



# **MIAMI-DADE COUNTY FINAL OFFICIAL MINUTES COMMITTEE OF THE WHOLE**

## **Board of County Commissioners**

Stephen P. Clark Government Center  
Commission Chamber  
111 NW 1<sup>st</sup> Street  
Miami, Florida 33128

**March 16, 2007**

As Advertised

### **Prepared by:**

Harvey Ruvlin, Clerk  
Board of County Commissioners

Kay Madry Sullivan, Director  
Clerk of the Board Division

### **Reporter:**

Karen Leonard, Commission Reporter  
(305) 375-1296



**MIAMI-DADE COUNTY BOARD OF COMMISSIONERS  
COMMITTEE OF THE WHOLE MINUTES  
MARCH 16, 2007**

The Committee members convened in a moment of silent prayer, followed by the Pledge of Allegiance.

**1C – ROLL CALL**

The following staff members were present: Assistant County Attorneys Jess McCarty and Robert Cuevas; Ms. Jennifer Glazer-Moon, Office of Strategic Business Management; Deputy Clerks Ms. Kay Sullivan and Karen Leonard.

Chairman Barreiro called the meeting to order at 2:26 p.m.

A memorandum dated March 15, 2007 was submitted by Commissioner Martinez indicating that he would be unable to attend today's (3/16) Board of County Commission Committee of the Whole meeting due to a doctor's appointment.

A memorandum dated March 16, 2007 was submitted by Commissioner Sosa indicating that she would be unable to attend today's (3/16) Board of County Commission Committee of the Whole meeting because she was attending a meeting with Senator Mel Martinez and Speaker Marco Rubio.

**ITEM A**

Chairman Barreiro noted, for the record, the good attendance in Tallahassee this week although other meetings were being held, and the attendees included: Commissioners Heyman, Gimenez, Sorenson, and Sosa.

Chairman Barreiro noted that several items were placed on today's (3/16) agenda for discussion, and other issues had occurred. He stated that he opposed the personnel procedures, and felt that it was handled unprofessional. Chairman Barreiro asked that the County Manager be in attendance at today's meeting.

Chairman Barreiro noted Speaker Marco Rubio explained that a Plan A for property taxes had been passed or discussed in the chamber of the House of Representatives. Speaker Rubio informed that a Plan B was in the works, and he would consult with the Commissioners. Chairman Barreiro asked that the staff along with the Director of Finance review Plan B and come back with the information needed.

Ms. Jennifer Glazer-Moon, Office of Strategic Business Management (OSBM) Director noted that the House proposal consisted of both parts; and that Chairman Barreiro referred to Plan A, which comprised of a roll back of the ad-valorem revenue to the 2000-01 budget year level adjusted for Consumer Price Index (CPI) and the population growth; although currently in the Bill which went through Committee population growth was not discussed. The calculated impact

of that roll back equated an approximate \$725 million reduction to the property tax supported budget (\$2.2 billion); which was a significant impact of over 35% to the budget, Ms. Glazer-Moon noted. She stated that the four taxing jurisdictions (County-wide, Fire, Library, and OMSA) would be impacted differently; depending on how much of their budget was supported directly by the ad valorem tax.

Concerning Plan A, Assistant County Attorney McCarty noted that the House Policy and Budget Council proposed committee substitute was presented today (3/16); which would replace the language in the statutory House Bill 7001. He stated that most of the changes to the language were technical; however, a few substantive changes were made including: cities that were created since the year 2002 and could move forward from current revenue millage rates, and the exemption of fiscally constrained counties, hospital districts (independent/special districts), and children services counsel (i.e. Children's Trust) out of the statutory roll back and revenue caps.

Assistant County Attorney McCarty said these changes would be passed out of the House Policy and Budget Council and subsequently, be ready for the floor by next week.

Concerning Commissioner Heyman's question regarding the impact to the County regarding proposed changes by the House Policy and Budget Council, Assistant County Attorney Jess McCarty noted that fiscal constrained counties carved out of the Bill would impact the County in terms of having allies to fight the Bill; since most of those Counties were at or near the \$10 million cap. He stated that this proposal was pertinent in causing the lost of businesses and operating on the margin.

Commissioner Heyman asked whether the amended language in the proposed substitute would effect or help the cities, specifically the large ones in Dade County, Assistant County Attorney Jess McCarty noted that the amendment that removed the fiscally constraint counties did not address cities at all. He noted that approximately five cities that were fiscally constrained were not helped by the implemented amended language

Commissioner Heyman expressed concern regarding other Counties going under. She questioned whether there was room in this legislation that those counties must bring up their millage rate before these concessions were made.

Assistant County Attorney Jess McCarty noted that there was no room in this legislation for that; but stated that the definition of fiscal constrained counties in the statute was generally that the County was at a near \$10 million cap.

Assistant County Attorney Jess McCarty noted that Plan B (referred to as the constitutional piece) included the sales tax increase of 2.5 percentages as a swap for homestead property taxes, but only Plan A was discussed this morning.. He stated that there was some indication that it could be rescheduled to FY 2003-04; the Bill was not amended at this point in time to change the roll back date.

In response to Commissioner Moss' inquiry as to whether the Florida Association of Counties (FAOC) had taken a position on this issue, Assistant County Attorney Jess McCarty noted that FAOC had expressed clearly to House members and leadership that this was a severe fiscal

impact on many Counties in the State. He stated that FAOC provided a Fish-Kind report which analyzed County spending over the past six years; and showed the need to cut into essential services under this proposal.

Concerning Commissioner Moss' question regarding the Florida League of Cities (FLOC), ACA Jess McCarty noted that FLOC always had an interest in sales tax available to cities; and there was an appeal to Plan B. He stated that FLOC expressed concern regarding Plan A and its impact to cities.

Assistant County Attorney McCarty noted that another major component of Plan A included a cap on revenue and millage increases tied to the CPI and new construction.

Commissioner Sorenson noted that, based on the CPI and new construction, the Plans and current cap, would not allow increase for additional field cost other than expenses that had occurred over the past few years which resulted into a lot.

ACA Jess McCarty explained the CPI increase was based on items purchased by consumers; and the Local Government Price Index focused more on items purchased by local government, and had more fluctuating rates than consumer purchased items.

Commissioner Sorenson expressed concern regarding obscurity in the County's position with regards to this issue. She stated that the Commissioners were prepared to discuss the proposal submitted by Speaker Rubio, who subsequently provided a different proposal, Plan B (Agenda Item B); and felt some clarifications were needed on this.

Commissioner Sorenson also expressed concern regarding existing inequities that were ignored in this Legislature (first time homebuyers, empty-nesters seeking to downsize, commercial properties and renters). Additionally, the Legislature needed to address sales tax and property tax which affected the disadvantaged population and determine who would get the tax relief, she noted.

Commissioner Souto noted that this Board needed to hear, from State Legislature and the County Manager, a detailed worst-case scenario alternative plan regarding the impact on the Stock Exchange and the economy.

In response to Commissioner Jordan's inquiry regarding which small cities would be impacted by these plans, Ms. Glazer-Moon noted the examination of the city's' current roll value and the difference in millage rate from the \$10 million cap would determine which cities could recover by increasing their millage rate enough to cover losses; however, certain cities did not have the millage rate capacity, and were defined as fiscally constrained. She stated that the cities that were unable to generate enough revenue with the millage rate included: Biscayne Park, Miami, Opa Locka, and Miami Shores.

Concerning the implementation of Plan "B" regarding the rise in sales tax, Ms. Glazer-Moon noted that sales taxes would decline during the hurricane seasons; and were more dependent on the economy, and more prone to adjustments.

Commissioner Jordan expressed concern regarding a number of the project commitments that would be eliminated because of the roll back; and the proposals presented to the Board appeared to be inappropriate. She spoke in opposition of increasing the sales taxes.

Mr. Ron Book, a Tallahassee lobbyist representing Miami-Dade County, appeared before the Committee and asked the Board to restrain from any decision making at this point in time; and noted that other alternatives would be available before the legislative was complete. Mr. Book noted that the Senate's plan has yet to be heard, and would not be available for few more weeks. He suggested that the members of the Committee exert caution in describing the plans and their approach the process.

Mr. Book assured that some form of tax relief would be presented before the voters, and specific options remained to be seen. He stated that he felt the Senate's plan would mainly concern more uniformed and perhaps constitutionally mandated criteria to assess properties throughout the State of Florida.

Mr. Book noted that it was uncertain to determine whether the Senate would implement some type of roll back or a form of increase exemption. He stated that the County Manager, Assistant County Attorney McCarty, and Ms. Glazer-Moon met with Speaker Rubio and discussed issues related to County budget operations.

Mr. Book suggested that the Committee members present the Legislature with the same information provided by staff. He noted that Legislature understood and considered the County Commission viewpoints regarding this proposal. Mr. Book stated that he, along with the Board, had to educate the Legislature regarding actions and responsibilities of the Board and County Management to meet to needs of its community.

Commissioner Sorenson expressed concern regarding passivity being interpreted as complacency with regards to the Board's position on this issue; and noted the importance of ensuring that decisions were based on facts.

Discussion ensued among Commissioner Sorenson and Mr. Book regarding potential actions to this issue.

Mr. Book noted that he considered rolling out a distribution plan to be premature; however, he suggested that the Board and staff collaborate with consultants and lobbyist and proactively develop a backup formula internally.

Commissioner Diaz concurred with Mr. Book, and commended the County Manager's office for preparing to explore likely situations beginning from good to bad to be prepared in advance. Mr. Book recommended that collaboration be established with his office, County staff and the County Commission to provide information to State Legislature that would ensure appropriate and reasonable taxes for this County to operate efficiently.

Concerning the impact of various plans, Commissioner Moss asked whether a fact sheet was available that would be used to discuss these issues which would provide the information to those who were not able to attend the briefing.

Ms. Glazer-Moon noted that her staff prepared a report outlining the general fiscal impacts pertaining to the foregoing discussion; which was presented for the Board's review. She stated that more detailed information had been provided on certain proposals. Ms. Glazer-Moon noted that the information would be implemented within their fiscal impact report and would be provided to the Board upon completion.

In terms of the service impact, Ms. Glazer-Moon noted that her staff needed to work with the Board to determine where and how adjustments would be made to the budget.

Ms. Glazer-Moon noted that subsequently after all the obligations of local Government had been considered, the remaining items would possibly be equivalent to what needed to be reduced; however, it would be by the Board's direction on how the remaining dollars would be allocated.

Commissioner Moss asked the Office of Strategic Business Management Director to provide a condensed report highlighting the fiscal impact of budget adjustments pertaining to "Plan A".

Ms. Glazer-Moon noted that her staff was currently developing a fact sheet as an aid to discussions concerning this issue. She noted that the report would include impacts to municipalities, as well as the entire region.

Concerning Commissioner Moss' question regarding the stance of municipalities on this issue, Ms. Glazer-Moon noted that information had been provided regarding fiscal impacts relating to calculations of world value, and assistance in calculations pertaining to roll back. She noted that she attended meetings with municipality representatives to discuss various types of impacts.

With issues pertaining to Community Redevelopment Agency's (CRA) as it relates to property taxes, Ms. Glazer-Moon noted that an analysis was implemented assuming the roll back occurred within the current fiscal year. Ms. Glazer-Moon noted that the amount of county funding available to CRA's would be cut approximately in half; which would have a significant impact to CRA's ability to make debt service payments.

Pertaining to issues of existing debts and a portion of the tax roll being set aside, Mr. Book noted that he felt items concerning general obligations would be exempted out; and there would be no affect towards good-faith and credit obligations in local government at any level. He stated that there were serious issues regarding CRA's and special districts, which relied on revenue bonds; and State Legislature should be made aware of such concerns in order to understand the operations and potential impact.

In response to Commissioner Moss' question regarding the impact of increased sales taxes in the business community, Mr. Book noted the business community recently became engaged in this debate; and corporate entities throughout the County expressed concern regarding the sales tax

proposal. He noted a number of consumers used the internet to make out-of-State purchases to avoid sales taxes, which would continue to grow after the first year.

Discussion ensued among Chairman Barreiro and Mr. Book regarding the impact of the sales tax proposal.

Chairman Barreiro noted that the County needed to state its position regarding this issue; and the importance of recognizing this County as a bicameral legislature. He noted the importance of the Board being engaged, and that staff needed to work closely on every formula to ensure that the County was well represented with a seat at the table of discussions concerning this matter.

Chairman Barreiro noted that upon passing a legislative bill, a council or committee needed to analyze it; and the Board should be provided with this information in order to be well informed with the possibility of being publicly questioned.

Commissioner Gimenez advised the Committee members to educate the Legislature on the impact on libraries was 100% because it was based on ad valorem taxes.

In response to Commissioner Gimenez, Ms. Glazer-Moon noted that 50% of the general funds from the County budget were funded by ad-valorem taxes and the other resources came through state shared revenues etc.

Commissioner Gimenez noted a substantial impact on Fire Rescue Department was 91%, and the funding resource was through ad-valorem taxes. He noted that mitigating the fire rescue taxes in districts would probably lessen the impact.

Ms. Glazer-Moon noted that millage rates associated with debt obligations were exempted. She also noted that some general obligation bond projects required operating resources; and with significant impacts on the operating budget would resort in discontinuing the project rather than stopping the operations. Additionally, Ms. Glazer-Moon noted that the millage rate would be charged and would not be adjusted in the roll back calculation.

Following the discussion, Commissioner Gimenez asked Mr. Book what would the likelihood of seeing both statutory and constitutional base relief roll back rates be included in the plans.

Mr. Ron Book noted the feasibility of seeing the statutory and constitutional base relief was 98%, and Speaker Rubio was open to hear other plans; and after careful review, he came back to this plan.

Commissioner Gimenez questioned whether the roll back year would be 2001, and he anticipated a tax cut. He noted that he agreed that the Board should follow Mr. Book's recommendations and not take a hard stand on this issue until there was feedback from Legislation.

Commissioner Heyman noted expressed concern regarding Cities within her district, and the reaction to the tax reform bill. In reference to reform, she noted that the County needed to take a position of working through measures and simultaneously work on the legislative side. She

suggested exploring the priorities that were passed to see the impact from the changed tax cuts. Commissioner Heyman noted that obligations needed to be identified, which included the bonding issue that had an ancillary on the funding source, Article 5, fines and assessments, funding attached to bonds for the children's center and revenue connected to the GOB etc.

Commissioner Heyman noted that changing the formula to funding would have tremendous consequences to legislations that were already initiated; and questioned how they would move forward without legitimate funds.

Mr. Book noted that Mr. Joe Rasco, Office of Intergovernmental Affairs Director, reminded him that the Commission passed several resolutions on this issue; and it was incumbent of them to remind members of those resolutions. He also concurred with Commissioner Heyman to continue to inform them about those issues and the consequences that would occur.

Chairman Barreiro relinquished the chair to Commissioner Jordan.

Commissioner Sorenson asked Mr. Book whether he had a copy of the resolution and his opinion whether the resolution should be used or amended. She also noted that the resolution reflected items that were passed in its prospective and expressed concern without being offensive. Commissioner Sorenson stated that the concerns needed to be addressed.

Mr. Book suggested that the members of the Committee wait and consider the outcome and review the resolution in its entirety.

Mr. Book noted that another option would be to consider the proposal to pursue the school funding issue as a form of property tax relief. With 150,000 proposals available, he expressed concern regarding the Committee's focus on passing this resolution which may later be changed after a spending and revenue cap was developed.

Commissioner Sorenson noted that decisions could not be reached today and needed to be placed on the agenda for the BCC. In terms of passing a resolution on this issue, she noted her concern of Dade County not having a position.

Chairman Barreiro retained the chair.

Chairman Barreiro noted that the Board passed resolutions stating general concerns regarding budget and revenue caps issues; however, he was concerned about becoming more specific regarding future resolutions

Chairman Barreiro recommended that a representative from the Committee attend weekly meetings and inform the Legislative the Committee's concern pertaining to this matter.

Mr. Rasco noted that the County's position regarding property tax relief was in support of Legislation that provided property tax relief targeted to specific groups including: first-time home buyers, renters and empty nesters; provided that such relief would not unfairly shift the tax burden to other groups, or unduly restrict the ability of local Government to raise revenue. He

stated that the County was opposed to Legislation that imposed revenue or expenditure caps on local Government.

Commissioner Diaz expressed concern that it appeared as though the County would raise taxes to increase revenue. He stated that the Board needed to provide a resolution that would be profitable in reducing taxes. Commissioner Diaz noted that portability would jumpstart the downward spiral in the real estate market throughout the County.

Discussion ensued among the Committee members regarding the portability issue and drafting an appropriate resolution.

Chairman Barreiro recommended that the Committee instruct the lobbying team to work on both internal and external legislation that developed a formula and mechanism regarding the foregoing discussion; and should be submitted for the Board's review.

Discussion ensued among the Committee members regarding developments in property insurance rates.

Commissioner Moss expressed opposition to the Transit Department Director's dismissal; although such decisions no longer fell under the Board's jurisdiction. Commissioner Moss noted that while the Charter requirements were met, the community should have received factual answers concerning this matter.

Chairman Barreiro noted that the incident was unprofessional, and procedures of protocol were not taken. He noted his awareness of the Charter requirements and asked on behalf of the County and the County Commission that the Attorney would investigate the notification process of termination and that a resolution or ordinance be developed.

Commission Edmondson noted the County voted in favor of a "Strong Mayor" form of government; which granted jurisdiction to terminate County Directors or Managers of his choice. She expressed concern regarding the African-American Community's request for an explanation. Commissioner Edmonson noted that County Manager Burgess had not returned her calls; and asked members of the community to take initiative and call the County Managers' office for an explanation.

Discussion ensued among the Committee members regarding other recent changes in employment and the procedures for terminating employees of the County.

There being no further business coming before the Board the meeting was adjourned at 4:30 p.m.

  
Chairman Bruno A. Barreiro