MIAMI-DADE COUNTY
FINAL OFFICIAL MINUTES
Recreation and Cultural Affairs Committee

Board of County Commissioners
Stephen P. Clark Government Center
Commission Chamber
111 NW 1st Street
Miami, Florida 33128

Meeting Date:

Monday, August 13, 2007
2:00 P.M. Commission Chambers

Prepared by:
Harvey Ruvin, Clerk
Board of County Commissioners

Kay Madry Sullivan, Director
Clerk of the Board Division

Reporter:
Zorana Gainer, Commission Reporter
(305) 375-3570

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

FINAL OFFICIAL

Meeting Minutes

Recreation & Cultural Affairs Committee

Javier D. Souto (10) Chair; Dennis C. Moss (9) Vice Chair; Commissioners Audrey M. Edmonson (3), Barbara J. Jordan (1), Katy Sorenson (8), and Dorrin D. Rolle (2)

BUDGET WORKSHOP

Monday, August 13, 2007 **2:00 PM** **COMMISSION CHAMBERS**

Members Present: Audrey M. Edmonson, Barbara J. Jordan, Dennis C. Moss, Katy Sorenson, Javier D. Souto.

Members Absent: Dorrin Rolle.

Members Late: None.

Members Excused: None.

Members Absent County Business: None.

1 MINUTES PREPARED BY:

Report: *Zorana Gainer, Commission Reporter*
305-375-3570

1A INVOCATION

1B PLEDGE OF ALLEGIANCE

1C ROLL CALL

Report: *In addition to committee members the following staff members were present:*
~Assistant County Manager Alex Munoz
~Assistant County Attorney Wilfredo Ferrer
~Deputy Clerk Zorana Gainer

1D CHAIRPERSONS REMARKS

Report: *Chairman Souto welcomed everyone to today's meeting (8/13). He noted he had taken the liberty of identifying potential funding sources in an effort to restore some positions and services that were greatly needed. He also noted the importance of adopting budget ordinances. Chairman Souto stated that he believed as a governing body, the County Commission had collectively neglected its responsibilities by blindly following the direction of staff and allowing them to dictate policy over the years. He said incremental budgeting could not be continued.*

Chairman Souto noted the County Manager had put together an operations budget for Miami-Dade County and a municipal budget for the unincorporated Miami-Dade County, which provided very little line item detail on how billions in funding was earmarked. He emphasized the budget needed to be more detailed and specific.

Chairman Souto said he felt the budgeting process failed this year, which was to be expected considering the changes in the structure of County Government. He explained that he sponsored legislation, which directed the County Manager to use zero-based budgeting concepts and performance-based reviews in all County Departments, in cooperation with the Office of the Commission Auditor (OCA), and to present a detailed report to the County Commission justifying every expenditure. He stated following a conversation with OCA staff, he discovered that the budget was not created using zero-based budgeting; that adjustments were made to the previous year's budget and incremental changes were made to reflect legislative initiatives and directive, union contract negotiations, and departmental growth.

Commissioner Moss commended Chairman Souto for outlining the Committee's concerns, He noted creating a budget that reflected the priorities of the County Commission was a struggle and that all Commission Committees were struggling to develop budgets that were driven by the County Commission's versus the County Administration's priorities.

1E DEPARTMENTAL BUDGET PRESENTATIONS

1E1

072352 **Report**
DEPARTMENTAL BUDGET PRESENTATIONS ***Presented***

Report: *~Cultural Affairs~*
Mr. Michael Spring, Director, Cultural Affairs, gave a brief overview of the Cultural Affairs Department's and the Art in Public Places (APP) Trust's budgets. Mr. Spring said that Department of Cultural Affairs served as the County's cultural developer in the following ways:
~investing County support in non-profit cultural organizations and individual artists,

~developing cultural facilities in neighborhoods throughout the County,

~overseeing the County's capital investments in cultural facilities throughout the County, and

~providing more affordable and accessible cultural opportunities to the general public.

Mr. Spring highlighted the proposed budget reductions for the coming fiscal year. He noted the proposed budget recommended a thirty (30%) percent cut in property tax revenues, which was equivalent to $3.483 million dollars. Mr. Spring pointed out that the budget cut would eliminate grant programs involving everything from improvements of neighborhood cultural facilities to international exchange; that the number of cultural organizations receiving grants from the department would be reduced to 346, He noted it was also recommended that the APP Trust and the Office of Film & Entertainment (F&E) be merged this coming year; that the total positions in those two offices be reduced from thirteen (13) to six (6); and that the total budget for the two offices be reduced from approximately $4.5 million dollars to $2.2 million dollars.

Mr. Spring stated staff had scheduled a town meeting on July 23, 2007, to inform the constituency, the artists, and the non-profit cultural organizations regarding the pending reductions.

In response to Chairman Souto's question regarding the outcome of the town meeting, Mr. Spring noted more than 200 representatives from non-profit cultural organizations attended, as well as half of the voluntary advisory boards. He said

the cultural community provided feedback and expressed concern that the drastic cuts would impact programs offered to the public.

In response to Commissioner Moss' inquiry regarding what percentage of the non-profit organizations were small community based organizations, Mr. Spring estimated that 90% of the groups were small to medium cultural organizations that depended on the County for financial support.

Commissioner Moss questioned whether the departments recommended to be merged could operate effectively with a smaller budgets.

Mr. Spring assured Committee members that the APP's function was similar to his department, and that he was meeting with the directors of F&E and APP to determine if the number of staff being recommended was sufficient to sustain the current workload with fewer resources.

Commissioner Sorenson noted the Cultural Affairs Department, in her opinion, was one of the most efficient and effective agencies within the County and they had created a thriving cultural community that she was proud of. She suggested this department funding level be restored and that the Convention Development Tax (CDT) be targeted as a potential funding source for cultural affairs.

Mr. Charles Anderson, Commission Auditor, Office of Commission Auditor (OCA), stated he reviewed the departmental budgets and noted any major fluctuations in revenues or expenditures. He explained that the Cultural Affairs Department reflected a decrease in State Grant Funds, but did not provide any detail regarding the "non operating adjustments" and the increase in administration by two positions.

In response to Mr. Anderson's concerns, Mr. Spring explained that the department was ineligible to apply for any further State Grant Funding. He further noted the State was considering reducing the grant funding to all cultural organizations. Concerning the staffing level, Mr. Spring stated the increase in seven positions was necessary to support the new South Miami-Dade Cultural Arts Center. He explained; however, that the two administrative positions were offset by an overall decrease in staff. Mr. Spring noted he would provide the Commission

Auditor with a chart indicating the staffing level this year versus next year's staffing level. He explained that the reserve item reflected under non- operating expenditures was revenues that were dedicated to the South Miami-Dade Cultural Arts Center, and noted he would provide a breakdown of the numbers.

In response to Commissioner Moss' question regarding carry over line items, Mr. Spring explained that the carry over line item reflected a number of grants which didn't complete their work on September 30th and the grants were carried over to the coming year before closing them out. Mr. Munoz further explained that APP projects were typically carried over due to the timing of capital construction.

Commissioner Moss expressed concern regarding the proposal to reduce the amount of employees in the F&E and APP Departments and how the level of operations and activities would continue.

Mr. Spring stated he was committed to researching the feasibility of conducting the essential activities of each department with fewer employees, and he would advise the County Manager of his findings.

Commissioner Edmonson expressed concern regarding the recommendation of imposing film permit fees to offset the budget cuts.

Mr. Spring said the F&E Director was exploring the possibility of implementing film permit fees as a way to recover some revenue that could be used to sustain one position within that office.

Concerning Commissioner Edmonson's comment that the municipalities within the Miami-Dade County implemented film permit fees to deter the film industry from using their cities, Mr. Spring responded that other major destinations imposed film permit fees; that the F&E Department was conducting an analysis to determine the amount of the fee that could be imposed, without deterring the film industries—while simultaneously enabling the County to remain competitive.

~Parks & Recreation Department~
Ms. Allison Diego, Assistant Director, Miami-Dade Parks & Recreation (MDPR) provided an overview of the Department's budget using a Power Point Presentation. She noted the revenue sources totaled $121,000,000; that sixty-six (66%)

percent was from general fund subsidy, twenty-eight (28%) percent was from proprietary fees, and six (6%) percent was from other sources. Additionally, Ms. Diego pointed out that expenditures were $119,000,000; forty-nine (49%) percent was for salaries, sixteen (16%) percent was for fringe benefits, four (4%) percent was for capital, and thirty-three (33%) percent was for other operating costs. The General Fund Subsidy increased over the last five years at an average rate of ten (10%) percent, and the Proprietary Revenue increased over the last five years at an average of six (6%) percent, noted Ms. Diego.

Ms. Diego noted the following items represented subsidy growth and proprietary growth:

~New/expanded facilities,
~Increased personnel costs,
~Expanded facility maintenance,
~Expanded park security,
~Lowered attrition, and
~Fuel/electrical/commodity increases.

Ms. Diego noted the following Fiscal Year 2007-2008 Proposed reductions:

~Facility Maintenance (Sign, Irrigation and Technician Programs)-$1.6 Million

~Grounds Maintenance (cutting cycles, litter pick-up, trimming, edging)-$2.7 Million

~Park Security (roving patrols)-$1.3 Million

~Administration (support staff, Hickman Building work orders)-$879 Thousand

~Custodial Services (restroom and overall facility cleaning)-$850 Thousand

~Art Programs (Arts in the Parks, programming staff)-$679 Thousand

~Deering Estate (security, grounds maintenance, operating costs)-$222 Thousand

~Metrozoo (Marketing, plants, furnishings)-$364 Thousand

~Beach Maintenance (afternoon litter pick-up)-$280 Thousand

~Community Events/Marketing (Cornucopia of the Arts, Noches Tropicales, Love-in, 4th of July,

Ribfest, and marketing)-$766 Thousand

~Other Operating (CBO's, FTG, fleet costs, Tropical Estates Pool)-$951 Thousand

Commissioner Sorenson expressed great concern regarding the proposed budget cuts to MDPR. She said eliminating and/or reducing maintenance, security, and custodial services would significantly affect the community and facilities, which was unacceptable. She suggested cutbacks be made in other areas or that the existing list of items be prioritized and/or adjusted.

In response to Commissioner Edmonson's concerns regarding reducing custodial services and grounds maintenance, Mr. Jack Kardys, Assistant Director of Operations, MDPR, explained the proposed reduction in custodial services would result in the elimination of nine positions and one cycle of cleaning per day at most of the facilities. Regarding grounds maintenance, Mr. Kardys said mowing, trimming and edging grass at parks would be reduced by 25%.

Commissioner Edmonson also expressed concern regarding the reduction in security. In response, Mr. Kardys explained that night patrol would no longer be provided in parks; that 21 security positions would be eliminated; and that an exception would be made in parks with fixed site security.

Mr. Kardys explained that the reduction to Beach maintenance would eliminate the afternoon cycle of trash pick up.

Mr. Kardys stated in the matter of maintenance they had to evaluate where efficiencies could be created and how resources could be moved to where they were needed most. This was a balancing act that would take a few months to level out, he added.

Commissioner Moss expressed concern regarding the budget cuts affecting the parks, and noted the County needed to have clean, well maintained facilities. He said in comparison to other places County parks had made tremendous strides, and the County needed to find ways to fund them. He expressed further concern regarding marketing at Metrozoo, losing the recent momentum, and the possibility of not being able to deliver projects that the community had voted in favor of.

Chairman Souto expressed great concern regarding reduction of MDPR's budget. He suggested being proactive by concentrating on parks and programs which kept children engaged in positive activities that helped deter kids from committing crimes and by the County exploring ways to generate funds for our parks.

Chairman Souto stated he wanted to ensure that if park security was reduced, the police would patrol the parks.

Commissioner Moss expressed concern regarding how the budget cuts would affect disadvantaged neighborhoods and noted he did not want to move toward fee-based programs.

Chairman Souto concurred with Commissioner Moss and stated the proposed budget cuts were unfavorable and promoted crime instead of reducing it.

~Library~
Mr. Raymond Santiago, Director, Miami-Dade Library (LIB) presented a report regarding the Fiscal Year 2007-2008 proposed resource allocation and multi-year capital plan. He noted the revenue source for Miami-Dade Libraries was approximately 100% property taxes, except for a 2.5 million dollar State Grant, which was being reduced to 1 million dollars. Mr. Santiago stated that in anticipation of the budget reduction, operating costs, including automation, facilities maintenance, and training, were reduced. He further noted a delay worth 2 million dollars occurred in major renovation projects.

Mr. Santiago said a number of projects were coming on line with the ability to maintain a capital plan based on millage, which covered construction and operation costs.

In regards to current construction Mr. Santiago stated five (5) libraries were under construction, three (3) of which would open in 2007, as well as a new book mobile. Mr. Santiago explained that due to the reduction the libraries capital plan was no longer feasible, however the operating costs on the projects scheduled for completion in 2007 were covered by the Capital Reserve Fund. He also noted that 6 administrative positions would be eliminated.

In response to Chairman Souto's question

regarding which specific library projects were unable to continue, Mr. Santiago said the Doral, Killian, Country Walk and Hialeah Gardens library projects would be frozen until funds were obtained to move these projects forward. In addition, Mr. Santiago stated the International Mall, Virrick Park, Pinecrest, and Naranja libraries were currently under construction,

Commissioner Sorenson expressed her concerns, stating libraries were important to families and addressed many concerns of the community, and noting she would research the feasibility of restoring a large portion of the libraries budget.

Commissioner Jordan concurred with Commissioner Sorenson's comments and noted her disappointment regarding the Committee's action against the approval of an additional five libraries. Commissioner Jordan expressed concern regarding the community having to experience the repercussions and impact of the budget cuts.

Chairman Souto asked Mr. Santiago to report directly to the Board to explain how the budget cuts have impacted the department. He also expressed concern regarding the community feeling the effects of the budget cuts.

Mr. Santiago expressed appreciation for the support the commission had extended to the library system over the years. He noted Miami-Dade County Libraries had been a model to others all over the world and had much to be proud of.

Mr. Anderson asked Mr. Santiago to provide a him report regarding the significant increase in fringe benefits and salaries and a detailed report regarding transfers.

Cultural Programs

~Performing Arts Center (PAC)~
Ms. Terea Hebert, Chief Operating Officer, Carnival Center for the Performing Arts, gave a brief report regarding the PAC's budget. She stated the budget for next year was roughly $26.6 million dollars, including $8.8 million dollars for occupancy costs (utilities, police/security, maintenance, and janitorial staff); and that the PAC employed 113 people, Ms. Hebert noted contracts were being renegotiated to ensure they were favorable to the PAC; that janitorial maintenance was being analyzed to determine whether or not it should be done in house or

contracted out; and that the utilities department was working to ensure the pay structure was correct.

Ms. Hebert noted future performances included: The Four Tops, Patti LuPone, The Miami City Ballet, The Florida Grand Opera, The Classical Theater of Harlem and The Manhattan Transfer.

Commissioner Moss noted, for the record, that the PAC Trust's request for salary increases was inappropriate and did not send the right message.

~Historical Museum of Southern Florida~
Mr. Bob McCammon, President, Historical Museum of Southern Florida, gave a brief report regarding the Museum's budget. He stated that the County provided forty (40%) percent of the museum's funding, which was projected to reduce by twenty-five (25%) percent or equivalent to the 2000 funding level. Funding was reduced from the Cultural Institutional Grant, as well as the State of Florida Grants, Mr. McCammon noted. He said the total budget cuts amounted to $600,000 dollars. Mr. McCammon explained that one position had not been filled, 3 positions had been eliminated, no pay increases for employees, a reduction in programming; Saturday's for Children was reduced to once a month, also elimination/severely cutting expenses for paid advertising, office and computer supplies, equipment, food and beverages at all programming events; the cuts amounted to approximately 300,000 dollars. Additionally admission fees were increased from $5 to $8, as well as charging a fee for programming that was previously free.

Mr. McCammon noted that all four major cultural programs, Historical Museum of Southern Florida, Miami Art Museum, Miami Science Museum and Vizcaya Museum and Gardens, were housed in County facilities and were subjected to twenty-five (25%) percent reductions.

In response to Commissioner Moss' question regarding why the cultural programs were subjected to 25 percent reductions, since they were funded by Convention Development Taxes (CDT) and Tourist Development Taxes (TDT). Mr. Daniel Alfonso, Budget Coordinator, Office of Strategic Business Management (OSBM), explained that the funding for the cultural programs were both CDT and TDT Funds. He noted TDT funds were no longer available and General Funds were being

provided to offset the reduction.

Commissioner Moss expressed concern regarding the PAC receiving more funding than the other organizations.

~Miami Science Museum~
Ms. Jillian Thomas, Representative, Miami Science Museum provided a brief report regarding the budget. She noted the Museum was behind in terms of operating budget, and the County contributed approximately 19 percent of the operating budget. She said through a mix of funding they were able to make space to house major national exhibitions like Titanic and currently Dinosaurs from China. Ms. Jillian pointed out that the County funding was used to upgrade the front entrance and the ticket desk to comply with the Americans with Disabilities Act (ADA), and to repair leaks in the roof. Renovations of the Wildlife Center were funded by private foundations noted Ms. Thomas.

Ms. Thomas explained that any outreach that was not funded by some source and weekend and evening programming would be reduced and result in eliminating some staff.

Discussion ensued regarding CDT and TDT funding, and Mr. Anderson stated his staff would review those funds and report his findings to committee members.

~Miami Art Museum~
An unidentified representative of the Miami Art Museum (MAM) provided a brief report regarding the budget. He stated that the Miami Art Museum Park at Bicentennial Park would continue, 186 pieces of artwork had been received and he believed it would help have a successful capital campaign which was needed for Museum Park. He reported that the design concept would be unveiled in November of 2007, as an exhibit entitled "A Work In Progress." The representative noted an update of their business plan had been commissioned to ensure the operating costs of the new building were available.

MAM cultural center plaza would be impacted by the budget cut, however, they would strive to maintain the current level of service, including the Free Second Saturday Program, MAM in the Neighborhood, and MAM in the Schools, explained the representative. He noted there

would be a potential reduction in weekday public hours, n in the number of temporary exhibitions, in the number of exhibitions related staff, in grounds maintenance, and in advertising and certain events such as Jam at MAM. He also noted an increase in the admissions fee from $5 to $8 was being considered, effective October 1, 2007.

In regards to all of the Cultural Programs, Commissioner Moss stated an educational campaign would be helpful so the community fully understood what the consequences were of these budget cuts.

The MAM representative noted that MAM and the Trustees participated in the educational campaign that led to the successful "Building Better Communities Bond issue" as well as the City of Miami Bond issue of 2001.

~Vizcaya Museum and Gardens~
Mr. Luis Correda (phonetic), Representative, Vizcaya Museum and Gardens, noted their main expenditure was maintenance to the facility, which was funded by the General Obligation Bond; that improvements to the facilities were being made and the budget cuts will turn these efforts back. Mr. Correda noted the total impact was approximately 747,000 dollars, and a reduction of 281,000 dollars had occurred before this proposed reduction. Line item costs had been reduced and no vacant positions were filled in effort to address the cuts noted Mr. Correda. He further noted revenues for the current fiscal year had been robust and could result in carry-over that could help with the adjustments.

Chairman Souto expressed great concern regarding the budgets presented at today's (8/13) workshop.

Commissioner Sorenson expressed concern regarding cutting programs that were valuable to the community.

2 ADJOURNMENT

Javier D. Souto, Chair