

Budget Workshop Minutes

Florida Keys Mosquito Control District

Marathon Office
503 107th Street
Marathon, FL 33050

July 19, 2022 1:22 pm

The Board of Commissioners of the Florida Keys Mosquito Control District held a Budget Workshop on July 19, 2022, at the FKMCD Marathon Office.

Present Were: Phillip Goodman, Chairman; Dr. Stanley Zuba, Vice-Chair; Tom McDonald, Secretary/Treasurer; Brandon Pinder, Commissioner; Jill Cranney, Commissioner; Andrea Leal, Executive Director; Dale Coburn, Board Attorney.

Employees Present Were: Mikki Coss, Director of Operations; Bruce Holden, Director of Finance; Josh Kogut, Director of Aerial Operations; Chad Huff, Public Education & Information Officer; Robert Lee, Director of Aircraft Maintenance; Deanna Darias, Executive Assistant; Tony Nunez, Chief Technology Officer.

Invited Guests Present: None

Approval of Agenda: Chairman Goodman asked the Board if there were any corrections or additions to the agenda, hearing none, the agenda was unanimously approved.

Community Input: None

Chairman Goodman stated that this workshop has been called to discuss the Budget for the Fiscal Year 2022-2023.

Discussion: Bruce Holden, Director of Finance, presented the Board with a budget at approximately 15% over rollback and a maximum millage of .4648, which he feels can be obtainable. Mr. Holden incorporated the Board's requested changes from the June Budget Workshop. He discussed potential revenue resources for the District. He reviewed the hacking insurance refund, which is currently listed as \$400,000; however, after speaking with Dale Coburn, our Board Attorney; the maximum amount we will get for the refund will be \$145,000, as we have already received a portion of the \$400,000.

Andrea Leal, Executive Director, introduced the Budget for the 2022-2023 Fiscal year and reminded the Board of the difficult times we are going through due to the economy and that the District is being faced with hefty cost increases on our regular business. She asked the Board to keep this in mind as we move forward through Budget season and that she is going to do her best to work the budget down throughout the process. Mr. Holden discussed the changes made in performance compensation & salary range adjustments which accounted for a slight raise as some directors have moved to salaried positions. Director Leal advised the budget includes an 8% increase in performance compensation for a COLA/Merit increase due to the rising inflation. The Board discussed what other Mosquito Control districts and local government entities are budgeting for in the performance compensation category. Commissioner Cranney relayed that most local government entities are doing a 7% COLA increase and deciding their own Merit increases. The Board decided on splitting the performance

compensation as 7% COLA and 2% Merit increases until they get more information on what other local government entities are proposing. Chairman Goodman expressed that this will only be for this upcoming budget year and will be reviewed on a yearly basis.

Mr. Holden then brought up the fact that we are currently out of contract with our CPA Auditor which will need to be addressed in the near future. Commissioner Cranney requested that Mr. Holden request an extension of our contract with Orpeza & Parks to see what the pricing will be for the upcoming year. If they are able to stay under \$35,000, the District will not have to go out to bid for the audit process.

Mr. Holden reviewed the changes made since the July workshop which he summarized on page 18 of the workbook; these changes reflected a savings of \$756,615 from the first draft of the budget. Mr. Holden asked the Board if they approved, using funds that were originally reserved for repairs at the Marathon building, to make improvements at all three (3) locations. Following a short discussion, the Board approved the funds to be used for building repairs at any of our locations. Mr. Holden presented the Board with a Cash Flow Analysis for FY 2022-2023 report and discussed the Net Required Ad Valorem. These figures will continue to change once we get the healthcare renewal cost, dental insurance, and July actuals which may show a decrease in chemical spending due to low rainfall. He also explained the budget change report and highlighted the major line items which included an increase of \$15,000 in utilities due to rising cost of electricity in the Keys.

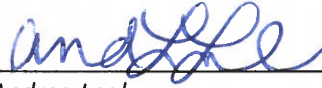
Commissioner McDonald reviewed his handout, which was an example of how he would like to see each department's budget broken down, line by line. He will be meeting with Mr. Holden in the upcoming months to devise a new process to analyze the budget in future years with the breakdowns by each department. Commissioner Cranney expressed that she would like to see more cuts overall to the budget but agrees with the maximum millage rate Mr. Holden proposed. Mr. Holden presented an analytical format to the Board outlining the tentative budgets year over year to show the differences. He will include this in future Budget Workbooks.

Chairman Goodman asked Director Leal, the District's plan on when they will be selling the old aircraft and when they would like to order the new helicopter; she explained the difficulty in getting parts to fix one of the old airplanes but that it should be fixed and ready to sell before the end of the current fiscal year. Once we take delivery of the new helicopter and it's online, we will be able to sell the second airplane. If the new helicopter is ordered on October 1st, 2022, we anticipate taking delivery in June of 2023. The District's goal is to have a uniform fleet of four (4) Airbus helicopters for safety purposes and capacity. Commissioner McDonald asked Director Leal how long they expect the Airbus helicopters to last and she advised 15-20 years. Director Leal then advised the Board on the District's plan to possibly incorporate the use of night vision goggles which would allow the aircraft to be in the location of the spraying at an early time of day which would allow us to spray earlier in the day. She expressed the District is always looking at new innovative ways to combat the mosquitoes in the Keys to keep the public safe. Chairman Goodman expressed his feelings of value that FKMCD is to the taxpayers of Monroe County and that he believes we are a great contributor to Monroe County. Commissioner Cranney voiced the importance of retaining our staff in these trying times as so many people are selling their homes and leaving the Keys with the soaring home prices and how difficult it will be to replace our staff if we cannot retain them.

Good of the Order: None

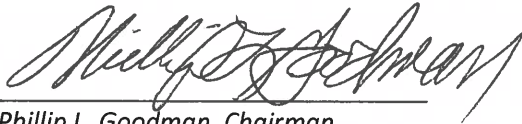
Adjourn: There being no further business to come before the Board, the meeting was adjourned.

Respectfully submitted,

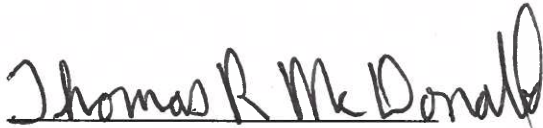


Andrea Leal
Executive Director

Board of Commissioners
Florida Keys Mosquito Control District



Phillip L. Goodman, Chairman



Thomas McDonald, Secretary-Treasurer

For additional information, please refer to www.keysmosquito.org.