MIAMI-DADE COUNTY
FINAL OFFICIAL MINUTES
Budget and Finance Committee

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

Thursday, August 16, 2007
As Advertised

Harvey Ruvin, Clerk
Board of County Commissioners

Kay Madry Sullivan, Director
Clerk of the Board Division

Scott Rappleye, Commission Reporter
(305) 375-5108

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

FINAL OFFICIAL

Meeting Minutes

Budget and Finance Committee

Joe A. Martinez (11) Chair; Carlos A. Gimenez (7) Vice Chair; Commissioners Jose "Pepe" Diaz (12), Katy Sorenson (8), Rebeca Sosa (6), and Javier Souto (10)

BUDGET WORKSHOP

Thursday, August 16, 2007 | **2:00 PM** | **COMMISSION CHAMBERS**

Members Present: Jose "Pepe" Diaz, Carlos A. Gimenez, Joe A. Martinez, Katy Sorenson, Rebeca Sosa, Javier D. Souto.

Members Absent: None.

Members Late: None.

Members Excused: None.

Members Absent County Business: None.

1 MINUTES PREPARED BY

Report: *Scott Rappleye, Commission Reporter, (305) 375-5108.*

1A INVOCATION

1B PLEDGE OF ALLEGIANCE

1C ROLL CALL

Report: *The following support staff was present: Assistant County Attorney Jess McCarty and Deputy Clerk Scott Rappleye.*

1D CHAIRMAN'S REMARKS

1D1

072355 **Discussion Item**

CHAIRMAN'S REMARKS AND EXPECTATIONS ***Presented***

Report: *Chairman Martinez called the meeting to order at 2:19 pm, and noted that all six Committee members were present and that he had requested all commissioners in the Stephen C. Clark Center be present for his opening remarks.*

Chairman Martinez noted that no representatives from the Mayor's Departments were present to respond to questions. He stated that the absence of Departmental representatives was a complete lack of respect for the County Commission's main job of setting the budget.

Chairman Martinez expressed appreciation to Commissioner Jordan for attending.

Chairman Martinez said the County Commission would have to cut items from the budget. He expressed concern that the commissioners disagreed with the cuts recommended by the Mayor and County Manager. Chairman Martinez pointed out that the Commission needed a different approach to the budget other than the line-item approach. He recommended that the Commission reviewed how they would execute the budget and pointed out that the last budget meeting would be September 20, 2007, and following the Mayor's 10-day veto period, the Commission would have a hard time meeting to override any vetoes.

Chairman Martinez noted he requested the Committee members submit their questions concerning the departmental budget reports in advance and he expressed concern that he had just received the responses to his questions and Commissioner Gimenez received his yesterday.

Chairman Martinez pointed out the Legislature mandated the millage rate be rolled back to nine (9) percent less than fiscal year 2006-07. He noted that the County Commission needed to look at the budget different than subtracting nine (9) percent from the overall 2006-07 budget. He suggested that 1) the Commission look at the budget for each department in fiscal year 2006-07 and subtract nine (9) percent; 2) the Commission set its priorities; and 3) the Commission establish a limit for how much a department could spend on each

pay classification. He said the County Administration would decide how to adjust to the limits established by the Commission.

Chairman Martinez noted the Mayor and County Manager's proposed budget did not meet the needs of the people. He clarified that the County Administration represented government and the County Commission represented the people and needed to analyze how to bring the best service to the people.

1D2

072363 **Discussion Item**

ADMINISTRATION'S RESPONSE TO COMMITTEE MEMBER ISSUES/CONCERNS — ***Not presented***

1D3

072364 **Discussion Item**

COMMITTEE MEMBER DISCUSSION ON BUDGET POLICY AND DIRECTION — ***Presented***

Report: *Chairman Martinez requested his colleagues provide their recommendations of how the County Commission could approach the budget process.*

Commissioner Gimenez noted he would focus on the functions and services provided by the County and assign them high, medium, or low priority. He said the low priorities should receive the least amount of funding. He clarified that he did not see the budget as making reductions across the board, as Chairman Martinez suggested, or as a question of whether or not the County Administration's priorities matched his priorities. Commissioner Gimenez said he thought it was embarrassing that no one from the County Manager's office was present.

Responding to Commissioner Gimenez's comments regarding priorities, Chairman Martinez clarified that the departments needed a budget ceiling that could be adjusted based on priorities. He noted that he disagreed with the Mayor's proposed cut to Enhance Enforcement Initiatives (EEI) for the Police Department.

Commissioner Sosa suggested the Commission use the Countywide Budget Comparison report to compare department budgets from previous years to their requests this year and determine what departments were priority and provided service directly to the community. She spoke in support of EEI for neighborhoods and in opposition to new police stations. She said the Commission could reduce funding to the departments that were not needed and increase funding to the departments that were needed, and the Commission Auditor could work to balance the increases and decreases. Commissioner Sosa noted she supported the idea of Chairman Martinez speaking with County Commission Chairman Barreiro regarding a special meeting to discuss each department.

Commissioner Sorenson clarified that the County Manger's budget was only a proposal and the Commission set the budget policy. She pointed out that the Commission could adjust the County Manager's proposed budget to ensure that the

Commission's priorities were funded. Commissioner Sorenson noted the Commission needed to decide what it would cut or restore and then address smaller needs individually with the County Manager, and the big picture needs should be addressed as a full Commission. She expressed concern regarding the County's infrastructure. She noted the County had $6 billion of backlogged infrastructure needs and the Building Better Communities General Obligation Bond provided about $1 billion for those needs. She suggested that the public would not expect a significant decrease in service, since the tax break was small, and this made services a priority for the budget.

Commissioner Diaz noted he thought life safety for the Police and Fire Department was important and those departments should not be reduced. He explained that the Mayor had merged a department into another department that did not exist until the time of the merger, and, in the process of the merger, the budget of the department that was merged did not follow the employees to the new department. Commissioner Diaz noted, for the record, that it was the Mayor's administrative right to move employees from one department to another and he could create a new department; however, the department needed to be funded before the employees could be moved; and Commissioner Diaz noted that he had met with the County Attorney's Office to verify that this was correct. He concurred with Chairman Martinez that a broad approach to the budget would be better. He expressed concern regarding the Mayor's 10-day veto period.

Chairman Martinez concurred with Commissioner Diaz's comments regarding the Mayor's administrative rights. He questioned whether the Mayor transferred the budget for the three County Commission communications positions when they were moved under the Office of the Chair. He noted that if the Mayor did not transfer the budget with the positions, then he should not say that he reduced the budget 15 percent.

Commissioner Diaz clarified the Mayor could not, legally, merge the Communications Department the way he did it; and that he did not think the Mayor intended to do it illegally. Commissioner Diaz pointed out that the County Commission had to approve any amendments to the County budget, and the County Commission had not approved the changes to the budget that were associated with transferring or merging departments.

Commissioner Souto noted he would send his opening remarks from the August 13, 2007, Recreation and Cultural Affairs Committee meeting to the press to ensure wide coverage of the County Commission's viewpoint regarding the budget process. He emphasized that the Commission was the legislative power in County Government. He expressed concern regarding the County Administration's lack of respect for the Commission by not proposing a budget based on legislation sponsored by Commissioner Gimenez and himself, including Ordinance number 03-65. He asked that the County Commission send a message of disappointment to the County's Executive Office regarding this lack of respect.

Commissioner Souto pointed out the State and Federal Executive Branches could not work independently of the Legislative Branches, and said he thought the County Executive Office had started to do that. He suggested that the County Commission require the Executive Power and the County Manager attend all of its meetings and send a clear message regarding the division of powers. He asked Assistant County Attorney Jess McCarty to provide a report concerning the County Commission's alternatives for responding to the lack of respect and compliance from the County's Executive Office.

Responding to Commissioner Souto's foregoing comments, Assistant County Attorney McCarty clarified that the Commission set policy for the County; that the Commission controlled funding or not funding of a particular program or function; and that the Mayor could change the Table of Organization. He advised that the Mayor and the County Administration had to comply with legislation enacted by the Commission; and that he was unaware of any penalties for not complying with budgetary legislation.

Commissioner Souto emphasized the most important issue was to ensure that the Mayor and the County Administration knew they were violating laws regarding the budget. He clarified that the County Commission represented the people; that the Commission's decisions were the voice of the people; and that the Executive Offices disobeyed the will of the people when it disobeyed the County Commission.

Following further comments by Commissioner Souto regarding his foregoing concerns,

Commissioner Gimenez recommended for the 2008-09 budget, the County Commission meet in January 2008, to review and rank the priority of every function of every department and to establish guiding principles for the administration, such as more people on the street providing service and less people behind a desk. He noted that the Commission Auditor could be responsible for reviewing the revenue streams, the revenue projections, and the line item expenditures in the Mayor and County Manager's proposed budget and determine whether they would accomplish the functions that the Commission wanted to fund.

Commissioner Gimenez suggested the Commission re-examine the services and operations provided by the County and to identify those services and operations that were important and fund them. He pointed out that some services and operations might cease or be reduced, and others could commence or be increased. He recommended that Chairman Martinez ask County Commission Chairman Barreiro to schedule a special meeting for the Commission to review functions and to discuss priorities.

Commissioner Jordan asked whether any budget analysts were present; she noted that none were present. She clarified that the budget analysts were responsible for composing a budget for each department. She asked whether any Assistant County Managers responsible for the departments assigned to the Budget and Finance Committee were present; she noted none were present. Commissioner Jordan expressed concern regarding the lack of response from the County Administration and noted that in previous years the County Administration would have responded even if vacations had to be cancelled.

Commissioner Jordan noted she felt no one was present to respond to the Committee by design, and pointed out that the 13 commissioners could not reach a consensus if they were unable to have the information they requested from the County Administration. She concurred with Commissioner Gimenez regarding the need to have a consensus. She noted she thought each Committee should have a consensus to recommend to the Commission. Commissioner Jordan suggested that with the new form of government, the County Commission should have the Commission Auditor prepare a budget that would be aligned with the public's priorities; and that the Mayor and the County Manager would have to reconcile their

proposed budget with the Commission's budget.

Assistant County Attorney McCarty noted, for the record, that Commissioner Seijas was monitoring this Committee meeting and she shared the concerns expressed by all the commissioners.

Responding to Commissioner Jordan's comments regarding the Commission Auditor preparing a budget, Commissioner Sosa noted the County Commission would have to meet and set some parameters for the Commission Auditor. She questioned whether Chairman Martinez, as the Budget and Finance Committee Chair, could select a date for the Commission to meet and recommend it to County Commission Chairman Barreiro. She pointed out the budget that would be adopted could not reduce services to children and senior citizens. Commissioner Sosa asked the Commission Auditor to prepare the Countywide Budget Comparison report to present the numbers for departments before recent mergers were made by the Mayor.

Following comments by Commissioner Jordan regarding the priority of children and senior citizens, Chairman Martinez noted the budget time frame did not allow the County Commission to use the same format this year (2007-08) to set the budget as it would next year (2008-09). He pointed out the first budget hearing would be September 4, 2007, the County Manager would send a changes memorandum September 16, 2007, and the Legislature would convene September 18, 2007, to cut a billion dollars from the State budget. He noted that the nine (9) departments assigned to this Committee had a combined 2006-07 budget of $394,589,000, and he pointed out if each department was given a ceiling of the legislature mandated 2006-07 fiscal year budget minus nine (9) percent, the total would be $383,628,700—a savings of approximately $11,000,000 from those departments.

Following discussion regarding the amount of the total budget cut, Mr. Charles Anderson, Commission Auditor, Office of the Commission Auditor, clarified the cut in revenues that would have been collected was approximately $200 million and the decrease from last year (2006-07) to this year (2007-08) was only $89 million.

Chairman Martinez continued explaining his suggestion by noting that after adjusting every department's budget by the State mandated

formula, the Commission could set its priorities and increase funding to the departments with the functions that would provide those priorities, and further decrease departments that did not provide those priorities.

Following Chairman Martinez's comments regarding zero base budgeting and having each department explain its positions, personnel funding, and fringe funding, Commissioner Gimenez clarified that zero base budgeting was done in conjunction with functions provided by employees. He noted that the Commission would eliminate or reduce the non-vital functions provided by employees. He said the Commission could then save the funds or transfer the funds and personnel to a more vital part of the department. Commissioner Gimenez noted that every department performed some functions that were not critical and that an overlap of department functions existed.

Chairman Martinez expressed concern regarding the amount of time it would take to do a zero base budget.

In response to Chairman Martinez's comment that the Mayor and County Manager's proposed budget was not a starting point, Commissioner Sorenson noted that she disagreed, and stated she thought each commissioner should make their own proposals for the budget and then reconcile their differences. She emphasized the need for the Commission to stay focused on making policy and funding its priorities.

Commissioner Sosa noted that a majority of the Commission could call a special meeting of the County Commission. She concurred that the Commission did not have enough time to do a zero based budget. She explained that the County Administration's job was to ask for more funds for administrative functions, which contrasted the County Commission's job to ensure that funds were used to provide services to the public. Commissioner Sosa proposed that Chairman Martinez select a day for the Commission to meet and work on reconciling the Mayor and County Manager's budget, the Commission Auditor's report, and the Commission's priorities.

Commissioner Diaz concurred with Commissioner Sosa's proposal. He pointed out that individual commission districts had special interests that had made the budget hearings last very long in

previous years. He asked that the Commission focus on what was important and how those items had been impacted by the budget cuts. Commissioner Diaz suggested that the County Commission have its Summer Recess in July rather than August to avoid complications with budget planning. He noted that a number of Community Based Organizations (CBO) had called his office regarding cuts that would not allow them to operate. He expressed concern regarding CBOs that had done what was proper being in an awkward situation.

Commissioner Sosa pointed out that many CBOs had presented a report card with benchmarks and they had abided by those benchmarks. She said these CBOs should be prioritized. She said she thought the Commission needed to work on the CBO process.

Commissioner Diaz asked the Commission Auditor to provide each member of the County Commission with the report cards prepared by the County Administration rating CBOs' needs and performance. He asked Chairman Martinez to suggest to Chairman Barreiro that the Commission set aside one day to discuss CBOs.

Commissioner Diaz asked the Commission Auditor to provide each member of the County Commission with a copy of the last report prepared on the Sunset Review of County Boards. Commissioner Diaz noted the report recommended the County Commission eliminate approximately half of the County Boards.

Chairman Martinez expressed concern regarding the proposed reductions to the Office of the Inspector General's budget and the Office of the Americans with Disabilities Act's budget.

Discussion ensued regarding the Mayor and County Manager's recommendation to eliminate the Patriot Passport.

In response to Commissioner Diaz's inquiry regarding the County Administration possessing no power to eliminate the Patriot Passport, Assistant County Attorney McCarty advised that Commissioner Diaz was correct and the Patriot Passport was a function of the County that the Commission had set as a policy.

Following Commissioner Sorenson's comments that the Commission needed to give priority to the

CBOs that provided services with measurable outcomes, Commissioner Sosa asked the Commission Auditor to prepare a report on County employee take–home vehicles, broken down vehicles taken outside Miami-Dade County, the use of gas, the associated costs, and the depreciation of the vehicles.

Commissioner Sosa noted that she supported eliminating the Office of Countywide Health Care Planning; that the Commission should consider the self-insurance savings to subsidize part of the reductions; and that she supported eliminating the Empowerment Trust. She asked the Commission Auditor to provide a report regarding the fiscal impact of the Housing Agency being removed from the County, including whether the County would provide less funding for management and employees. She suggested the County Commission consider seeking private donations to support the libraries and noted she opposed reducing the Office of the Inspector General's budget.

Following further discussion regarding the report on County vehicles requested by Commissioner Sosa, Commissioner Sosa asked the Commission Auditor to provide a report of any budget item that was dependent on tax payer dollars that was not County related or did not provide a direct service to taxpayers.

Chairman Martinez noted he did not support eliminating Countywide Healthcare Planning and pointed out that 600,000 people in the County were uninsured.

Commissioner Jordan pointed out the Mayor and County Manager's budget recommended reducing the Office of Small Business Affairs budget by $2.3 million; and increasing the Property Appraiser's Office by $2.082 million. She suggested the funding source for Small Business Affairs be changed back to the capital program.

Discussion ensued regarding each commissioner's submittal of budget priorities and the preferred date for a special County Commission meeting.

Following the Office of Intergovernmental Affairs' Budget Presentation, Chairman Martinez pointed out, on page 7 of the Countywide Budget Comparison report provided by the Commission Auditor, the Corrections Department, for Corrections Officers, reported a reduction of 35 positions, an increase of 89, and a vacancy of 124.

He said 89 and 35 added up to 124, but that the report was incoherent. Chairman Martinez noted that the budget office provided this information to the Commission Auditor.

Commissioner Sosa noted Resolution No. R-96-05, regarding Long Term Vacant Positions (LTVP), and clarified if vacant positions were not filled after a year they were eliminated.

Responding to Chairman Martinez's concern regarding the confusion of the report, Ms. Jan Feldman, Budget Manager, Office of the Commission Auditor, explained that she sorted and subtotaled the information provided by the Office of Strategic Business Management (OSBM) to verify the information matched the County Manager's Memorandum, which it did. She noted she was in the process of looking at the LTVP for additional cuts.

Following further discussion, Commissioner Jordan pointed out this report concerned position changes; that the report did not provide information regarding untouched positions; and that the Commission needed a report of all the positions in one job classification, including the old and new table of organization.

Following further discussion, Chairman Martinez read Chairman Barreiro's memorandum calling a Committee of the Whole Meeting for Thursday, August 23, 2007, at 9:00 a.m.

2 REPORTS

2A

072354 **Report**

DEPARTMENTAL BUDGET PRESENTATIONS IN ORDER:

Not presented with the exception of the OIA's report

AUDIT AND MANAGEMENT
BCC COMMISSION AUDITOR
BCC OFFICE OF INTERGOVERNMENTAL AFFAIRS
FAIR EMPLOYMENT PRACTICES
FINANCE
HUMAN RESOURCES
GENERAL SERVICES ADMINISTRATION
PROCUREMENT MANAGEMENT AND SMALL BUSINESS AFFAIRS
PROPERTY APPRAISER
OFFICE OF STRATEGIC BUSINESS MANAGEMENT

Report: *OFFICE OF INTERGOVERNMENTAL AFFAIRS*

Chairman Martinez questioned how much the County paid from its budget for the person that worked with the Legislature.

Mr. Joe Rasco, Director, Office of Intergovernmental Affairs (OIA), noted more than one person was assigned to work with the Dade Delegation and the budget for them was approximately $250,000. He clarified that those people and that expense were not under his jurisdiction.

Chairman Martinez asked the Commission Auditor to identify the funding source for the staff assigned by the County to work with the Legislature and/or Dade Delegation.

Commissioner Sosa pointed out the aforementioned expense was not a direct service to the County and could be the first $250,000 of savings in the budget process.

In response to Commissioner Sorenson's inquiry regarding why the proposed funding for the OIA would only be general fund and why the OIA would have no more interagency transfers, Mr. Rasco noted the budget office made those decisions and that some committees had complained about losing funds to supplement the OIA.

Commissioner Sorenson noted the OIA lobbied on issues related to the departments that had supplemented the OIA. She suggested that the

Commission revisit that recommendation. She concurred with Mr. Rasco's recommendation to reduce staffing at conferences. Commissioner Sorenson expressed concern regarding the value of the County's lobbying contracts.

Responding to Commissioner Sorenson's concern regarding the Greenberg Traurig contract that ended June 30, 2007, Mr. Rasco clarified that Greenberg Traurig was still working on the United States Department of Housing and Urban Development (HUD) issue and the contract that ended was an additional work order for the urgency of the HUD situation.

Commissioner Sosa pointed out that the concerns from a Government-in-the-Sunshine Meeting regarding certain lobbyists were not resolved and would need to be taken into account. She noted that whoever represented the County and earned funding from the County should not represent another company with interests against the County and the taxpayers.

In response to Mr. Rasco's request for direction regarding the suggested cuts, which would impact the Washington, D.C. fly-in reception and the Dade Days in Tallahassee, Chairman Martinez noted he would forward Mr. Rasco's request to Chairman Barreiro.

Mr. Rasco asked the Committee to consider a smaller cut to the OIA Travel Budget; and he noted that traveling was the way the OIA went out on the street and provided services.

072622 **Report**
NON AGENDA ITEMS — ***Presented***

Report: *Following discussion regarding Commissioner Souto's concerns regarding the earthquake victims in Peru and his desires for the County to help, the Committee adjourned at 4:20 p.m.*

ADJOURNMENT

Joe A. Martinez, Chair