present: Esteban L. Bovo, Jr., Sally A. Heyman.

Members Absent: Dennis C. Moss, Juan C. Zapata.

Members Late: None.

Members Excused: None.

Members Absent County Business: None.

1 MINUTES PREPARED BY:

Report: *Alan Eisenberg, Commission Reporter, (305 375-2510)*

1A INVOCATION AS PROVIDED IN RULE 5.05
(H)

1B ROLL CALL

Report: *Chairman Bovo called the meeting to order at 10:55 a.m.*

Chairman Bovo noted a memorandum was received from Commissioner Moss indicating that he would be absent from today's (5/21) meeting. He also noted he believed that Commissioner Zapata would not be in attendance.

In addition to the Committee members, the following staff members were present: Deputy Mayor Edward Marquez; Budget Director Jennifer Moon; Assistant County Attorney Gerald Heffernan and Deputy Clerk Alan Eisenberg.

1C PLEDGE OF ALLEGIANCE

1D REASONABLE OPPORTUNITY FOR THE
PUBLIC TO BE HEARD AS PROVIDED IN
RULE 6.06

1E SPECIAL ITEM

1E1

141134 Special Presentation **Esteban L. Bovo, Jr.**
BUDEGET PRESENTATIONS BY THE FOLLOWING *Presented*
DEPARTMENTS:

TRANSIT
WATER AND SEWER
AVIATION
COMMUNITY ACTION AND HUMAN SERVICES
PORT MIAMI
REGULATORY AND ECONOMIC RESOURCES
PUBLIC WORKS AND WASTE MANAGEMENT
PARKS, RECREATION AND OPEN SPACES
PUBLIC HOUSING AND COMMUNITY DEVELOPMENT
MEDICAL EXAMINER
JUVENILE SERVICES
INFORMATION TECHNOLOGY

Report: *Ms. Jennifer Moon, Budget Director, Office of Management and Budget presented a PowerPoint update on the budget development process, noting figures were based upon the baseline five-year forecast with no union concessions. She indicated that there was a \$208,000 preliminary gap projected in the Fiscal Year (FY) 2014-15 tax-supported budgets. Ms. Moon said that \$109 million of the gap was the result of increased personnel costs (snapbacks, health insurance, merit pay, and Florida Retirement System contributions); that \$46 million was from the loss of significant revenues (bed tax that supported the Parks Department and carry-over funds which sustained the Library Department); that \$25 million was deferred costs (vehicle, computer and other replacement needs); and that \$28 million was from increased expenses.*

Ms. Moon noted that Administratin was not able to return collective bargaining unit concessions to employees as originally anticipated because of: 1) extraordinary refunds provided by the Value Assessment Board had significantly reduced ad valorem property tax revenue, and 2) the return of group health contributions and increased personnel costs. She said that the total request from the General Fund was \$1,715,984 billion, consisting of direct services, indirect services, mandates and other expenses. Ms. Moon noted \$1,565,398 billion in available revenues and a \$150,586 million remaining budget gap.

Ms. Moon pointed out that FY 2014-15 budgets were submitted and reviewed; that the first

revenue estimating conference was held; that the second quarterly budget report was released; that today (5/21) was the second Finance Committee budget meeting; and that the result of the tax roll would be released on June 1.

Commissioner Heyman asked Deputy Mayor Edward Marquez to work with the Property Appraiser to develop a plan to reassess taxes on undervalued properties brought to the County's attention by various municipal government city managers.

Deputy Mayor Edward Marquez responded that assessments were completely under the jurisdiction of the Property Appraiser, an elected official, and that the first remedy was for cities to present the Property Appraiser with their concerns. He noted discussions with the Miami-Dade County Public School Board, the Property Appraiser and the County's Audit and Management Services Department to fully understand the Value Adjustment Board calculations. Deputy Mayor Marquez said that he would share Commissioner Heyman's concerns with the Property Appraiser and informed her that various taxing jurisdictions could appeal local assessments to the Florida Department of Revenue.

Commissioner Heyman questioned what steps were being taken to reduce healthcare costs; to reach out to the insurance industry and assess alternatives; and to develop a plan for the future.

Deputy Mayor Marquez responded that the County's healthcare plan offered significant benefits to County employees over and above those offered by other entities, resulting in higher costs. He noted that a Health Insurance Committee was convened to discuss the County's healthcare plan and that collective bargaining unit representatives were invited to participate in those discussions. Deputy Mayor Marquez said the level of employee benefits was a negotiable item through collective bargaining agreements.

Ms. Moon commented that the County was working closely with its insurance industry consultant to explore options; with the Public Health Trust (PHT) to provide a select network that would reduce insurance costs and generate additional businesses for the PHT; and with the Miami-Dade County School Board to piggy-back on their plan should it be beneficial to the County.

Commissioner Heyman inquired whether it would be possible to change vendors and adjust costs for services in FY 2014-15.

Ms. Moon responded that some changes could be made this fiscal year and other changes during the following year.

Commissioner Heyman pointed out that County employees were not treated equal inasmuch as everyone did not receive the return of their five-percent healthcare contribution. She noted that the gap would continue to increase for employees who continued to pay their healthcare contributions on October 1, 2014 in the event that collective bargaining agreements were not ratified and the snapback provisions were enacted.

Ms. Moon clarified that some of the provisions would snapback effective October 1, 2014 for employees represented by union contracts.

Commissioner Heyman said there were two classes of employees; those getting benefits automatically and those who continued to pay healthcare costs and would not receive snapback benefits.

Chairman Bovo inquired whether a balanced budget would address the issues presented by Commissioner Heyman.

Ms. Moon responded that Commissioner Heyman was pointing out that the difference in pay between bargaining unit and non-bargaining unit employees would continue to increase if the snapbacks occurred. She said that the proposed FY 2014-15 budget included the snapback costs and that a balanced budget would be presented.

MEDICAL EXAMINER

Dr. Bruce Hyma, Chief Medical Examiner, Medical Examiners Department (MED) explained that the MED's mission was to investigate deaths in the County as a result of unnatural causes, homicide, suicide, accidents, poisons, occupational exposures, as well as deaths in prisons, bodies to be cremated, dissected or buried at sea. He noted the MED's mission and scope of services was driven by Florida Statute and the State Administrative code. Mr. Hyma said the MED operated 24/7 along with public safety partners; local law enforcement, state and federal

agencies. He noted serving approximately 13,000 deaths annually which included the Public Internment Program.

Dr. Hyma explained that the MED was accredited by the National Association of Medical Examiners; the American Board of Forensic Toxicology; and the Accreditation Council for Graduate Medical Education. He noted the accreditation process required the MED to maintain proper staffing levels, facilities and management. Dr. Hyma said the MED taught graduate medical students, noting this program saved the County several hundred thousand dollars annually. He pointed out that the MED budget was \$11 million and that it was projected to be a couple hundred thousand dollars under budget. Dr. Hyma noted the MED would increase its staffing to 83 employees by the end of the summer with the hiring of 16 positions and the restoration of 6 positions. He said the MED generated \$1 million revenue through services provided to outside districts, other territories in the Caribbean, consultations and laboratory work.

Dr. Hyma pointed out the need to keep up with medical technology and instrumentation advancements needed for death investigations and the toxicology laboratory, noting an exponential explosion of drugs in the community and illegally manufactured drugs. He also pointed out difficulties in attracting and retaining a graduate and doctorate level workforce with the current salary and benefits package. Dr. Hyma said the current facility was twenty-five years old and required upgrades and modifications.

Commissioner Heyman asked Dr. Hyma and Deputy Mayor Edward Marquez to consider requesting a change to State of Florida law in next year's legislative session that would allow the MED to use State and Article 5 contributions as an additional funding source for the MED through the assessment of fines or fees as an alternative to the County's General Fund.

Dr. Hyman commented that there was federal legislation that might be enacted that would provide government funding for accredited medical examiners offices with board certified staff; however, the MED had more immediate funding needs.

Chairman Bovo questioned the turnaround time

for an autopsy report.

Dr. Hyman explained that the report and descriptive narrative were filed within two weeks; however, it did not mean that the documentation became a public record once filed. He said the narrative was available within two weeks but the investigative process and the interpretation of the data could take a longer period of time to complete.

Chairman Bovo inquired whether municipalities paid for MED services through a contract or through taxes.

Ms. Jennifer Moon, Director, Office of Management and Budget responded that the MED was funded through the Countywide General Fund; therefore, paid by everyone in the County, including residents of the municipalities.

TRANSIT

Ms. Ysela Llorc, Director, Miami-Dade Transit (MDT) presented a PowerPoint presentation, noting MDT was the largest transit agency in the State, providing four modes of transportation and one of the largest departments in County government. She said that MDT served 363,000 daily passengers and 110 million total passengers in Fiscal Year (FY) 2013. Ms. Llorc noted 29.2 million miles of Metrobus revenue service; 8 million miles of Metrorail revenue service; and 1 million miles of Metromover revenue service. She said that 71 percent of system ridership was by Metrobus; 19 percent by Metrorail; 9 percent by Metromover and 1 percent by Special Transportation Services (STS). Ms. Llorc noted a reduction in Metrobus ridership after the recent fare increase and service adjustments that were coordinated with local municipalities. She also noted 12.5 percent Metrorail growth in FY 2012-13; an estimated 5 percent growth for FY 2013-14; and 8 percent in FY 2014-15. Ms. Llorc pointed out that Metromover ridership was increasing and STS usage was declining.

Ms. Llorc provided an overview of MDT's financial summary, noting its revenue sources and corresponding adjustments from FY 2013-14 to FY 2014-15. She noted a 3.4 percent increase in total FY 2014-15 revenue was being requested.

Chairman Bovo questioned whether the State funding was determined by a formula.

Ms. Llort responded that some State funding was formula driven and some was discretionary. She noted the State Transportation Trust Fund increased due to the recession.

Chairman Bovo inquired whether any State legislators ever requested specific funding in the State budget for local transportation projects.

Ms. Llort responded that member sponsored projects existed; however, those set-asides were taken from the formula allocation to the District. She noted that projects needed to be negotiated outside of the normal legislative process so that additional funding allocations would come as an additional amount in the five-year work program and not from the funding allocation.

Ms. Llort pointed out that approximately one-half of MDT's expenses were salary related. She noted the grants to outside organizations were the County's contribution to the Tri Rail service.

Commissioner Heyman noted concern about the \$29 million budget for overtime costs and asked Ms. Llort and Deputy Mayor Edward Marquez to reduce overtime costs through the use of part-time employees.

Ms. Llort responded that the collective bargaining unit agreement limited the number of part-time employees to no more than 23 percent of its operator workforce and that MDT was presently at that rate. She noted that some routes had built-in overtime because of longer than eight hour shifts and efforts were underway to reduce overtime wherever possible.

Commissioner Heyman noted concern that Metromover passengers were being subsidized by the entire community and asked Ms. Llort and Deputy Mayor Marquez to develop a plan that would consider placing a question on the ballot allowing voters to change the Peoples Transportation Plan (PTP) Surtax fund and allow the County to charge for Metromover ridership.

Ms. Llort said she would address the Metromover concern later in her presentation.

Commissioner Heyman asked Ms. Llort and Deputy Mayor Marquez to ensure that alternative transportation vendors did not charge lower rates than Miami-Dade Transit.

Ms. Llort responded that she understood Commissioner Heyman's concern about the jitney services charging lower rates.

Ms. Llort noted a high debt ratio and the reserves dropping to zero after paying off General Fund debt.

Chairman Bovo expressed his concern about not having adequate reserves.

Chairman Bovo asked Ms. Llort and Deputy Mayor Marquez to provide a detailed cost breakdown of Contractual Services items.

Ms. Llort noted a \$13 million gap existed in the proposed FY 2014-15 budgets.

Ms. Llort explained that as the debt service associated with the Peoples Transportation Plan (PTP) Surtax increased, the Golden Passport and Metromover subsidy programs would take up that amount in FY 2015-16, thus creating the gap. She noted the difference used for other operating costs would now need to be found elsewhere. Ms. Llort clarified that the debt service would increase beyond FY 2017-18 and MDT would need to go back to the bond market as it finalized the rail car replacement program.

Ms. Llort noted the Metromover's \$27 million cost exceeded the \$16.3 million FY 2014-15 budget request, due to a formula which attributes overhead expenses to this mode of transportation.

In response to Chairman Bovo's question as to when the Metromover became a free service, Ms. Llort explained that Metromover was a fare free service and was never a free service. She explained that the fare free service began upon the passage of the PTP Surtax.

Ms. Llort indicated that MDT's General Fund debt would be paid off at the end of the current fiscal year. She pointed out that the American Recovery and Reinvestment Act (ARRA) funding that expanded the County's capital improvement program and used for system rehabilitation was coming to an end. Ms. Llort noted that the replacement of Metrorail cars, the central control and the Lehman Yard upgrades were among the large capital projects increasing bond repayment costs. She said the 27th Avenue enhanced bus service was funded and discussions were

underway with the State Department of Transportation to develop a full bus rapid transit (system) along that corridor. Ms. Llorca noted the 836 expressway enhanced bus service was funded and that service would begin upon completion of highway/interchange construction. She said a Transportation Investment Generating Economic Recovery (TIGER) grant application to complete an environmental study for the Miami Beach corridor was in process.

Ms. Llorca pointed out that current challenges included closing the budget gap; managing an aging system with scarce resources; and the ability to fund a better system.

Chairman Bovo inquired about methods to close the \$13 million budget gap.

Ms. Llorca responded that \$10 million projected Metrobus savings could be obtained based upon a recent grid analysis of the entire bus system. She noted this would be a three phased program with the first phase representing \$2.6 million. Ms. Llorca said she hoped that the County could receive a larger share of State funding. She pointed out that MDT would look internally for attrition and other ways to become more fiscally responsible. Ms. Llorca said that some fares could be increased or changes to the program structure be made, noting the STS program as an example.

Chairman Bovo noted that the STS program expenditure of \$34 million needed to be examined to determine whether these funds were being wisely spent.

Chairman Bovo asked Ms. Jennifer Moon, Director Office of Budget and Management and Deputy Mayor Edward Marquez to provide a report on the projected savings for the MDT without snapback costs.

Chairman Bovo opened the floor for public comments on MDT and called for persons wishing to appear before the Committee on this special discussion item.

~ Ms. Maggie Fernandez, 3620 SW 21 Street, Miami, spoke in support of raising millage rates to fully fund transit operations and provide reliable transportation options for County residents.

~ Ms. Marta Viciado, 915 NW 1 Avenue, L 101, Miami, spoke on behalf of the Transit Action

Committee (TRAC), noting the importance of moving people rather than moving vehicles. She asked that transit projects become a funding priority rather than roadway expansion projects. Ms. Vicedo suggested increasing the gas tax by 2 cents to fund pedestrian, bike and transit initiatives and that transit received a share of impact fees.

~ Mr. Adam Old, Village of El Portal Councilperson, 140 NE 86 Street, El Portal, noted support for additional transit funding rather than subsidizing roadway infrastructure improvement for cars was needed.

~ Ms. Leah Weston, 2100 Brickell Avenue, #401, Miami, presented a map collage that she created which included comments from people wanting world class transit in this community. She said that commuting was a nightmare; noting that transit and traffic were the leading local quality of life issues. Ms. Weston noted that transit and mobility issues needed to become a priority for Miami to become a world class city.

The floor was closed after no one further appeared wishing to speak.

Chairman Bovo spoke about the ease of transit system use in other cities. He said Miami had a car culture; that it was difficult to get people out of their cars; and that it was difficult to ask people to stand in the hot sun waiting for a bus to arrive in a timely manner. Chairman Bovo commented that it was hard satisfy everyone, noting that cars represented freedom for many people and that it was a small segment of the community asking for additional mass transit operations. He said that he personally used Metrorail rather than driving his car when it was convenient to him. Chairman Bovo pointed out that many promises were made about our mass transit system that was not kept.

PUBLIC WORKS AND WASTE MANAGEMENT
Deputy Mayor/Department Director Alina Hudak explained that the Public Works and Waste Management (PWWM) Department's mission was to provide vital transportation infrastructure services, maintenance and traffic engineering and waste management services. She said PWWD engineered, constructed and maintained over 3,200 miles of paved county roads, bridges and canals as well as responsible for traffic signalization and signage. Ms. Hudak noted that

PWWD operated and maintained over 200 bridges and over 24,000 street lights; managed 450,000 traffic control signs and street names; installed and maintained more than 6,400 internally illuminated street name signs. She said that PWWD provided comprehensive waste collection services to more than 320,000 households and eight municipalities; and provided over 1.3 million tons of waste services annually at the County's recovery resource facility generating electricity. Ms. Hudak said PWWD managed 3 transfer stations, 2 landfills and 13 trash recycling centers.

Ms. Hudak noted that PWWM continued to review the departments table of operations to find operational efficiencies. She said a large percentage of staff was directly involved in delivery of service operations. Ms. Hudak noted that sixteen positions were reduced in the proposed Fiscal Year (FY) 2014-15 budget as a result of information technology consolidation, 26 positions reduced due to the SunPass conversion, and 5 positions reduced because of Value Adjustment Board adjustments. She said that next year's budget included 1,662 positions and that close to 140 positions had been reduced over the past three years.

Ms. Hudak indicated that the PWWD total FY 2014-15 expenditures would be \$569,697 million including \$26 million from the General Fund. She said that the increased request from General Fund was due to rising personnel costs and that PWWD was looking at ways to reduce this expense. Ms. Hudak said the budget assumed no household waste fee increase; however, pointed out that future fee increases needed to be considered. She said that waste disposal fees would increase based upon the consumer price index for existing contractual relationships. Ms. Hudak said there were currently no proposed increases to any other fee structures; however, PWWD was in the process of reviewing those fees for potential increases. She said Mayor Gimenez asked PWWD to evaluate its mosquito control program for alternative approaches, including a possible mosquito control taxing district. Ms. Hudak noted a review of the waste collection cart fees was underway.

Ms. Hudak mentioned that the critical issues facing PWWD were to right size the department and its operations in order to determine the appropriate levels of service to provide in the future. Ms. Hudak said PWWD had a large capital budget of over \$200 million; however,

noted it was sometimes difficult to spend those funds. In conclusion, Ms. Hudak noted an eroding revenue base existed, making it difficult for the Department to continue providing the level of services it was accustomed to.

Chairman Bovo questioned the process used by the PWWD related to its engagement in upcoming water and sewer projects.

Ms. Hudak responded that PWWD established a multi-agency approach to its projects, held coordinated meeting with all departments and municipal partners involved in the project, and timed project cycles so that simultaneous work was well coordinated. She explained that the County often funded its portion of a project in advance to accommodate a less disruptive process.

Chairman Bovo pointed out that work was underway on Red Road in Commission District 13, noting concern that the road was not torn up and paved multiple times to perform other scheduled projects. He questioned whether the State of Florida was included in the coordination process.

Mr. Gaspar Miranda, Assistant Director, PWWD responded that the project mentioned by Chairman Bovo was being coordinated by the Florida Department of Transportation (FDOT) and it was their responsibility to coordinate with the County.

Chairman Bovo asked Deputy Mayor/Department Director Hudak for an update on the Water and Sewer Department's efforts to coordinate the Red Road construction project in Commission District 13 with related agencies and the FDOT.

Chairman Bovo inquired whether the PWWD had explored a transition to more automated solid waste collection systems and how this would impact the Department's budget.

Ms. Hudak responded that there was a countywide implementation of the one-armed bandit underway.

Ms. Jennifer Moon, Director, Office of Management and Budget noted that more than eighty positions were reduced when the County transitioned to the one-armed bandits, keeping the residential waste fees low.

Ms. Pamela Payne, Assistant Director Collections, PWWD noted that eighteen manual routes existed each with a three man crew and over 167 automated routes with only a driver.

Chairman Bovo commented that the Town of Miami Lakes had expressed interest in opting out of utilizing the County's garbage collection services. He proceeded to question the impact that private garbage collection services would have on the County should municipalities be allowed to obtain these services elsewhere.

Ms. Hudak responded that the Miami-Dade County had solid waste system with significant debt associated with that system. She noted there were specific covenants associated with that debt that would impact the County should municipalities privatize this service.

Ms. Moon noted a regional significance related to waste disposal and that municipalities could not opt out of disposal requirements. She said that collection services would have a marginal impact but would result in personnel reductions. Ms. Moon pointed out that other municipalities came to the County to provide this service to save money.

Chairman Bovo questioned whether PWWD would have a role in renovating County park facilities to accommodate libraries.

Ms. Hudak responded that the Internal Services Department was responsible for construction management for the County's general facilities.

PORT MIAMI

Mr. Juan Kuryla, Director, Port Miami noted the Port was responsible to birth and promote the cruise and the cargo industries. He said that the Port would process a projected 4.7 million passengers and over 800 cruise vessel calls by the end of Fiscal Year (FY) 2013-14. Mr. Kuryla indicated the Port Miami operated seven cruise terminals and five parking facilities. He pointed out the Port had five cruise terminal agreements; three of which provided a guaranteed \$33.4 million revenue. Mr. Kuryla noted that the total cruise revenue for FY 2013-14 would be approximately \$56 million in addition to \$7 million received from the Bimini SuperFast Ferry.

Mr. Kuryla noted Port Miami was the twelfth largest container port in the County and among

the top three in the State. He said the Port currently moved 900,000 twenty-foot equivalent units (TEU) and anticipated the Port would be in a better position to compete after bringing in the larger Post Panamax vessels. Mr. Kuryla pointed out that the Port handled 1,400 vessel calls. He indicated the Port had 13 gantry cranes, noting that 6 cranes were capable of serving Post Panamax vessels and was the largest in the State. Mr. Kuryla noted that three cargo operators' agreements guaranteed \$11.3 million rental income, \$21 million cargo wharfage and dockage fees, and \$3.7 million crane fees.

Mr. Kuryla anticipated 4.7 million cruise passengers would be served in FY 2014-15 and over 5 million in FY 2015-16 with the deployment of the Norwegian Cruise Line Break Away Plus. He said the restated cargo agreement with POMTOC would generate approximately \$13 million in FY 2014-15 which was an additional \$6 million from the previous agreement. Mr. Kuryla noted an additional \$3 million would be collected through increased land rents and through-put guarantees by transferring land to other operators. He said the Bimini SuperFast would continue paying \$7 million and terminal improvements serving that vessel were deferred an additional year.

Mr. Kuryla explained that expense reduction initiatives that would generate \$1.5 million in savings were proposed. He said that promotional expenses would be reduced from \$2.1 million to \$970,000. Mr. Kuryla said 13 vacant positions would be eliminated in FY 2014-15 resulting in \$1.2 million savings. He pointed out that the Port would have 349 total employees, noting that the Port had 417 employees in July 2011.

Mr. Kuryla noted growth in carryover income from \$25 million in FY 2012-13, to \$31 million in FY 2013-14 and a projected \$39 million at the end of FY 2014-15.

Mr. Kuryla noted that the cargo business was flat both in Miami and throughout the State; however, strategies had been developed to increase business. He also noted that MSC Cruises recently notified the Port that it would be reducing cruise calls next year resulting in a \$2 million budget impact and that Disney Cruise Line also reduced its calls from 48 to 44 visits. Mr. Kuryla reported that the Port was increasing its debt service from \$41 million to \$88 million over the

next five years.

Mr. Kuryla noted proposed savings in the security budget while at the same time providing a safe and secure port.

In response to Chairman Bovo's question about port security, Mr. Kuryla explained that there were both non-sworn security officers employed by the Port as well as a Miami-Dade Police Department unit.

Mr. Kuryla noted an incentive rate was being explored for cargo manifested in the Western Hemisphere and the creation of new cargo incentive programs. He pointed out that the indoor advertising program revenue was estimated at \$1.5 million revenue for FY 2014-15. Mr. Kuryla indicated that the issuance of new debt would be deferred until FY 2015-16.

Chairman Bovo questioned the long term vision that was being taken for the parcel of land that was the proposed soccer stadium site.

Mr. Kuryla responded that Port officials would meet with the County Mayor and Deputy Mayor to discuss a potential development plan for that parcel. He said this site was currently underutilized.

Chairman Bovo noted concern about the Port's bond ratings and questioned the steps that were being taken to prevent further ratings decline.

Mr. Kuryla explained that Moody's Analytics, Inc. (Moody's) downgraded the Port's bond rating from an A3 to a BAA1 and that there was no change made by Fitch Ratings. He said that the downgrade was related to the additional \$580 million debt assumed by the Port during the past nine months; however, the agency noted that the improvements for which the debt was taken would place the Port in a better position to attract new business.

Deputy Mayor Edward Marquez commented that Administration reviewed the quality of the Ports projections; that an external feasibility engineer reviewed the reality of the marketplace; and that projections were believed to be conservative. He noted some Port revenue was not included in projections. Deputy Mayor Marquez said that Port cash carryover revenue would be used to pay operating expenses until Post Panamax activity

begins. He noted the rating agencies did not include carryover revenue in their figures. Deputy Mayor Marquez said Administration was comfortable that there would be sufficient revenue to pay its debt service and it was a calculated business risk, noting the importance of the Port to the local economy.

PARKS, RECREATION AND OPEN SPACES

Mr. Jack Kardys, Director, Parks, Recreation and Open Spaces Department (PROS) explained that this community had one the most diverse park systems in the world; that the parks were nationally accredited since 1995; that they won two Governor Sterling awards; and were recognized by both the National and State Recreation and Park Associations. He said the vision was to connect people and parks for life through three pillars; place making and community building, health, and conservation.

Mr. Kardys indicated there were 260 parks consisting of 12,848 acres serving 2.5 million residents. He proceeded to describe the wide variety of services provided through the County's regional parks and Unincorporated Municipal Service Area (UMSA) local area parks. Mr. Kardys noted the Miami-Dade Parks Foundation raised approximately \$900,000 for the parks this year alone. He explained that the PROS took on a greater role in the community in 2008 when the Board adopted the Open Space Master Plan followed by a Comprehensive Development Master Plan Recreation and Open Space element. Mr. Kardys noted PROS became the catalyst connecting parks, public spaces, natural and cultural areas, bikeways, greenways, waterways and the streets that connect them. He said that the right away maintenance division, the Community Image Advisory Board, and Metrorail maintenance was placed under the realm of PROS by Mayor Gimenez in 2011. Mr. Kardys pointed out that pursuant to a 2009 study economic impact study, the PROS activities maintained or sustained 10,000 jobs annually and added approximately \$300 million in direct financial impact annually to the community.

Mr. Kardys pointed out the proposed Fiscal Year (FY) 2014-15 budget contained a \$34 million gap. He explained that PROS received Convention Development Tax (CDT) funding over the past two years; however, noted that revenue from the General Fund would be needed in the

future to replace this funding source. He said salary costs would rise by \$9 million largely due to the costs associated with fringe benefits and insurance. Mr. Kardys noted PROS lost 37 percent of its full-time workforce over the last six years and that 55 percent of the current workforce consisted of part-time employees, with a high turnover rate. He explained that the ground maintenance cycles on the median strips was reduced from fifteen to twelve and roadside maintenance from nine to seven. Mr. Kardys said that PROS projected fee increases that would generate \$1.1 million additional revenue, noting there had not been any fee increases for at least the last five years.

Chairman Bovo questioned whether there was any consideration to begin charging fees at Tropical Park.

Mr. Kardys responded that PROS was evaluating a pay by phone system for all regional County parks.

Chairman Bovo noted he believed that all parks should be considered equal.

Mr. Kardys explained that operating impacts needed to be considered when building new facilities, noting additional operating costs were associated with additional facilities. He said that few of the proposed new facilities would generate sufficient revenue to sustain themselves. Mr. Kardys indicated that the capital outlay reserve was a major concern, noting \$11 million of deferred maintenance needs annually and projected it would take five years to complete all necessary infrastructure improvements.

Mr. Kardys said the Board needed to decide whether it wanted to have a world class park system, and if so, it needed to find a way to invest in that system and prevent its deterioration. He pointed out that a decision whether to be a regional or a local parks system needed to be determined, noting funding issues existed between area wide and UMSA and the need for consistency. Mr. Kardys indicated a decision was needed as to whether to continue expansion or to maintain what was already available in the system, noting concern that facilities might need to be closed.

Chairman Bovo questioned whether it was standard procedure for the County to turn over

parks to new cities when they incorporated.

Mr. Kardys confirmed that the County turned over parks to cities upon incorporation, noting that the local neighborhood community parks that drew the most General Fund subsidy from PROS was located in these areas.

Chairman Bovo inquired about the process used to allocate donations collected by the Parks Foundation.

Mr. Kardys responded that most contributions were restricted funds for specific purposes or programs and very little was ever used for overhead costs. He noted that Mr. Dick Anderson and the Parks Foundation were working to create a membership based program. Mr. Kardys said the Parks Foundation was trying to hire a full-time employee, noting that they were currently staffed by volunteers.

Chairman Bovo expressed frustration that private donations did not materialized as anticipated, despite efforts of the County to request contributions from the public. He noted discussions about revisiting the provisions of Article 7 in an attempt to allow private contributions to help maintain our parks. Chairman Bovo inquired about which parks could be used to host library facilities.

Mr. Kardys pointed out that PROS was working closely with the Miami-Dade Public Library System and had identified seven parks that would be appropriate. He said that a referendum to Article 7 was planned that would include libraries as an acceptable usage in parks.

Chairman Bovo questioned the difference between a Tamiami Park and a Tropical Park.

Mr. Kardys responded that both Tamiami Park and Tropical Park were district regional parks. He noted that Tamiami Park was athletics driven with no picnic areas and housed the Youth Fair, whereas, Tropical Park offered the Equestrian Center, a stadium, picnic areas, corporate shelters, and a lakefront. Mr. Kardys said that these parks would remain with the County in the event of incorporation because of their large size.

**PUBLIC HOUSING AND COMMUNITY
DEVELOPMENT**

Mr. Gregg Fortner, Executive Director, Public Housing and Community Development Department (PHCD) pointed out that all PHCD funding came from federal and State grants and Surtax income and the Department did not receive any General Fund revenue. He said that PHCD had more requests for assistance than available funding, noting the greatest challenge was in public housing. Mr. Fortner explained that the federal operating subsidy was \$463 per month per unit, regardless of the unit size. He pointed out that this community had one of the oldest housing stocks across the Country. Mr. Fortner noted that over \$300 million in unmet capital needs existed; that the County received \$85 million low income tax credits through a public private partnership to rehabilitate six developments; and that the federal government contributed only \$10 million annually. He pointed out that having a small amount of carryover revenue was good because it showed that PHCD was spending money quicker, using those funds for housing projects and community development activities.

REGULATORY AND ECONOMIC RESOURCES

Deputy Mayor Jack Osterholt explained that the Regulatory and Economic Resources Department (RER) was the result of consolidating eight departments into one, noting the consolidation eliminated duplicative administrative operations and reduced staffing from almost 100 employees to less than 50. Deputy Mayor Osterholt noted RER consisted of administrative operations, economic development activities (planning, sustainability, film office, motor vehicles, motor vehicle carriers, consumer affairs, international trade, and the county economist), and regulatory issues (DERM, Building Department, and Development Services). He pointed out that RER provided service to 20,000 regulated facilities handling hazardous materials in this County; issued 50,000 building permits annually and 170,000 building permits annually related to inspections; conducted 3,500 investigations regarding unfair business practices; and collected \$1.3 million in reimbursements of goods, services and wages. Deputy Mayor Osterholt said RER was also involved in economic research, land use and sustainability initiatives. He pointed out that RER addressed the County's sustainable growth requirements.

Deputy Mayor Osterholt explained that RER's operating budget was \$128 million of which \$85

million was to pay the salaries and fringe benefits for 930 employees. He noted a new permitting and code process would be implemented during the upcoming year. Deputy Mayor Osterholt expressed concern that beach restoration after a hurricane would cost \$80 million and the County was responsible for \$20 million which it did not currently have in reserve. He pointed out that the foreclosure registry used to support code enforcement activities was being eliminated and efforts were underway to adopt that registry.

Chairman Bovo noted an increase in the proposed FY 2014-15 budgets; however, noted there was a decrease in the number of employees. He proceeded to question whether the increase was due to snap back expenses.

Ms. Jennifer Moon, Director, Office of Management and Budget confirmed that the budget increase was due to snap back costs.

Chairman Bovo noted obstacles existed for individuals wanting to start businesses in this community.

Deputy Mayor Osterholt responded that an application was available on RER's website which covered all the steps to establish a business; including, creating an idea, the permitting process, and opening day requirements.

Chairman Bovo inquired whether there was a way the County could communicate with shopping center owners or developers to inform them about appropriate and allowable business use of their facilities.

Deputy Mayor Osterholt responded that there was not but Chairman Bovo had a good suggestion.

JUVENILE SERVICES

Mr. Morris Copeland, Director, Juvenile Services Department (JSD) explained that JSD was responsible for the intake, screen and assessment of all arrested children in Miami-Dade County. He noted JSD had agreements with 37 law enforcement agencies with specific interventions including evidence based assessments; provided 24/7 clinical oversight and crisis intervention, used global positioning system (GPS) monitoring, identified and assessed safe harbor human trafficking, and participated in the new A-Form process.

Mr. Copeland pointed out that JSD provided clinical assessment and diversion services to 14,000 children after committing minor offenses and upon program completion they did not have a criminal record. He noted the Young Offenders' Project served children under 12 years old. Mr. Copeland said JSD received State funding for two contracts through the Department of Juvenile Justice.

Mr. Copeland noted JSD was involved in outreach initiatives, including: Engage 305, an initiative of Mayor Gimenez and the Round Table on Youth Safety, also an initiative of Mayor Gimenez along with Miami-Dade Public Schools Superintendent Alberto Carvalho. He pointed out that the Violence Intervention Project, the anti-gang strategies component and the Youth Commission were other outreach initiatives. Mr. Copeland said the Chaplaincy Program connected families and children with faith based organizations in addition to providing support to program staff.

Mr. Copeland explained that the fiscal management component included: budget and management, technology, research, records, human resources, facilities and fleet. He noted JSD also provided administrative oversight for JSD's participation in the Guardian Ad Litem program. Mr. Copeland pointed out that JSD saved the community \$33 million annually because of its efforts and that JSD was recognized as a national and international model for juvenile justice reform.

Chairman Bovo pointed out that quick intervention was very important. He questioned whether JSD tracked children that might become multiple offenders and those that never became repeat offenders even after being juveniles.

Mr. Copeland responded that a yearly report which identified risk, need, intervention and recidivism would be provided to County Commissioners, noting that the report was broken down by Commission District.

In response to Chairman Bovo's question about salary increases, Ms. Moon said that JSD had very little overhead expenses. She explained that JSD received grant funding which remained at the same level from year to year; therefore, the General Fund absorbed its salary increases.

COMMUNITY ACTION AND HUMAN SERVICES

Ms. Lucia Davis-Raiford, Director, Community Action and Human Services Department (CAHS) noted that 515 full-time, 67 part-time and 200 volunteers helped CAHS serve 93,000 poor and near poor individuals in this community. She said CAHSSH provided assistance to more than 7,000 Head Start children and families at 60 facilities of which 14 were Neighborhood Service Centers and worked with 16 citizens advisory committees. Ms. Davis-Raiford noted CAHS provided assistance from newborn to end of life. She said CAHS provided 1,300 individuals with daily meals at senior meal sites; served over 300,000 meals annually; operated 22 meal sites and 3 full-time senior sites; provided transportation services; offered at home care to almost 800 frail, homebound elderly; provided a senior volunteer program and senior companion program; served 350 meals on wheels; operated 5 full-time adult day centers; provided services to people with disabilities throughout the Department as well as serving 500 people annually at the Disability Services and Independent Living site. Ms. Davis-Raiford pointed out that home rehabilitation programs; revitalization programs; paint and shutter programs; veterans' programs; and substance, drug and alcohol abuse programs were also offered.

Ms. Davis-Raiford commented that although CAHS offered a wide variety of services, it did not have a lot of money to provide those services. She said that 25 percent of the CAHS budget was from the General Fund and that the largest source of funding was from the federal government. Ms. Davis-Raiford noted CAHS worked in close cooperation with the Parks, Recreation and Open Spaces Department, the Cultural Affairs Department and the Miami-Dade Public Library System to extend their services to CAHS program participants. She noted that almost 20 percent of the County's 2.5 million residents were poor and that almost 21 percent of the County's 400,000 residents aged 65 or above was poor. Ms. Davis-Raiford pointed out that the client base was increasing as baby-boomers were reaching retirement age. She indicated that the demand for CAHS services was overwhelming; that there were wait lists in all CAHS programs; and that CAHS did not want to be known as an agency where people died waiting for program services. Ms. Davis-Raiford noted concern that CAHS worked diligently to try keeping up with demand as that

demand outgrew the Department's ability to fund the services.

Chairman Bovo noted concern that 48.7 percent of the CAHS budget provided grant funding to outside organizations and inquired who these organizations were.

Ms. Davis-Raiford responded that \$60 million was the largest expense which provided Head Start program funding. She noted there were small Community Based Organizations (CBO) receiving grant funding to provide additional services.

Ms. Jennifer Moon, Director, Office of Management and Budget pointed out that the CBO allocations were not part of the CAHS budget.

INFORMATION TECHNOLOGY

Mr. Angel Petisco, Director, Information Technology Department (ITD) noted ITD was responsible for the back end applications and systems for County departments that provided services to the public. He noted that the ITD's budget was 60 percent staffing costs and 40 percent plant and equipment costs. Mr. Petisco said that 2 percent of ITD's revenue was from the General Fund; that 34% was from a funding model to access payroll, finance and procurement systems; and the balance was from direct services provided to County departments. He pointed out that the Fiscal Year (FY) 2014-15 budget increase was the result of additional costs associated with ITD acquiring 63 employees through information technology consolidations as well as from projected snap back costs and the renewal of technology maintenance agreements. Mr. Petisco indicated that ITD's rates were competitive and services were provided as economically as possible.

Mr. Petisco pointed out that ITD had a mature workforce and needed to modernize and update its older technology. He said that ITD would continue to use analytics to assist departments improve the way they looked at applications and systems, to find better data points, to conduct business more efficiently, and to collect more information on the processes served.

Chairman Bovo questioned whether the County had technology available that would allow less paperwork and inspectors to update their findings without returning to the office.

Mr. Petisco responded that inspectors now updated their findings on laptop computers in the field and the results were available within one hour. He noted ITD was in the process of evaluating systems with the Regulatory and Economic Resources Department (RER) to consolidate into a single system that had multiple uses throughout the County.

Chairman Bovo inquired whether residents could schedule appointments online.

Mr. Petisco pointed out that residents could schedule appointments online and that they would receive notification as to the inspector assigned to the job along with his/her photograph.

WATER AND SEWER

A budget presentation was not presented by the Water and Sewer Department.

AVIATION

A budget presentation was not presented by the Aviation Department.

ADJOURNMENT

Report: *There being no further business, the Finance Committee meeting was adjourned at 1:38 p.m.*