

**Summary Minutes of the
ISLAMORADA, VILLAGE OF ISLANDS
SPECIAL CALL VILLAGE COUNCIL MEETING
FIRST (TENTATIVE) BUDGET HEARING FY 2021-2022**

Founders Park Community Center
87000 Overseas Highway
Islamorada, FL 33036
Friday, September 3 2021
5:30 PM

The Special Call Village Council Meeting was open to in-person attendance and also utilized the Zoom video conferencing application for public participation.

CALL TO ORDER / ROLL CALL

Mayor Pinder called the meeting to order at 5:31 p.m. Village Clerk Kelly Toth called the roll with the following Councilmembers being present on roll call: Mayor Buddy Pinder, Vice Mayor Pete Bacheler, Councilman Mark Gregg, Councilman David Webb and Councilman Henry Rosenthal. Also in attendance were Village Attorney Roget Bryan, Village Manager Greg Oravec, Finance Director Maria Bassett, Village Clerk Kelly Toth and other relevant personnel.

PLEDGE OF ALLEGIANCE AND INVOCATION

Van Cadenhead led the Pledge of Allegiance. Mayor Buddy Pinder provided the prayer.

PUBLIC COMMENT

Mayor Pinder opened public comment.

Van Cadenhead inquired about the 20.7% increase in expenditures.

Cheryl Meads, representing the Islamorada Community Alliance, commented about Councilman Henry Rosenthal's request at the September 2, 2021 Council meeting for a 90-day moratorium on building permits; noted Monroe County's efforts pertaining to the 2023 buildout, and suggested the Council add a discussion item to the next agenda regarding 2023.

Mayor Buddy Pinder asked Carlos Garcia with Attention Media, LLC to approach the podium. Mayor Pinder thanked Mr. Garcia for having attended the Florida League of Cities annual conference for three days. Mr. Garcia stated it was great to meet so many people; noted Mayor Pinder was elected to the Florida League of Mayor's Board of Directors; and that he had a lot of inquiries about the Village's social media program.

Mayor Pinder closed public comment.

Mayor Buddy Pinder announced that the meeting was the first public hearing on the proposed millage and tentative budget for fiscal year 2021-2022 which begins October 1, 2021. Village Attorney Roget Bryan explained the procedures under Florida Statute 200.0065 for adoption of the proposed millage and tentative budget and read the titles of the resolutions. Mayor Buddy Pinder stated the public hearing was now open.

Village Manager Greg Oravec began the budget presentation noting the prior budget workshops and thanked Council, staff and the citizens for their participation. He reported that the Village had really good things going for it such as rising property values, a growing Fund balance, successfully obtained FEMA reimbursements and leveraging outside funding sources; noted the financial challenges such as inflation, cost of healthcare and insurance, and the strategic priorities that require significant investments. He commented that Village staff carries out Council's vision and policies; employees are the largest single expenditure of municipal budgets; noted the proposed budget maintained current staffing levels with a proposed increase in staffing for public works and law enforcement; that the proposed budget allowed for internal staffing within the building department or utilizing contract services for some of the positions; and noted the differences between the Building Fund and the General Fund. Mr. Oravec reported that the tentative budget funded the anticipated Collective Bargaining Agreement (CBA); and noted the proposed 7.86% increase for patrol officers and sergeants, a COLA of 5% for most employees, and 3% for the highly paid employees.

Village Manager Greg Oravec reported that the budget allowed the Village to pursue: visioning, strategic planning and community engagement, the 2023 roadmap, the Fills masterplan, demolition and stabilization of the Walgreen's property, affordable housing, the 300 affordable permits from the State, infrastructure, stormwater improvements, the resiliency master plan, the wastewater master plan, the major upgrade to the Plantation Key wastewater pump station, a wastewater utility rate study, and noted other agency projects that would include Village involvement. He reported that the proposed budget allowed for Plantation Yacht Harbor Marina decking replacement and permitting of the marina's breakwater restoration; improvements to Key Tree Cactus Preserve, Green Turtle Hammock, Plantation Tropical Preserve, the dog park, and great lawn irrigation system; implementation of the canal restoration master plan and derelict vessel program; coral restoration through sponsorship of I.CARE, Freebee public transit, bus shelters, and hazard mitigation projects such as the safe room and flood proofing. Mr. Oravec noted some of the organization goals such as lowering the millage rate; lowering debt through payments and refinancing; enhancing communication and public engagement efforts; pursuing the legislative agenda by going bigger on grant funding requests; investigating illegal vacation rentals, updating the noise ordinance, and completing software and hardware upgrades relating to cyber security and storage. He provided closing comments and turned the presentation over to the Finance Director.

Finance Director Maria Bassett reported the proposed millage rate was 3.0000 mills which represented \$3.00 for each thousand dollars of taxable assessed property value; the tentative millage rate of 3.0000 represented a 5.3% increase or .1510 mills above the rolled-back rate of 2.8490. She explained that if the rolled-back rate were adopted it would represent no tax increase; the rate reflected on the TRIM notices was 3.015 mills which was the same rate as the previous year; and that a rate of 3.000 mills was a decrease from the previous year. In response to Van Cadenhead's inquiry during public comment, Ms. Bassett explained that the 20.7% increase in operating expenditures was part of standard statement required in the advertisements; explained that the figure was derived from calculating specific estimated operating expenditures in the General Fund that were not in the previous year's budget, but that it did not equate to a dollar for

dollar increase as the increase did not take into consideration things like grant funding which would offset an expenditure. Councilman David Webb confirmed that the increase in operating expenditures did include pay raises. Ms. Bassett reported that the budget included 3% increases for staff members earning \$100,000 or more per year and 5% increase for remaining staff members; the budget included added expenditures for additional fire personnel as a result of negotiations with the fire union; and noted the Collective Bargaining Agreement (CBA) would be presented to Council for approval at a future Council meeting.

Ms. Bassett noted the previous Council discussions regarding donations to non-profit organizations and stated that in the Council budget within the PR/Advertising category \$70,000 was added; and noted that over the next year, staff would be reviewing the transfer from the Building Fund to the General Fund and explained that the \$180,000 that would be transferred encompassed things such as building space and the computer network utilized by the department.

Mayor Buddy Pinder inquired about donations to 501(c)3 organizations, specifically Florida Bay Forever. Village Manager Greg Oravec stated the Village included improvements for signage at the Green Turtle Hammock property in the Capital Projects Budget in lieu of a monetary donation. Mr. Oravec provided options to Council for allocating and awarding grants.

Ms. Bassett stated with a millage rate of 3.0000 mills the Village would be using \$639,500 of the Fund Balance; the Unassigned Fund Balance would be at almost 43% of total expenditures; noted the Unassigned Fund Balance was very health in part due to Hurricane Irma reimbursements; and explained why you sometimes want to budget for a use of Fund Balance noting the normal percentage of Unassigned Fund Balances was 25% to 35%. Village Manager Greg Oravec noted the difference in reoccurring expenses and one-time expenses; noted the budget increase of 20.7% was not due to reoccurring expenses and that it was reflected due to one-time expenses; noted the reoccurring expenditures for personnel and that the delta for the pay increase was a one-time cost. He commented about the five-year budgeting model he and the Finance Director worked on which reflected a growing Fund Balance which was an indicator the Village was structurally sound.

Councilman David Webb suggested a future agenda item to address developing some type of guidance for the Council to follow when determining donations and suggested a vetting process of the potential recipient organization. Mayor Pinder expressed his support for the suggestion.

Mayor Buddy Pinder opened public comment.

Van Cadenhead noted the quadrupling of the taxable value in Islamorada since incorporation; suggested prioritizing donations that had a direct effect on people, such as the Good Health Clinic; commented about using the Fund Balance for emergencies; and suggested the Village consider redevelopment instead of new development.

Cheryl Meads, speaking as a representative of the Islamorada Community Alliance, expressed her gratitude to Maria Bassett and Kelly Toth and complimented them on their work ethic and thanked the Village Manager for his quick reply to her inquiry. She commented about the \$140,000 categorized as Other / Miscellaneous in the Village Attorney budget noting it was a large amount to be considered miscellaneous. She suggested that there be a discussion about the attorney's

additional pay of \$30,000 as a legislative aide noting that she would like to know if he was meeting with legislators.

Sue Miller expressed frustration regarding the change to the agenda item as she had been reviewing the prior version. She opined that the increase in expenditures was being funded primarily from Fund Balance and identified the decreases to the various Fund Balances. She stated the millage rate was increased in order to create the Fund Balances and that she had hoped for budget cuts and a tighter budget.

Mayor Buddy Pinder closed public comment.

Councilman Mark Gregg pointed out that the revenue collected from ad valorem taxes increased significantly this year which was due in large part to the value generated from new construction which was close to a quarter of a billion dollars in new taxable value. He noted the Village was not charging more, rather the Village had more property to tax.

Finance Director Maria Bassett recapped the proposed millage rate of 3.000 mills for fiscal year 2021-2022 which represents a 5.3% increase or .1510 mills above the rolled-back rate of 2.849.

Mayor Buddy Pinder closed the public hearing.

RESOLUTIONS

TAB 1: Resolution Adopting a Tentative Millage Rate for Fiscal Year 2021-2022

A RESOLUTION OF THE VILLAGE COUNCIL OF ISLAMORADA,VILLAGE OF ISLANDS, FLORIDA, AMENDING RESOLUTION NO. 21-07-63; ADOPTING A TENTATIVE MILLAGE RATE FOR THE FISCAL YEAR COMMENCING OCTOBER 1, 2021 THROUGH SEPTEMBER 30, 2022, PURSUANT TO SECTION 200.065, FLORIDA STATUTES; ANDPROVIDING FOR AN EFFECTIVE DATE

At 6:20 p.m. Councilman David Webb made a motion to approve the tentative millage rate. The motion was seconded by Councilman Mark Gregg. Council voted and the motion passed 5-0.

TAB 2: Resolution Adopting the Tentative Budget for Fiscal Year 2021-2022

A RESOLUTION OF THE VILLAGE COUNCIL OF ISLAMORADA,VILLAGE OF ISLANDS, FLORIDA, PROVIDING FOR ADOPTION OF THETENTATIVE BUDGET OF THE VILLAGE FOR THE FISCAL YEAR 2021-2022, COMMENCING ON OCTOBER 1, 2021, AND ENDING ON SEPTEMBER 30, 2022; AUTHORIZING EXPENDITURE OF FUNDESTABLISHED BY THE BUDGET; PROVIDING FOR BUDGETARY CONTROL; PROVIDING FOR PERSONNEL AUTHORIZATION; PROVIDING FOR GIFTS AND GRANTS; PROVIDING FOR AMENDMENTS; PROVIDING FOR ENCUMBRANCES; PROVIDINGFOR ISSUANCE OF CHECKS; PROVIDING FOR POST AUDIT; PROVIDING FOR SEVERABILITY; AND PROVIDING AN EFFECTIVE DATE

At 6:21 p.m. Councilman David Webb made a motion to approve the tentative budget. Vice Mayor Pete Bacheler seconded the motion. Council voted and the motion passed 5-0.

MAYOR / COUNCIL COMMUNICATIONS

Councilman David Webb expressed his gratitude to staff and the public. Mayor Buddy Pinder and Councilman Mark Gregg also expressed their gratitude.

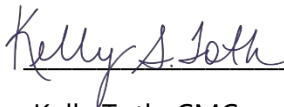
VILLAGE ATTORNEY / VILLAGE MANAGER COMMUNICATIONS

There were no additional communications.

ADJOURNMENT

Councilman David Webb made a motion to adjourn. Vice Mayor Pete Bacheler seconded the motion. The meeting adjourned at 6:22 p.m.

Approved by Council September 30, 2021.

A handwritten signature in cursive script, reading "Kelly S. Toth", is written over a horizontal line.

Kelly Toth, CMC
Village Clerk