



AGENDA ITEM MEMORADUM

Town Manager

Connie Hoffmann

Department

Department Director

COMMISSION MEETING DATE (*) - 7:00 PM		Deadline to Town Clerk
<input checked="" type="checkbox"/>	July 10, 2012	June 29
<input type="checkbox"/>	July 24, 2012	July 13

***Subject to Change**

- Presentation Reports Consent Ordinance
 Resolution Quasi-Judicial Old Business New Business

FY2012 DESIGNATED HIGH PRIORITY ITEM - PRIORITY TOPIC

SUBJECT TITLE: FY 13 BUDGET: BSO CONTRACT SERVICES

EXPLANATION: In accordance with the Town's contract with BSO for police services, BSO provided a proposed budget for FY 13 in May of \$3.6 million, which represented a 5 % increase over the current budget. After discussions with the Chief, BSO's budget office, and finally with Colonel Cavallo we were able to negotiate the FY 2013 payment for services down to approximately \$3,510,101 (a 2% increase, or \$75,000) with no reduction in personnel.

The increase that we will have to absorb is due to two factors. First, a number of BSO employees assigned to Lauderdale-by-the-Sea have upgraded their health insurance from single coverage to family coverage. BSO is actually absorbing that increased cost in the current year because it was not projected when we negotiated our agreement last year. The second factor is a 17% increase in the amount of BSO must contribute to the Florida Retirement System for the special risk retirement plan (i.e. for sworn deputies and officers). The latter cost is determined by the State of Florida Division of Retirement each year after performing actuarial studies of the financial health of the state-sponsored retirement plan.

Attached is a comparison of the proposed line item budget compared to the existing budget (**Exhibit 2**). Please note that there will be a reduction in salary expenses because a newly hired BSO Deputy will be transferred in and one with longer tenure transferred out. (I had requested a Deputy be transferred out for performance reasons and that transfer will likely occur in late July or August.)

There are numerous changes to line item accounts. In some cases, BSO is simply changing where they charge certain types of expenditures. In other cases, such as the two OPEB line items, two employees assigned to Lauderdale-by-the-Sea retired so their OPEB costs (Other Post Employee Benefits) have moved from being set aside in a reserve for future payment, to the line item for the actual payment of OPEB.

RECOMMENDATION: Accept the negotiated FY 13 compensation for BSO services of \$3,510,101.



EXHIBITS: #1 Letter dated June 27, 2012 from BSO's Budget Manager
#2 Comparison of FY 13 to FY 12 Costs for BSO contract

Reviewed by Town Attorney
 Yes No

Town Manager Initials CA

Broward Sheriff's Office
2601 West Broward Boulevard
Fort Lauderdale, Florida 33312
954.831.8900 • www.sheriff.org



Pride in Service with Integrity

June 27, 2012

Ms. Connie Hoffmann, Town Manager
Town of Lauderdale-by-the-Sea
4501 Ocean Drive
Lauderdale-by-the-Sea, Florida 33308

Dear Ms. Hoffman:

Below is the consideration for Fiscal Year 2013. This change reflects recent budget discussions between the Town of Lauderdale by the Sea and the Broward Sheriff's Office:

	<u>Police Services</u>
Personnel Services	\$ 3,047,486
Operating	\$ 261,612
Capital	\$ 72,507
Transfer/Reserves	<u>\$ 128,496</u>
Total	\$ 3,510,101 (\$292,508.41 monthly)

These amounts are subject to the final adopted budget as approved by the Board of County Commission and to any additional contract amendments or negotiations which take place after this date.

Please contact me at (954) 831-8939 if you have any questions regarding this matter.

Sincerely,


Della R. Amrozewicz
Budget Manager

DA/da

cc: William E. MacDonald, Director, Bureau of Finance and Budget
Col. Tim Gillette, Executive Director, Department of Law Enforcement
Lt. Col. Louis Cavallo, DLE
Heather Mitchell, Chief Accountant
Tony Bryan, LBTS, Finance Director

Appropriations Detail			Revised 2013 Budget
Fund 1	Department CONTRACT SERVICES	Division LAUDERDALE-BY-THE-SEA	
Sub-Obj Code	Classification		
512401	REGULAR SALARY		1,937,711
514401	OVERTIME		33,869
515401	SPECIAL PAY		16,510
	<u>Total - Personal Services</u>		<u>1,988,090</u>
521401	FICA TAXES		151,505
522401	RETIRE-REGULAR		8,245
522402	RETIRE-SPECIAL RISK		326,959
522405	RETIRE/DROP SPECIAL RISK		4,507
523401	LIFE/HEALTH INSURANCE		400,024
523403	OPEB		71,116
524402	WORKER'S COMP		97,040
	<u>Total - Fringe Benefits</u>		<u>1,059,396</u>
534401	CONTRACTS SVC/CUST		3,325
541402	COMM SERVICE/BASIC		2,400
541403	COMM SERVICE/AIR CARDS		11,040
544401	R/L OFFICE MACHINES		3,000
545402	INS/ADMIN-BOND/INS		30,136
546401	R/M EQUIPMENT		3,700
546402	R/M VEHICLES		71,820
547401	CONTRACT PRINT & BINDING		120
551401	OFFICE SUPPLY-MISC		4,711
551402	OFFICE SUPPLY-OFFICE		3,424
552401	OPER SUPPLY-GAS/OIL/LUB		105,240
552402	OPER SUPPLY-TOOLS		600
552406	OPER SUPPLY-INSTIT		7,781
552408	OPER SUPPLY-FNGRPT/PHOTO		600
552409	OPER SUPPLY-MISC		2,000
552410	OPER SUPPLY-UNIFORMS		10,970
554401	BOOKS/PUB/SUB		100
554402	DUES/MEMBERSHIP		645
	<u>Total - Operating Expenses</u>		<u>261,612</u>
564401	MACH-EQUIP/VEHICLE		55,614
564402	MACH-EQUIP/EQUIPMENT		14,733
564404	MACH-EQUIP/RADIO		2,160
	<u>Total - Capital Outlays</u>		<u>72,507</u>
591001	TRANSFER TO GENERAL FUND		113,848
591401	OPEB RESERVE		14,648
	<u>Total - Transfers/Reserves</u>		<u>128,496</u>
	Total - LAUDERDALE-BY-THE-SEA		<u>3,510,101</u>

EXHIBIT 2

Comparison of FY 13 Proposed Budget to FY 12 BSO Budget				
Account	Proposed FY 13	FY 12 Budget	\$ Change	% Change
512401 REGULAR SALARY	\$1,937,711	\$1,977,818	-\$40,107	-2.0%
514401 OVERTIME	\$33,869	\$33,790	\$79	0.2%
515401 SPECIAL PAY	\$16,510	\$18,434	-\$1,924	-10.4%
Total - Personal Services	\$1,988,090	\$2,030,042	-\$41,952	-2.1%
521401 FICA TAXES	\$151,505	\$155,120	-\$3,615	-2.3%
522401 RETIRE-REGULAR	\$8,245	\$8,123	\$122	1.5%
522402 RETIRE-SPECIAL RISK	\$326,959	\$277,990		
522405 RETIRE/DROP SPECIAL RISK	\$4,507	\$4,802	-\$295	-6.1%
523401 LIFE/HEALTH INSURANCE	\$400,024	\$308,531		
523403 OPEB	\$71,116	\$46,195	\$24,921	53.9%
524402 WORKER'S COMP	\$97,040	\$96,256	\$784	0.8%
Total - Fringe Benefits	\$1,059,396	\$897,017	\$162,379	18.1%
534401 CONTRACTS SVC/CUST	\$3,325	\$2,700	\$625	23.1%
541401 COMM SERVICE/BASIC	\$2,400	\$3,840	-\$1,440	-37.5%
541402 COMM SERVICE/BASIC		\$3,800	-\$3,800	-100.0%
541403 COMM SERVICE/AIR CARDS	\$11,040	\$11,244	-\$204	-1.8%
543401 UTILITY SERVICE	\$0	\$0	\$0	N/A
543402 WATER & WASTE DISPOSAL	\$0	\$0	\$0	N/A
544401 R/L OFFICE MACHINES	\$3,000	\$2,395	\$605	25.3%
544402 R/L VEHICLE	\$0	\$4,200	-\$4,200	-100.0%
545402 INS/ADMIN-BOND/INS	\$30,136	\$27,840	\$2,296	8.2%
546401 R/M EQUIPMENT	\$3,700	\$3,998	-\$298	-7.5%
546402 R/M VEHICLES	\$71,820	\$75,846	-\$4,026	-5.3%
547401 CONTRACT PRINT & BINDING	\$120	\$0	\$120	N/A
551401 OFFICE SUPPLY-MISC	\$4,711	\$2,711	\$2,000	73.8%
551402 OFFICE SUPPLY-OFFICE	\$3,424	\$3,095	\$329	10.6%
552401 OPER SUPPLY-GAS/OIL/LUB	\$105,240	\$107,555	-\$2,315	-2.2%
552402 OPER SUPPLY-TOOLS	\$600	\$500	\$100	20.0%
552406 OPER SUPPLY -INSTIT	\$7,781	\$0	\$7,781	N/A
552408 OPER SUPPLY-FNGRPT/PHOTO	\$600	\$597	\$3	0.5%
552409 OPER SUPPLY-MISC	\$2,000	\$8,170	-\$6,170	-75.5%
552410 OPER SUPPLY-UNIFORMS	\$10,970	\$8,683	\$2,287	26.3%
554401 BOOKS/PUB/SUB	\$100	\$0	\$100	N/A
554402 DUES/MEMBERSHIP	\$645	\$900	-\$255	-28.3%
Total - Operating Expenses	\$261,612	\$268,074	-\$6,462	-2.4%
564401 MACH-EQUIP/VEHICLE	\$55,614	\$65,503	-\$9,889	-15.1%
564402 MACH-EQUIP/EQUIPMENT	\$14,733	\$5,611		
564404 MACH-EQUIP/RADIO	\$2,160	\$1,980	\$180	9.1%
Total - Capital Outlays	\$72,507	\$73,094	-\$587	-0.8%
591001 TRANSFER TO GENERAL FUND	\$113,848	\$123,088	-\$9,240	-7.5%
OPEB RESERVE	\$14,648	\$44,239	-\$29,591	-66.9%
Total - Transfers/Reserves	\$128,496	\$167,327	-\$38,831	-23.2%
GRAND TOTAL	\$3,510,101	\$3,435,554	\$74,547	2.2%