



**ISLAMORADA, VILLAGE OF ISLANDS
VILLAGE COUNCIL
BUDGET WORKSHOP**

**Founders Park Community Center
87000 Overseas Hwy
Islamorada, FL 33036
July 25, 2013
3:00 PM**

I. CALL TO ORDER\ROLL CALL

Mayor Philipson called the meeting to order at 3:04 pm. The following Council members were present on roll call: Mayor Ken Philipson, Vice Mayor Ted Blackburn, Councilman Mike Forster, Councilwoman Deb Gillis, and Councilman Dave Purdo. Also in attendance were Village Manager Ed Koconis, Village Attorney James White, Village Clerk Ariana Lawson, Monroe County Sheriff's Office Captain Corey Bryan, Fire Chief Terry Abel, Public Works and Parks & Recreation Director John Sutter and all other appropriate personnel.

II. PLEDGE OF ALLEGIANCE

Councilwoman Deb Gillis led the Pledge of Allegiance.

III. PUBLIC COMMENT

Mayor Philipson opened public comment; there was none.

IV. ITEMS FOR DISCUSSION

A. Proposed FY 2013-2014 General Fund Budget (continued)

TAB 3

Following up on questions from the July 23, 2013 Village Council Workshop, Finance Director Maria Aguilar provided explanations of the "Windley Key Surcharge" and "DEP Payment in Lieu of Taxes" items. Ms. Aguilar also provided clarification of the 'Fines and Forfeitures' line item and the percentages remitted to the Village resulting from law enforcement citations. MCSO Captain Corey Bryan elaborated, stating that 50.8 percent of citations written pursuant to State law are remitted to the Village, while 100 percent of citations written pursuant to Village Code are remitted to the Village, and that any citations issued by the proposed new marine patrol officer would be allocated similarly. Ms. Aguilar also stated that the Parks & Recreation Department plans to procure the lighthouse plaque requested by Councilman Purdo at the July 23, 2013 Village Council Workshop in the current fiscal year rather than budget for it in FY 13-14. With regard to Councilman Dave Purdo's inquiry regarding an increase to Council salaries, Ms. Aguilar advised Council that it would have to be approved by referendum in November 2014 for

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inclusion in the FY 14-15 budget. She also stated that the addition of costs for the holiday part resulted in a negligible difference in the fund balance, and confirmed that Wade Trim, Inc. and Weiss Serota Helfman Pastoriza Cole & Bonsike, P.A. contributed to the holiday party last year.

B. Proposed FY 2013-2014 Transportation Fund Budget

TAB 6

Finance Director Maria Aguilar explained that the Transportation Fund is comprised of Local Option Gas Taxes and other forms of revenue that are restricted for use on transportation related expenditures. Ms. Aguilar noted that the Village will begin utilizing Transportation Funds by the end of the current fiscal year to pay for paving repair and overlay costs related to the wastewater construction project. She stated that the Village expects to incur paving costs of approximately \$900,000 by the end of FY 2012-2013, \$788,000 of which would be paid for by fund balance from the Transportation Fund. She also noted that the Village had projected during the development of the FY 2012-2013 budget an addition to fund balance of approximately \$180,000, but that these funds would now be used for paving, to be supplemented by a loan currently being sought by the Village. Ms. Aguilar also noted other expenditures to be paid out of the Transportation Fund, including rights-of-way maintenance and Village personnel-related costs.

C. Proposed FY 2013-2014 Capital Project Fund Budget

TAB 7

Finance Director Maria Aguilar detailed anticipated Capital Project Fund expenditures for FY 2013-2014, and explained the Village's plan to use of \$1.2 million of Discretionary Sales Tax to create a rate stabilization fund for debt service payment in the initial 1-2 years of wastewater operations. Ms. Aguilar discussed the transfer of approximately \$350,000 from the Capital Project Fund to the Marina, stating that more detail would be provided at the August 8, 2013 Village Council Workshop. Ms. Aguilar projected the use of approximately \$600,000 of Capital Project Fund balance by the end of FY 2013-2014, after which time the Village can begin building up fund balance again. She also explained Capital Project Fund costs for building structure insurance costs at Green Turtle Hammock Preserve and facility maintenance at the Key Tree Cactus Nature Preserve.

Councilman Mike Forster suggested General Fund balance in excess of 20.0 percent could be carried over each year into the Capital Projects Fund for capital outlay costs such as vehicle replacement. Council directed staff to develop a General Fund Balance Policy.

D. Proposed FY 2013-2014 Solid Waste Fund Budget

TAB 8

Finance Director Maria Aguilar explained that the Solid Waste Fund budget was developed based on the Village's current contract for solid waste services pending existing contract pending completion of the competitive selection process for and execution of a new agreement with a solid waste services provider. Public Works and Parks & Recreation Director John Sutter noted the importance of maintaining an overage in the Solid Waste Fund in the event that cleanup is needed following a tropical storm or hurricane event. Vice Mayor Blackburn inquired into the status of the solid waste Request for Proposals (RFP); Mr. Sutter advised Council that the RFP will be presented to Council for their approval on August 8, 2013.

E. Proposed FY 2013-2014 Affordable Housing Fund Budget

TAB 9

Finance Director Maria Aguilar discussed the addition this year of \$200,000, and annual additions thereafter in the amount of \$20,000, to the Affordable Housing Fund from the lease of the We-Net Villas property. Ms. Aguilar also projected the addition of \$50,000 in FY 2013-2014 from impact fees. Mayor Ken Philipson noted that the Village will have expenditures in FY 2013-2014 for designated affordable housing wastewater connections. Ms. Aguilar stated that she would obtain figures from the Workforce Affordable Housing staff liaison that can be presented at the Preliminary Budget Hearing on September 18, 2013. Discussion ensued regarding the Wet-Net Villas affordable housing eligibility criteria.

F. Proposed FY 2013-2014 Debt Service Fund Budget

TAB 10

Finance Director Maria Aguilar summarized the Village's four (4) governmental debt instruments and how the Village would transfer funds from the Capital Project Fund of the discretionary sales tax to cover the debt service payments.

V. COUNCIL DISCUSSION

Mayor Ken Philipson called for public comment; there was none.

VI. ADJOURNMENT

Councilman Dave Purdo made a motion to adjourn; Vice Mayor Blackburn seconded the motion. Council voted all in favor. The meeting adjourned at 3:36 p.m.



Ariana S. Lawson
Village Clerk

Approved by the Village Council this 11th day of September, 2013.