Islamorada, Village of Islands
BUDGET WORKSHOP

August 21, 2024 - 3:00 PM
Founders Park Community Center
87000 Overseas Highway
Islamorada, FL 33036

MINUTES

I. CALL TO ORDER / ROLL CALL

Mayor Joseph B. Pinder III called the meeting to order at 3:06 PM

PRESENT: Council Member Mark Gregg, Council Member Elizabeth Jolin, Council Member Henry Rosenthal, Vice Mayor Sharon Mahoney, Mayor Joseph B. Pinder III

ABSENT:

II. PLEDGE OF ALLEGIANCE

Assistant Fire Chief Jason Lyman led the Pledge of Allegiance and Mayor Pinder started the meeting with a prayer.

III. PUBLIC COMMENT

Mayor Joseph B. Pinder III opened public comment.

Speakers included:
Van Cadenhead
Sue Miller

There being no one else wishing to speak, Mayor Pinder closed public comment.

IV. PRESENTATIONS BY DEPARTMENTS

Village Manager Rob Cole noted that Comcast has been having issues, but the meeting is streaming on YouTube, Zoom, and from the Village website.

Mr. Cole introduced the budget process and timeline, noting we are holding three budget workshops. The first budget hearing was to be held on September 5 with a final budget hearing occurring on September 17. He noted the department heads would be presenting their budgets and taking questions from the Council.

V. ITEMS FOR DISCUSSION

A. Introduction **TAB 1** (Lisa Lynch, Finance Director)

Finance Director Lisa Lynch introduced the budget process and noted she and her team have been working diligently on the budget since her arrival in June.

Ms. Lynch explained the types of funds required to be used in governmental accounting. She noted that only 30.8% of tax dollars go to the Village. She covered the millage rate scenarios noting the maximum ceiling limit is 3.0 and the rollback rate scenario of 2.5297.

B. Overview of the Finance Department, Governmental Finance, Fund Reserves, and the Village's Purchasing Policies and Procedures **TAB 2** (Lisa Lynch, Finance Director)

Finance Director Lisa Lynch summarized the role of her department and provided an overview of the fund reserves.

C. Status of Pooled Cash and Village Debt **TAB 3** (Lisa Lynch, Finance Director)

Ms. Lynch summarized the bank and investment account balances, noting the FL Class investment has been generating a good interest rate. She outlined how the debt services fund works as a transfer fund when payments are due and noted we have an outstanding bond principal of over $53 million.

D. Personnel **TAB 4** (Jamie Terry, Human Resources Director)

- **Full-Time Equivalents**
- **Staff Compensation**
- **Self-funded Health Insurance Program**
- **COLA and Pay Increases**

Human Resources Director Jamie Terry provided an overview of the cost of living adjustment, noting a projected COLA of 3.6% average over the 34 municipalities she compared with. She noted the communities she surveyed include Keys communities, except for Marathon, and surrounding counties and cities in southern Florida, which is where our likely hires will come from.

Council Member Henry Rosenthal asked about the merit system. Ms. Terry noted we don't have merit increases due to the lack of performance reviews, as the program was discontinued in 2018. Village Manager Rob Cole indicated it was common for governmental agencies to have a performance review system and they would be looking at it.

Ms. Terry noted staff was recommending a 5% increase. She stated that Marathon was preparing their budget and was reticent to give budget numbers. Council Member Mark Gregg noted that compensation should be enough to allow staff to live nearby. Council Member Elizabeth Jolin asked for a turnover study.

She noted we were in collecting bargaining with the Fire Department and, since we don't have them yet, those figures have not been included in the proposed budget.

E. FY 2024-2025 General Fund Projections **TAB 5** (Lisa Lynch, Finance Director)

Overview of projected expenditures by department in the General Fund.

Council Member Mark Gregg indicated he did not like the nomenclature of the landscape mitigation fund. Village Manager Rob Cole noted staff was working to come up with a different name that better suits its use as habitat restoration.

F. FY 2024-2025 General Fund Preliminary Budget Summaries **TAB 6** (Lisa Lynch, Finance Director)

Summary of proposed budgeted expenditures by department

Finance Director Lisa Lynch noted that Council should bear in mind each tenth of a millage point equals around $630,000. The current millage rate was 2.7992.

G. General Fund Revenues **TAB 7** (Lisa Lynch, Finance Director)

Overview of revenue sources including ad valorem taxes, charges for services, and other revenue sources. It was noted that it was unwise to bank on fines and forfeitures as they are not a stable source of income.

H. General Government **TAB 8** (Robert Cole, Village Manager, John Quick, Interim Village Attorney, Marne McGrath, Village Clerk, Lisa Lynch, Finance Director, Ramon Navarro, Network Engineer, Vince Tarves, Systems Engineer)

- **Village Council Department**
- **Village Attorney Department**
- **Village Manager Department**
- **Village Clerk Department**
- **Finance and Administration Department**
- **IT and Communications Department**

Department heads presented their departmental budget requests.

Mayor Pinder waived the rule for no public comment during discussion items.

Mayor Joseph B. Pinder III opened public comment.

Speakers included:
Van Cadenhead

There being no one else wishing to speak, Mayor Pinder closed public comment.

Council budget: Finance Director Lynch provided an overview and Village Manager Rob Cole noted that there were savings due to taking our social media and communication services in-house.

Council Member Elizabeth Jolin asked about the possibility of revisiting holiday lights. It was noted that this was the last year of the contract, and it would be prudent to look at it next year.

Legal/Village Attorney: Interim Village Attorney John Quick provided an overview of the legal budget. Discussion ensued on the possibility of exploring alternate options for legal services.

Village Manager: Village Manager Rob Cole noted the department is fully staffed and was working on several initiatives. Environmental Resources Manager Pete Frezza summarized upcoming projects.

Village Clerk: Village Clerk Marne McGrath summarized the department's services and software costs.

Finance & Administration: Finance Director Lisa Lynch noted the only increases in her budget were for travel and per diem. Ms. Lynch stated that she is GFOA certified and has continuing education requirements and her staff were open to educational opportunities.

IT: Network Engineer Ramon Navarro and Systems Engineer Vince Tarves summarized software and hardware needs to protect us from cyberattacks and noted the need for data security was crucial for governmental agencies.

I. Development Services **TAB 9** (Jennifer DeBoisbriand , Planning Director, Sheila Denoncourt, Chief Building Official)

- **Planning and Development Services Department**
- **Code Compliance Department**
- **Affordable Housing Fund**
- **Impact Fee Fund**
- **Building Services Fund**

Mayor Joseph B. Pinder III opened public comment.

Speakers included:
Van Cadenhead

There being no one else wishing to speak, Mayor Pinder closed public comment.

Planning Director Jennifer DeBoisbriand noted she was requesting a couple of increases including the Comp Plan update and that the training and travel budget was increasing.

For Code Compliance, she indicated an increase for training and travel for new staff members, but overall the budget was less than last year.

Building Department: Building Official Sheila Denoncourt noted the department was fully funded through permit fees, which have not been adjusted since 2015. She was asking that one replacement vehicle be carried over from FY 23-24.

J. Public Safety and Emergency Management **TAB 10** (Lissette Quintero, Captian MCSO, Terry Abel, Fire Chief)

- **Local Law Enforcement (MCSO) Department**
- **Fire Rescue Department**

MCSO Captain Lissette Quintero presented the Sherrif's department budget.

Fire Chief Terry Abel presented the Fire Rescue budget which included adding a training position, asking for a new engine as it takes three or four years to take delivery, and noted the SAFER grant was ending so those positions need to be funded.

Assistant Fire Chief Jason Lyman presented the ISO, Insurance Services Organization, which sets insurance rates for departments. He noted there were stringent requirements and this was his third inspection by ISO. Mr. Lyman noted a rating of 2 which puts us in the top 6.81% in the country.

K. Culture and Recreation **TAB 11** (Maria Bagiotti, Founders Park Director, Lisa Watts, Dockmaster)

- **Parks and Recreation Department**
- **Marina Enterprise Fund**

Founders Park Director Maria Baggiotti presented the Parks and Recreation budget, noting the department is requesting an additional full-time facility & recreation attendant, an increase in the professional services account for consulting, and an increase in the special event account.

Plantation Yacht Harbor Dockmaster Lisa Watts indicated she needs an additional Assistant Dockmaster due to increased activity at the marina and that costs for the position would not come from the general fund.

L. Public Works **TAB 12** (A.J. Engelmeyer, Public Works Director)

- **Public Works Department - Roadway Maintenance and Fills**
- **Solid Waste Fund**
- **Stormwater Enterprise Fund**
- **Transportation Fund**
- **Wastewater Enterprise Fund**

Public Works Director AJ Engelmeyer provided an overview of the department's funding sources and proposed capital projects.

Summarized the revenues and expenditures of the Wastewater Utility Fund, Storm Water Utility Fund, Transportation Fund, and Solid Waste Fund

He indicated the department was looking for a minimum of 1.5 acres to house the department's office and equipment storage, preferably on Plantation Key due to the population density.

Mayor Joseph B. Pinder III opened public comment.

Speakers included:
Van Cadenhead

There being no one else wishing to speak, Mayor Pinder closed public comment.

Interim Village Attorney John Quick noted the purpose of the workshop was for the Council to learn. These were different than action meetings and public comment opportunities would arise during budget hearings.

M. Capital Project Fund **TAB 13** (Lisa Lynch, Finance Director)

Finance Director Lisa Lynch suggested discussing a loan to repair the pool and reported on other planned capital projects.

VI. COUNCIL DISCUSSION

This item was to be discussed at the second budget workshop being held the following evening.

VII. ADJOURNMENT

Council Member Mark Gregg moved to adjourn the meeting at 7:42 p.m.