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OFFICE OF THE MAYOR
MIAMI-DADE COUNTY, FLORIDA

VETO AND VETO MESSAGE

To: Honorable Chairman Rebeca Sosa and
Members of the Board of County Commissioners
Miami-Dade County, Florida

From:

Carlos A. Gimenez, Mayor
Miami-Dade County, Florida

Pursuant to the authority vested in me under the provisions of Section 2.02.D of the Miami-Dade County Home Rule Charter, I hereby veto Resolution No. R-649-13 adopted at the August 29, 2013 Board of County Commissioners Meeting:

RESOLUTION RESOLVING COLLECTIVE BARGAINING IMPASSE BETWEEN MIAMI-DADE COUNTY AND THE AMERICAN FEDERATION OF STATE, COUNTY AND MUNICIPAL EMPLOYEES, SOLID WASTE EMPLOYEES, LOCAL 3292

VETO MESSAGE

On Thursday, August 29, 2013, the Board of County Commissioners (Board) approved Resolution No. R-649-13, which eliminated the current five (5) percent contribution of base wages that employees covered by the American Federation of State, County and Municipal Employees, Solid Waste Employees, Local 3292 (AFSCME - 3292) pay towards the County's cost of healthcare, effective January 1, 2014. In essence, this Board action provides pay raises for the members of AFSCME-3292. The Administration had recommended the continuation of the contribution of five (5) percent of their base wages.

I do, however, want to commend and thank the Board for their support of the Administration's recommendation to continue the other concessions also addressed in this resolution.

I believe that the elimination of the five (5) percent contribution raises numerous issues. First and foremost, I believe that this resolution sets a dangerous precedent for the seven bargaining units with a reopener for the same five (5) percent contribution. The Administration will be negotiating this issue with seven of our unions in the coming months. Given the budgetary

constraints that we have in the General Fund and Library District, restoration of the five percent contribution to these additional unions would result in a $22 million budget gap in the General Fund alone for the upcoming Fiscal Year 2013-2014. The following fiscal year, that figure increases to almost $30 million. To fill the gap for FY 2013-2014, there would need to be significant service reductions and layoffs, including police.

Another issue is that of equity and fairness. By restoring the five percent contribution to the members of AFSCME -3292, two classes of County employees are being created – those working in General Fund departments and those in proprietary departments. Additionally, different classes of employees in the SAME department are being created. AFSCME-3292 has 634 members, all within the Public Works & Waste Management Department (PWWM). PWWM has, in its entirety, over 1,700 employees. Those remaining employees of PWWM belong to other unions, or do not belong to a bargaining unit. Though working side-by-side, one group would continue contributing the five percent, while another would not. Some have argued that the Solid Waste function is proprietary and the elimination of the five (5) percent employee contribution would not affect General Fund dollars. While that may be true, the dollars impacted come from our Solid Waste customers – residents of Miami-Dade County. We must always remember that while proprietary funds are not General Fund dollars, they come from customers, and by in large, those customers are our residents. I would also remind you that there can be very negative consequences of restricted funding sources as evidenced this year with the service and personnel cuts in the Library District and possible service and personnel cuts in the Fire District.

I was moved by the personal stories of financial challenges that our employees face. Unfortunately, those economic struggles are shared by countless families throughout our community. They too have seen their paychecks shrink, or disappear altogether, their homes foreclosed, and faced difficult decisions about paying bills or buying groceries. While our local economy is improving and heading in the right direction, our recovery is a fragile one. This is reflected in the very modest growth in our property tax rolls. As Mayor, I must always consider what I believe is best for our entire community, not just County employees. While I may agree with Commissioners who believe that we must take into consideration our lowest paid employees, I do not agree that restoration of the current five percent contribution is the proper method. This does not differentiate between the AFSCME-3292 employee making $23,700 annually to the AFSCME-3292 employee making $58,600 per year. I believe this can, and should be, addressed through the collective bargaining process. The issue of low-paid employees is not isolated to AFSCME-3292. In fact, I am confident that each union with the five (5) percent contribution reopener will make the very same argument on behalf of their low paid members. I am prepared and committed to working with ALL of our unions on this issue during the upcoming negotiations for the next three-year contract. What I am not prepared to do is support across- the-board raises for one group of employees while laying off 169 library employees.

CLOSING

Since being elected Mayor in 2011, my Administration has been committed to being fiscally responsible and striking a balance between the services our community need and what they can afford to pay. This has meant the need for shared sacrifice by all of us as we work towards a sustainable budget. For County employees, this has meant the continuation of the five (5) percent contribution to the County's overall cost of healthcare that was implemented in Fiscal Year 2009-2010. Again, it should be noted that each employee's five (5) percent contribution to healthcare is not for their own cost of healthcare, but the County's total cost of healthcare. I would remind you that the five (5) percent pre-tax contribution to healthcare was agreed to by the unions in lieu of a four (4) percent salary reduction in order to preserve their base salary for separation pay-out and pension purposes. As I have repeatedly stated, we are not asking our employees for any additional concessions or contributions, but we are not in a financial position to give anything back. Our focus has been, and remains, establishing a sustainable budget that will guide Miami-Dade County forward this year and beyond.

As always, my Administration stands ready to work with the Board, and our union partners, as we strive to make decisions that are in the very best interest of those we serve, the residents of Miami-Dade County.