



City of Miami Beach, 1700 Convention Center Drive, Miami Beach, Florida 33139, [www.miamibeachfl.gov](http://www.miamibeachfl.gov)

## COMMISSION MEMORANDUM

TO: Honorable Mayor Dan Gelber and Members of the City Commission

FROM: Alina T. Hudak, City Manager

DATE: September 9, 2021

SUBJECT: **A RESOLUTION OF THE MAYOR AND CITY COMMISSION OF THE CITY OF MIAMI BEACH, FLORIDA, ACTING IN ITS CAPACITY AS THE GOVERNING BODY OF THE BISCAYNE POINT SECURITY GUARD SPECIAL TAXING DISTRICT, ADOPTING THE OPERATING BUDGET FOR THE BISCAYNE POINT SECURITY GUARD SPECIAL TAXING DISTRICT FOR FISCAL YEAR 2022.**

### **STRATEGIC PLAN SUPPORTED**

Organizational Innovation – Ensure strong fiscal stewardship

### **ADMINISTRATION RECOMMENDATION**

Adopt the Resolution which establishes the operating budget for the Biscayne Point Security Guard Special Taxing District for Fiscal Year 2022 in the amount of \$229,000, subject to adoption of the FY 2022 Non-Ad Valorem assessment roll of \$684.05, per Residential Unit, for the cost of continued operation and maintenance of the Special Taxing District, including but not limited to the making of infrastructure and security improvements.

### **BACKGROUND**

In 1990, the Mayor and City Commission of the City of Miami Beach and the Miami-Dade County Board of County Commissioners approved the creation of a Special Taxing District pursuant to City Resolution No. 90-19919 and County Ordinance No. 90-52 to provide 24-hour security guard service to Biscayne Point. Thereafter, in 2006 and 2007, respectively, the City's Mayor and City Commission and the Miami-Dade County Board of County Commissioners approved an amendment to the Special Taxing District in City Resolution No. 2006-26201 and County Ordinance No. 07-62 to provide for increased services, including the installation of cameras and a recording device in the guardhouse.

Pursuant to a Miami-Dade County Charter Amendment approved by the electorate on November 8, 2016, County Ordinance No. 16-14 was given effect which created a new Section 18-3.1 in the Miami-Dade County Code. This new County Code section provided, in part, that by joint resolutions of the Board of County Commissioners and the governing body of a municipality, the governing body of a municipality may be designated as the governing body of an existing Special Taxing District located entirely within the boundaries of such municipality, subject to a majority vote of the qualified electors residing in the Special Taxing District at an election called by and conducted as

provided by the Board of County Commissioners and with the County Tax Collector and Property Appraiser would be needed to effectuate a transfer of control.

On January 23, 2018, the voters of the District approved the transfer of control of the Security Guard Special Taxing District to the City. As a result of this vote, and pursuant to the terms of the Transfer Agreement executed between Miami-Dade County and the City of Miami Beach, the City became the governing body of the Special Taxing District, as no contest of the election was filed pursuant to Section 102.168 of the Florida Statutes. FY 2022 represents the fourth year of the City acting as the governing body of the Biscayne Point Security Guard Special Taxing District.

The City of Miami Beach intends to use the uniform method for collecting Non-Ad Valorem assessments for the provision of continued operation and maintenance of the Special Taxing District, including but not limited to, the making of infrastructure and security improvements as authorized by Section 197.3632, Florida Statutes, because this method will allow such special assessments to be collected annually, commencing for the fiscal year beginning October 1, 2021, in the same manner as provided for ad valorem taxes.

### **PROCEDURE**

The Non-Ad Valorem assessment roll and operating budget for this Special Taxing District must be adopted in accordance with Florida Statutes. This procedure requires that this Resolution be considered immediately after adoption of the Non-Ad Valorem assessment roll for the District (see accompanying Non-Ad Valorem Assessment Roll agenda item for details).

### **ANALYSIS**

The FY 2022 budget for the Biscayne Point Security Guard Special Taxing District is \$229,000, which represents a 3.6%, or \$8,000, increase from the District's FY 2021 operating budget and is comprised of the following line expenditures:

<b>Items Included in FY 2022 Expenditures</b>	<b>\$</b>
Contracted Security Guard Services for District	190,800
Utilities (Water, Sewer, Storm Water, Electricity, Telephone)	5,700
Janitorial Services	1,200
Guardhouse Repairs and Maintenance	2,000
Contingencies (based on budgeted \$2,100 collection allowance and additional contingency of \$6,000 requested by the District)	8,100
OIG Internal Service Charges	1,000
Property Management Internal Service Charges	20,200
<b>Total</b>	<b>\$ 229,000</b>

In order to continue to provide the current level of security required by this Special Taxing District, the Administration recommends the proposed FY 2022 Non-Ad Valorem assessment of \$684.05, per Residential Unit, for real property located within the boundaries of the Biscayne Point Security Guard Special Taxing District commencing FY 2022, which will fund the FY 2022 budget for this

Special Taxing District. This Non-Ad Valorem assessment is \$7.17, or 1.1%, more than the adopted FY 2021 Non-Ad Valorem assessment of \$676.88, per Residential Unit, and would generate proceeds of approximately \$223,000. The remainder of the budget (\$6,000 contingency requested by the District) will be funded using available fund balance.

**CONCLUSION**

The City Commission, acting in its capacity as the governing body of the Biscayne Point Security Guard Special Taxing District, should adopt the attached Resolution which adopts the FY 2022 operating budget of \$229,000 for the Biscayne Point Security Guard Special Taxing District.

Attachment A – Biscayne Point Budget

ATH/JW/TOS

# ATTACHMENT A

<b>FY 2022 Biscayne Point Special Taxing District Budget</b>							
	FY 2018 Actuals (MIAMI-DADE COUNTY)	FY 2019 Actuals (CITY OF MIAMI BEACH)	FY 2020 Actuals (CITY OF MIAMI BEACH)	FY 2021 Adopted Budget (CITY OF MIAMI BEACH)	FY 2022 Budget (CITY OF MIAMI BEACH)	\$ Variance FY 2022 Budget vs FY 2021 Adopted	% Variance FY 2022 Budget vs FY 2021 Adopted
<b>REVENUES</b>							
Special Assessments	238,073	244,896	229,394	221,000	220,900	(100)	0.0%
Special Assessment Collection Allowance	0	0	0	0	2,100	2,100	100.0%
Interest/Other	1,223	19,174	166	0	0	0	0.0%
Fund Balance/Retained Earnings	0	0	0	0	6,000	6,000	100.0%
<b>Total</b>	<b>\$ 239,296</b>	<b>\$ 264,070</b>	<b>\$ 229,560</b>	<b>\$ 221,000</b>	<b>\$ 229,000</b>	<b>\$ 8,000</b>	<b>3.6%</b>
<b>EXPENDITURES</b>							
Utilities (Water, Sewer, Storm Water, Electricity) <sup>(1)</sup>	3,905	2,710	3,690	5,000	4,800	(200)	-4.0%
Utilities (Telephone) <sup>(1)</sup>	812	909	906	1,000	900	(100)	-10.0%
Janitorial Services <sup>(2)</sup>	825	1,599	3,852	1,200	1,200	0	0.0%
Repairs & Maintenance <sup>(3)</sup>	851	1,077	11,445	1,200	2,000	800	66.7%
Security Camera System Upgrade	0	0	17,194	0	0	0	0.0%
Security Guard Services <sup>(4)</sup>	192,876	170,361	175,419	181,500	190,800	9,300	5.1%
Advertising	2,163	11,899	0	0	0	0	0.0%
Other Operating Expenditures	205	10	0	0	0	0	0.0%
Contingencies <sup>(5)</sup>	0	0	0	3,000	8,100	5,100	170.0%
Property Management Internal Service Charges <sup>(6)</sup>	20,541	30,000	30,000	27,100	20,200	(6,900)	-25.5%
OIG Internal Service Charges <sup>(7)</sup>	0	0	0	1,000	1,000	0	0.0%
<b>Total</b>	<b>\$ 222,178</b>	<b>\$ 218,565</b>	<b>\$ 242,506</b>	<b>\$ 221,000</b>	<b>\$ 229,000</b>	<b>\$ 8,000</b>	<b>3.6%</b>
<b>Surplus / (Shortfall)</b>	<b>\$ 17,118</b>	<b>\$ 45,505</b>	<b>\$ (12,946)</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	
<b>Number of Units (per Miami-Dade County Property Appraiser) <sup>(8)</sup></b>	<b>327.50</b>	<b>327.50</b>	<b>325.00</b>	<b>326.50</b>	<b>326.00</b>	<b>(0.50)</b>	<b>-0.2%</b>
<b>\$ Assessment Rate/Unit</b>	<b>\$ 756.89</b>	<b>\$ 766.41</b>	<b>\$ 686.15</b>	<b>\$ 676.88</b>	<b>\$ 684.05</b>	<b>\$ 7.17</b>	<b>1.1%</b>

**Footnotes:**

<sup>(1)</sup> Utility costs based on FY 2021 actuals to date, plus projected increase of 1.1% for CPI in accordance with the City's utility fee rates

<sup>(2)</sup> FY 2022 janitorial services based on current agreement to include services at guardhouse at a rate of \$22.52/week (based on one hour of service per week)

<sup>(3)</sup> FY 2022 repairs and maintenance budget based on unforeseen repairs and maintenance of equipment that may be necessary throughout the fiscal year

<sup>(4)</sup> FY 2022 security guard services based on an increase in the hourly rate for the Level 1 guard from \$20.71 to \$21.03 per hour to provide coverage 88 hours per week, as well as a Level 3 guard at an hourly rate of \$22.72 per hour to provide coverage 80 hours per week (the hourly rate is subject to change for living wage if adopted by the City Commission for FY 2022)

<sup>(5)</sup> FY 2022 contingencies based on collection allowance of \$2,100 and potential project of \$6,000 to be budgeted as contingency in FY 2022, pending final approval by the District as requested, and proposed to be funded from the District's fund balance

<sup>(6)</sup> Includes approximately 16% of the split-funded Administrative Officer position and indirect costs associated with the operations of the Special Taxing District based on a Full Cost Allocation Study completed by a third-party consultant - 1.13% of Adjusted Budget. This includes a 2.0% merit and a 10% increase over the FY 2021 projection for Health and Life Insurance, as well as proportionate share of pension costs for portion of full-time Administrative Officer position funded by Special Taxing District

<sup>(7)</sup> OIG Internal Service charge based on FY 2022 allocations

<sup>(8)</sup> Based on the annual unit counts received from the Miami Dade County Property Appraiser