



City of Miami Beach, 1700 Convention Center Drive, Miami Beach, Florida 33139, www.miamibeachfl.gov

COMMISSION MEMORANDUM

TO: Mayor Dan Gelber and Members of the City Commission

FROM: Jimmy L. Morales, City Manager

DATE: February 12, 2020

SUBJECT: **A RESOLUTION OF THE MAYOR AND CITY COMMISSION OF THE CITY OF MIAMI BEACH, FLORIDA, ADOPTING THE THIRD AMENDMENT TO THE GENERAL FUND, ENTERPRISE FUNDS, INTERNAL SERVICE FUNDS, AND SPECIAL REVENUE FUNDS BUDGETS FOR FISCAL YEAR 2020.**

ADMINISTRATION RECOMMENDATION

Adopt the Resolution.

STRATEGIC PLAN SUPPORTED

Organizational Innovation – Ensure strong fiscal stewardship

ANALYSIS

The budgets for the General Fund, Enterprise Funds, Internal Service Funds, and Special Revenue Funds for Fiscal Year 2020 were adopted by the Mayor and City Commission on September 25, 2019, through Resolution No. 2019-31004.

The First Amendment to the General Fund, Enterprise Funds, Internal Service Funds, and Special Revenue Funds budgets for Fiscal Year 2020 was adopted by the Mayor and City Commission on November 25, 2019, through Resolution No. 2019-31081.

The Second Amendment to the General Fund, Enterprise Funds, Internal Service Funds, and Special Revenue Funds budgets for Fiscal Year 2020 was adopted by the Mayor and City Commission on January 15, 2020, through Resolution No. 2020-31138.

Section 166.241(4)(c), Florida Statutes, requires that a municipality's budget amendment must be adopted in the same manner as its original budget.

FLAMINGO PARK TENNIS CENTER

Since 2014, Miami Beach Tennis Management (MBTM) has provided professional tennis management and operations services at the City's Flamingo Park and North Shore Park tennis centers.

On February 13, 2019, the Mayor and City Commission approved the issuance of Request for Proposals for Professional Tennis Management and Operational Services at the City's Flamingo Park Tennis Center.

On May 8, 2019, the Mayor and City Commission adopted Resolution No. 2019-30834, which among other things, accepted the recommendation of the City Manager authorizing the Administration to enter into negotiations with MBTM as the top ranked proposer; authorized the Mayor and City Clerk to execute an agreement upon conclusion of successful negotiations by the Administration; and authorized the City Manager to execute a month-to-month extension of the agreement with MBTM until such time a new agreement was executed. On January 9, 2020, MBTM provided the Parks and Recreation Department with a letter confirming MBTM's intent to terminate the month-to-month agreement in thirty days.

On January 15, 2020, the Mayor and City Commission adopted Resolution No. 2020-31135 accepting the City Manager's recommendation that the Parks and Recreation Department take over operation and management of the center as a pilot program, which would provide an opportunity for the Parks and Recreation Department to fully analyze the best course moving forward regarding management and operation of the center.

In order for the Parks and Recreation Department to assume management and operation of the Flamingo Park Tennis Center, effective February 2020 through the end of the current fiscal year ending September 30, 2020, this proposed amendment would appropriate \$808,000 in projected expenditures for programming, maintenance, collections, and front desk operations that would be offset by \$705,000 in projected revenues generated from memberships, rentals, and programming. The projected difference of expenditures incurred in excess of revenues collected of \$103,000 is recommended to be funded through the realignment of projected savings in other existing Parks and Recreation appropriations.

SUPER BOWL MOBILITY MITIGATION PLAN

As part of the overall Super Bowl LIV activation and "Super Bowl Experience" event hosted at the Miami Beach Convention Center from January 24, 2020 through February 6, 2020, a Super Bowl Transportation Mobility Mitigation Plan was established. The plan includes the addition of trolley vehicles to certain existing trolley routes in the City, the provision of shuttle services to connect residents to existing trolley routes in certain areas around the Convention Center, and the deployment of additional on-demand transit service vehicles in Middle Beach during the Super Bowl events taking place at the Miami Beach Convention Center.

This proposed amendment would appropriate \$88,000 in the Transportation Fund to fund the additional transportation services provided as part of the Mobility Mitigation Plan established by the City during the Super Bowl activation that will be reimbursed entirely by event organizers.

FRANCHISE WASTE HAULERS AGREEMENTS

The City of Miami Beach has Franchise Waste Hauler agreements with Waste Connections of Florida, Inc., and Waste Management Inc. of Florida for waste collection, disposal, and recycling services, which expired on September 30, 2019.

On September 11, 2019, the City Commission adopted Resolution No. 2019-30982 extending the agreements on a month-to-month basis, commencing October 1, 2019 and not-to-exceed six months, allowing the Administration to enter into negotiations with the Franchise Waste Haulers to execute an amendment to the foregoing agreements.

On October 16, 2019, the City Commission adopted Resolution No. 2019-31056 approving the renewal of the City's Franchise Waste Haulers agreements for an additional three years,

commencing October 1, 2019 and expiring September 30, 2022, with the following revisions, among others, being included:

- 1) Increase in the financial contribution from \$75,000 to \$90,000 to support educational programs
- 2) Increase in the number of hazardous materials collections from twice per year to four times per year by increasing the funding provided from \$30,000 to \$60,000 annually
- 3) Increase in the amount from 1.5 percent to 2.0 percent of gross receipts to be utilized for sustainable initiatives

This proposed amendment would appropriate additional funding of \$15,000 in the Education Compact Special Revenue Fund to support educational programs, \$30,000 in the Waste Haulers Fund to increase the number of hazardous materials collections from twice per year to four times per year, and \$114,000 in the Sustainability Special Revenue Fund for citywide sustainable initiatives.

BUILDING OPERATIONS

Historically, the City's Building Department has been categorized as part of the overall General Fund operations although annual revenues and expenditures associated with the Department's operations have been tracked separately and restricted for activities related to enforcement of the Florida Building Code. To improve greater fiscal transparency of the Department's operations, the Administration is recommending the creation of a separate new Building Fund in Fiscal Year 2020. This budget amendment creates the new fund and transfers the accumulated fund balance for this function, which is currently estimated at \$13.6 million. Since we are currently approximately halfway through the fiscal year, the applicable revenues and expenses will be moved into the new fund at year-end to minimize disruption to operations. As such, the City's Fiscal Year 2020 financial statements will reflect the new fund and all associated revenues and expenses.

COMMUNITY RELATIONS FOR CAPITAL PROJECTS

This proposed budget amendment also includes funding for the creation of a new Community Relations Specialist position, to serve as the City liaison for administering and coordinating community relations programs, including the General Obligation (G.O.) Bond program. This new position will be responsible for providing ombudsman-type services such as assisting citizens or other stakeholders regarding concerns related to capital projects, clarifying or explaining complex issues and processes related to city projects, and assisting with resolving disagreements and exploring possible solutions.

CONCLUSION

The Administration recommends that the Mayor and City Commission adopt the Third Amendment to the General Fund, Enterprise Fund, Internal Service Fund, and Special Revenue Fund budgets for Fiscal Year 2020 as described herein and further detailed in the attached Exhibit "A."

JLM/JW/TOS

Exhibit "A"

GENERAL FUND	FY 2020 Amended Budget	3rd Budget Amendment	FY 2020 Revised Budget
REVENUES			
Operating Revenues			
Ad Valorem Taxes	\$ 184,150,000		\$ 184,150,000
Ad Valorem - Capital Renewal & Replacement	\$ 769,000		\$ 769,000
Ad Valorem - Pay-As-You-Go Capital	\$ 2,470,000		\$ 2,470,000
Ad Valorem - Normandy Shores	\$ 174,000		\$ 174,000
Other Taxes	\$ 23,995,000		\$ 23,995,000
Licenses and Permits	\$ 30,525,000		\$ 30,525,000
Intergovernmental	\$ 12,081,000		\$ 12,081,000
Charges for Services	\$ 12,522,000	\$ 705,000	\$ 13,227,000
Fines & Forfeits	\$ 1,756,000		\$ 1,756,000
Interest Earnings	\$ 3,461,000		\$ 3,461,000
Rents & Leases	\$ 5,959,000		\$ 5,959,000
Miscellaneous	\$ 14,780,000		\$ 14,780,000
Resort Tax Contribution	\$ 36,757,000		\$ 36,757,000
Other Non-Operating Revenue	\$ 28,174,000	\$ 50,000	\$ 28,224,000
Building Fund Balance	\$ 0	\$ 13,596,000	\$ 13,596,000
Total General Fund	\$ 357,573,000	\$ 14,351,000	\$ 371,924,000
	FY 2020 Amended Budget	3rd Budget Amendment	FY 2020 Revised Budget
APPROPRIATIONS			
Department			
Mayor and Commission	\$ 2,500,000		\$ 2,500,000
City Manager	\$ 4,314,000		\$ 4,314,000
Marketing and Communications	\$ 2,460,000		\$ 2,460,000
Office of Management and Budget	\$ 2,013,000		\$ 2,013,000
Office of Inspector General	\$ 1,983,000		\$ 1,983,000
Org Dev & Performance Initiative	\$ 1,390,000		\$ 1,390,000
Finance	\$ 6,645,000		\$ 6,645,000
Procurement	\$ 2,735,000		\$ 2,735,000
Human Resources/Labor Relations	\$ 2,791,000		\$ 2,791,000
City Clerk	\$ 1,851,000		\$ 1,851,000
City Attorney	\$ 6,333,000		\$ 6,333,000
Housing & Comm. Services	\$ 4,433,000		\$ 4,433,000
Building	\$ 14,215,000		\$ 14,215,000
Planning	\$ 5,768,000		\$ 5,768,000
Environment & Sustainability	\$ 1,761,000		\$ 1,761,000
Tourism and Cultural Development	\$ 3,572,000		\$ 3,572,000
Economic Development	\$ 2,591,000		\$ 2,591,000
Code Compliance	\$ 6,533,000		\$ 6,533,000
Parks and Recreation	\$ 38,237,000	\$ 705,000	\$ 38,942,000
Public Works	\$ 15,633,000	\$ 50,000	\$ 15,683,000
Capital Improvement Projects	\$ 5,327,000		\$ 5,327,000
Police	\$ 116,314,000		\$ 116,314,000
Fire	\$ 91,247,000		\$ 91,247,000
Citywide Accounts (incl. Operating Contingency)	\$ 12,652,000		\$ 12,652,000
Subtotal General Fund	\$ 353,298,000	\$ 755,000	\$ 354,053,000
TRANSFERS			
Normandy Shores	\$ 267,000		\$ 267,000
Capital Renewal & Replacement	\$ 769,000		\$ 769,000
Info & Comm Technology Fund	\$ 300,000		\$ 300,000
Pay-As-You-Go Capital Fund	\$ 2,939,000		\$ 2,939,000
Building Fund	\$ 0	\$ 13,596,000	\$ 13,596,000
Subtotal Transfers	\$ 4,275,000	\$ 13,596,000	\$ 17,871,000
Total General Fund	\$ 357,573,000	\$ 14,351,000	\$ 371,924,000

Exhibit "A"

ENTERPRISE FUNDS	FY 2020 Amended Budget	3rd Budget Amendment	FY 2020 Revised Budget
REVENUE/APPROPRIATIONS			
Convention Center	\$ 31,527,000		\$ 31,527,000
Water	\$ 39,078,000		\$ 39,078,000
Sewer	\$ 53,241,000		\$ 53,241,000
Storm Water	\$ 33,229,000		\$ 33,229,000
Sanitation	\$ 23,054,000		\$ 23,054,000
Parking	\$ 55,661,000		\$ 55,661,000
Total Enterprise Funds	\$ 235,790,000	\$ -	\$ 235,790,000

INTERNAL SERVICE FUNDS	FY 2020 Amended Budget	3rd Budget Amendment	FY 2020 Revised Budget
REVENUE/APPROPRIATIONS			
Information Technology	\$ 17,378,000		\$ 17,378,000
Risk Management	\$ 19,777,000		\$ 19,777,000
Central Services	\$ 1,119,000		\$ 1,119,000
Property Management	\$ 11,492,000		\$ 11,492,000
Fleet Management	\$ 13,399,000		\$ 13,399,000
Medical and Dental Insurance	\$ 37,367,000		\$ 37,367,000
Total Internal Service Funds	\$ 100,532,000	\$ -	\$ 100,532,000

SPECIAL REVENUE FUNDS	FY 2020 Amended Budget	3rd Budget Amendment	FY 2020 Revised Budget
REVENUE/APPROPRIATIONS			
Education Compact	\$ 550,000	\$ 15,000	\$ 565,000
IT Technology Fund	\$ 1,301,000		\$ 1,301,000
Residential Housing	\$ 1,043,000		\$ 1,043,000
Sustainability	\$ 613,000	\$ 114,000	\$ 727,000
Tree Preservation Fund	\$ 176,000		\$ 176,000
Commemorative Tree Trust Fund	\$ 5,000		\$ 5,000
Resort Tax	\$ 94,574,000		\$ 94,574,000
Tourism & Hospitality Scholarships	\$ 174,000		\$ 174,000
Cultural Arts Council	\$ 2,580,000		\$ 2,580,000
Waste Haulers	\$ 100,000	\$ 30,000	\$ 130,000
Normandy Shores Fund	\$ 341,000		\$ 341,000
Biscayne Point Special Taxing District	\$ 248,000		\$ 248,000
5th & Alton Garage	\$ 650,000		\$ 650,000
7th Street Garage	\$ 2,891,000		\$ 2,891,000
Transportation Fund	\$ 12,669,000	\$ 88,000	\$ 12,757,000
People's Transportation Plan	\$ 4,158,000		\$ 4,158,000
Police Confiscation Fund - Federal	\$ 280,000		\$ 280,000
Police Confiscation Fund - State	\$ 106,000		\$ 106,000
Police Unclaimed Property	\$ 29,000		\$ 29,000
Police Crash Report Sales	\$ 25,000		\$ 25,000
Police Training Fund	\$ 25,000		\$ 25,000
Red Light Camera Fund	\$ 1,313,000		\$ 1,313,000
E-911 Fund	\$ 603,000		\$ 603,000
Domestic Violence	\$ 250,000		\$ 250,000
Art in Public Places (AIPP)	\$ 21,000		\$ 21,000
Beachfront Concession Initiatives	\$ 65,000		\$ 65,000
Miami City Ballet	\$ 22,000		\$ 22,000
Beach Renourishment	\$ 1,500,000		\$ 1,500,000
Farewell Symphony Event	\$ 50,000		\$ 50,000
Adopt-A-Bench Program	\$ 20,000		\$ 20,000
Building Fund	\$ 0	\$ 13,596,000	\$ 13,596,000
Total Special Revenue Funds	\$ 126,382,000	\$ 13,843,000	\$ 140,225,000