

**MIAMI-DADE COUNTY
FINAL OFFICIAL MINUTES
Budget and Finance Committee**

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

Thursday, August 28, 2008
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





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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 D. Souto (10)

Budget Meeting

Thursday, August 28, 2008

10:00 AM

COMMISSION CHAMBERS

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

Members Absent: Katy Sorenson.

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

Report: *Chairman Martinez called the meeting to order at 10:17 a.m. The Committee convened in a moment of silence followed by the Pledge of Allegiance.*

1B PLEDGE OF ALLEGIANCE

1C ROLL CALL

Report: *The following staff members were present: Special Assistant to the County Manager Jennifer Glazer-Moon; Assistant County Manager Jess McCarty; and Deputy Clerks Doris Dickens and Scott Rappleye.*

1D DISCUSSION MATTERS

1D1

082348 Discussion Item

DISCUSSION OF FY 08-09 BUDGET

Presented

Report: *Chairman Martinez noted Commissioner Sorenson was unable to attend today (8/28); however, she had submitted a letter, for the record, stating her budget priorities for FY 2008-09. The following is the verbatim text Commissioner Sorenson's comments, which were included, as requested by Chairman Martinez.*

"I am sorry I will be unable to attend the re-scheduled Budget and Finance committee meeting to discuss the priorities of the Board of County Commissioners for this budget cycle. Having been selected as a voting member of the Florida delegation, I will be at the Democratic National Convention. However, I would like to offer some issues for consideration.

"First of all, I support the mayor's budget and the proposed millage rates. Secondly, it is important that we as a board lead by example. We are asking our County Manager and department directors to make very difficult cuts, and we should be prepared to make the same sacrifices. Toward that end, I propose that we begin by looking at our own office budgets and what reductions we can make in order to preserve vital County services.

"I am concerned that we are cutting our misdemeanor domestic violence early intervention program as well as our funding to legal aid. We will be reducing money for parks maintenance as well as Arts in the Parks programs. And we are continuing to rely on the Society for the Prevention of Cruelty to Animals to fulfill our statutory obligations to provide for large animal rescue without providing the organization any funding to complete this mission.

"A reduction of \$100,000 in our discretionary funds and a reduction of at least 5% in our office budgets would allow us [to] buy back these services and others.

"The people of Miami-Dade County voted to double the exemption on homesteaded properties, to establish a tangible personal property tax for businesses, to provide some portability of their 'Save our Homes' savings, and to cap the increases in assessments on commercial property.

We have implemented the voters' wishes. They also elected us, the Board of County Commissioners, to make difficult decisions. In order to fulfill our responsibilities we must balance responsible tax savings with the maintenance of the County services our residents deserve.

"Thank you for your consideration of my requests."

Chairman Martinez pointed out the Commission Auditor distributed a memorandum regarding the County Mayor's proposed fiscal year (FY) 2008-09 budget and the County Administration noted some information in that memorandum was incorrect. He questioned whether the information in question was correct.

Mr. Charles Anderson, Commission Auditor, noted the information in question was related to rollback millage rates adjusted for the July 1, 2008, tax roll. He pointed out that his memorandum clearly stated the June 1, 2008, tax roll was used for the fiscal year (FY) 2008-09 Proposed Resource Allocation and Multi-Year Capital Plan; that the millage rates the County Administration proposed on July 17, 2008, were not published in the proposed budget; and that the new rollback millage rates were not published on the County's website.

Special Assistant to the County Manager Jennifer Glazer-Moon noted she would have provided Mr. Anderson the correct information if he had requested it.

Regarding his memorandum entitled "2008/2009 Budget Recommendations," Commissioner Gimenez explained he opposed the millage rates proposed by the Mayor, and he recommended the County use the State-mandated millage rates. He pointed out the State-mandated millage rates would provide every property owner increased tax savings versus the Mayor's proposed millage rates. Commissioner Gimenez noted the State-mandated millage rates would generate approximately \$68 million less than the Mayor's proposed millage rates, and his memorandum attempted to identify how the County could reduce the Countywide Operating budget by \$68 million.

Commissioner Gimenez pointed out the Fire District would generate \$286 million with the Mayor's proposed millage rate versus \$308

million with the State-mandated millage rate. He explained the additional \$22 million in revenues from increasing the Fire District millage rate to the State-mandated millage rate could be used for the \$16 million of services traditionally funded by the Fire District that the Mayor proposed to shift to the Countywide General Fund, and the remaining \$6 million could be used to enhance Miami-Dade Fire Rescue services. He noted the Library District would receive an additional \$5 million of revenues with the Library Services millage rate increased to the State-mandated millage rate, which could be used to open new libraries, to extend hours of operation, and to add monies to reserve accounts. Commissioner Gimenez pointed out the Unincorporated Metropolitan Service Areas (UMSA) would receive \$7 million in additional revenues with the UMSA millage rate increased to the State-mandated millage rate. He requested the Mayor use the additional \$7 million to enhance UMSA reserves, as well as \$1 million for Miami-Dade Police Department services in UMSA and \$3 million for parks maintenance.

Following further comments regarding the budget recommendations in Commissioner Gimenez's memorandum, Special Assistant Glazer-Moon explained not all of the \$20 million allocation for "New Replacement Vehicle Purchases" (page 3) would be from the Countywide General Fund.

Commissioner Gimenez clarified he was requesting the General Fund portion of the \$20 million be recaptured. He noted his recommendations reduced the Countywide General Fund budget by \$50.5 million, and it needed to be reduced an additional \$17 million. He proposed the County Commission direct the County Administration to identify the \$17 million of additional reductions.

Discussion ensued between Chairman Martinez, Commissioner Gimenez, and Special Assistant Glazer-Moon regarding the Wage Adjustment, FRS, Separation, and Energy Reserve recommendation on page 3 of Commissioner Gimenez's memorandum.

Chairman Martinez questioned the funding source for the monies the County lost on interest for bond sales during 2008.

Special Assistant Glazer-Moon explained the funding source was departmental funds for the

bonds from proprietary departments, and part of the revenue budgeted for the General Fund was the interest earned on available cash. She clarified the County was projecting less revenue from interest for the bonds that were earning lower interest rates. She noted the County needed to ensure it had budgeted reserves that would withstand the interest rate adjustments.

Following discussion among Chairman Martinez, Commissioner Gimenez, and Special Assistant Glazer-Moon regarding the proposed allocations for County reserves and the impact of County reserves on the County's bond rating, Commissioner Gimenez explained how the County could use the monies identified in his recommendations to enhance services or reallocate them, as detailed in Attachment #2 of his memorandum. He stressed that he would not support a proposed millage rate above the State-mandated millage rate.

Chairman Martinez expressed concern regarding the Office of Inspector General (OIG) and the Commission on Ethics and Public Trust (COE) being unable to hire the employees they needed. He recommended OIG and COE be funded at the level necessary for them to continue to function.

Commissioner Sosa concurred with Chairman Martinez and she requested the OIG and COE employee positions be restored. Commissioner Sosa pointed out the proposed FY 2008-09 budget did not fund the Quality Neighborhood Improvement Program (QNIP), and she suggested the County create a mini-QNIP. She explained QNIP funds were a direct service to the community. Commissioner Sosa explained the Commission Auditor prepared for her a report of five year performance measures for each County department. She noted the report indicated the number of employees had increased more than 20 percent in some departments over the last five years. Commissioner Sosa expressed concern regarding the incredible increase in the number of positions, notwithstanding the County annexing and incorporating areas of the County into municipalities. She expressed further concern regarding the Office of Economic Development Coordination duplicating services. Commissioner Sosa asked Mr. Anderson to provide all commissioners and the County Administration with copies of the reports he prepared regarding the five year performance measures of County departments and the savings per building per

department that a four-day work week would provide the County.

Commissioner Gimenez clarified the intent of his recommendation for the Fire District millage rate to be increased to the State-mandated limit was to provide Miami-Dade Fire Rescue with additional funds and resources.

Special Assistant Glazer-Moon noted she would prepare a report responding to Commissioner Gimenez's recommendations and provide it to the County Commission.

Commissioner Gimenez explained the County budget was a policy document, and the County Commission had a duty to review the County Mayor and Manager's proposed budget and revise it as necessary. He noted the County needed to increase service levels in the Parks, Fire Rescue, Miami-Dade Police, and Miami-Dade Library Departments. He pointed out his recommendations focused on funds that were policy issues.

Commissioner Gimenez suggested that through attrition a hiring freeze could reduce the budget by \$9.6 million. He requested the Committee direct the County Mayor and Manager to prepare a proposed budget with millage rates at or below the State-mandated rates, to use his memorandum as a guide for budget reductions, and to identify an additional \$17 million of reductions.

Commissioner Sosa expressed concern regarding the reduction in employees and funding for the Public Works Department, while departments that were bureaucratic in nature were created and increased in size. She explained that the Public Works Department responded to sidewalk, road, and tree problems, and this department should be allocated more resources. She emphasized the County Commission should prioritize allocating sufficient funds to departments that responded to community needs.

Discussion ensued between Commissioner Sosa and Special Assistant Glazer-Moon regarding the tax savings property owners would receive based on the value of the property and the municipality's participation in the County Fire Rescue and Library Districts.

Special Assistant Glazer-Moon pointed out only six municipalities in the County advertised the State-mandated maximum millage rate for their municipal millage rates; every other municipality

advertised municipal millage rates that would require an extraordinary vote to be adopted in September 2008.

Commissioner Sosa asked Special Assistant to the County Manager Jennifer Glazer-Moon to provide her with a copy of the information regarding the municipal millage rates advertised by the municipalities in the County and whether the advertised municipal millage rates required a extraordinary vote for approval.

Mr. Richard Steinberg, President, Miami-Dade County League of Cities, requested the Committee direct the County Administration to provide the County Commission with a proposed budget that would use the State-mandated millage rates. He noted the County should not consider the millage rates established by the municipalities when it adopted its millage rates.

Chairman Martinez pointed out the budget priorities adopted by the County Commission on May 20, 2008, were meaningless without assigned dollar amounts. He pointed out the County spent over \$2.5 million for courtesy advertisements in the Miami Herald, however, the County cut the advertisements in periodicals. He recommended the County eliminate the courtesy advertisements in the Miami Herald and use the funds to restore the advertisements in periodicals. Chairman Martinez urged all commissioners to read Commissioner Gimenez's memorandum and to develop their own recommendations.

Special Assistant Glazer-Moon noted the County Administration could prepare a response to Commissioner Gimenez's memorandum by September 2, 2008.

Commissioner Diaz noted the Commission needed to balance priorities as it considered changes to the proposed FY 2008-09 budget. He explained law enforcement and fire rescue services were his top two priorities.

Commissioner Souto noted the County was trying to achieve cost effectiveness, which may not always be achieved by being green. He spoke in support of Chairman Martinez's recommendation regarding advertisements in periodicals as a way to provide information to the minorities in the County. He expressed concern regarding the proposed budget for the Parks Department and Team Metro.

Commissioner Gimenez pointed out the recommendations in his memorandum would save the County \$50 million without eliminating any employee positions, except for the proposed Office of Economic Development Coordination. He noted his proposals would treat residents in UMSA and municipalities the same.

Commissioner Gimenez asked the County Administration to use his August 28, 2008, memorandum entitled "2008/2009 Budget Recommendations" as a basis for budget reductions to prepare a budget that met the State defined maximum millage rates, and to ensure the remaining 1.7 percent reduction of the Countywide General Fund budget had the smallest possible effect on direct services to citizens.

Special Assistant Glazer-Moon pointed out Attachment II-B in the County Manager's budget message included other possible reductions that could be made to reach the additional \$17 million of reductions.

Commissioner Gimenez clarified the County Administration should use the Countywide reductions in his memorandum as the basis for the budget reductions, and then identify an additional \$17 million to reduce the budget.

Commissioner Sosa asked the County Administration to incorporate Commissioner Gimenez's 2008/2009 budget recommendations into the proposed fiscal year 2008-2009 budget to determine how they would impact the mini-QNIP, the advertising in periodicals, the advertising with WQBA, the Inspector General, the Commission on Ethics and Public Trust, and the Public Works Department.

Following further discussion regarding the additional pending State budget cuts, Commissioner Souto pointed out Commissioner Gimenez's memorandum suggested the County could eliminate the Office of Economic Development Coordination. Commissioner Souto noted he opposed eliminating that office; he did not support eliminating employee positions. He explained the County produced over \$2 billion of agricultural products per year. Commissioner Souto clarified the County Commission was in the business of creating jobs and exporting products. He expressed concern regarding the impact of reduced tourism. Commissioner Souto noted he

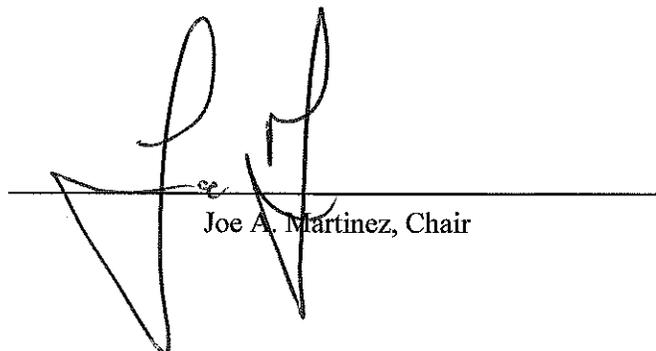
and Mr. Jose Abreu, Director, Miami-Dade Aviation Department, met with State of Florida Commissioner of Agriculture and Consumer Services Charles Bronson to discuss the problems of animal exports at Miami International Airport, and he learned that animal exports was a large problem that involved the United States Department of Agriculture (USDA). Commissioner Souto clarified the impact of animal exports was less jobs and exports for the County. He explained the Beacon Council and the other groups in the County could not do all of the potential economic development work. Commissioner Souto pointed out the County would create jobs by helping the companies that were exporting goods from the County. He suggested the County needed a plan to improve upon the existing resources in the County. He clarified the existing resources in the County could provide a center of research for agriculture and cattle. Commissioner Souto noted the Commission needed to contact Congressional representatives to provide help with economic development.

Chairman Martinez explained he had prepared a resolution that would conduct an input-output economic growth study in the County that would determine what exports and imports the County had lost, why the County lost them, and how the County could reclaim them. He noted he would withdraw that resolution to allow the County's Chief Economist to conduct the study.

Commissioner Souto emphasized the economic potential of the County, if everything was coordinated. He stressed the County needed a way to coordinate economic matters.

There being no other business to come before the Committee, the meeting adjourned at 11:54 a.m.

2 ADJOURNMENT



Joe A. Martinez, Chair