MIAMIBEACH

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

COMMISSION MEMORANDUM

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

FROM: Alina T. Hudak, City Manager

DATE: September 14, 2022

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 ALLISON ISLAND SECURITY GUARD SPECIAL TAXING DISTRICT, ADOPTING THE OPERATING BUDGET FOR THE ALLISON ISLAND SECURITY GUARD SPECIAL TAXING DISTRICT FOR FISCAL YEAR 2023.**

STRATEGIC PLAN SUPPORTED

Organizational Innovation – Ensure strong fiscal stewardship

ADMINISTRATION RECOMMENDATION

Adopt the Resolution which establishes the operating budget for the Allison Island Security Guard Special Taxing District for Fiscal Year 2023 in the amount of $236,000, subject to adoption of the Non-Ad Valorem assessment roll of $4,408.16, 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 1989, the City's Mayor and City Commission and the Miami-Dade County Board of County Commissioners approved the creation of a Special Taxing District pursuant to City Resolution No. 89-19604 and County Ordinance No. 89-125 to provide 24-hour security guard service to Allison Island.

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 provides, 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 December 17, 2019, the voters approved the transfer of control of the Special Taxing District to the City. As a result of this vote, and pursuant to the terms of the Transfer Agreement between the

County and the City, the City became the governing body of the Special Taxing District pursuant to Section 102.168 of the Florida Statutes.

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.

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 the Non-Ad Valorem assessment roll for the District has been adopted (see accompanying Non-Ad Valorem Assessment Roll agenda item for details).

ANALYSIS

The FY 2023 budget for the Allison Island Security Guard Special Taxing District, including $20,000 for a security camera system upgrade requested by the District, is $236,000 as detailed further in Attachment A, which represents a 4.4%, or $10,000, increase from the FY 2022 budget of $226,000 adopted by the City and is comprised of the following line-item expenditures:

Items Included in FY 2023 Expenditures	$
Contracted Security Guard Services for District	184,000
Security Camera System Upgrade (One-Time)	20,000
Property Management Internal Service Charges	20,000
Utilities (Water, Sewer, Storm Water, Electricity, Telephone)	3,800
Guardhouse Repairs and Maintenance	2,400
Contingencies (based on budgeted collection allowance)	2,400
Guardhouse Janitorial Services	1,200
Advertising and Mailing Costs for Notice of Public Hearing	1,200
OIG Internal Service Charges	1,000
Total	**$ 236,000**

In order to continue to provide the current level of security required by this Special Taxing District, the Administration recommends the proposed FY 2023 Non-Ad Valorem assessment of $4,408.16 per Residential Unit, for real property located within the boundaries of the Allison Island Security Guard Special Taxing District commencing FY 2023, which will fund the FY 2023 budget for this Special Taxing District. This Non-Ad Valorem assessment is $187.58, or 4.1%, less than the Non-Ad Valorem assessment adopted by the City for FY 2022 of $4,595.74, per Residential Unit, and would generate proceeds of approximately $216,000. The remainder of the total proposed budget, which is $20,000, will be funded using the District's available fund balance for a security camera system upgrade requested by the District.

CONCLUSION

The City Commission, acting in its capacity as the governing body of the Allison Island Security Guard Special Taxing District, should adopt the attached Resolution which adopts the FY 2023 operating budget of $236,000 for the Allison Island Security Guard Special Taxing District.

Attachment A – Allison Island Budget

ATH/JW/TOS

ATTACHMENT A

FY 2023 Allison Island Special Taxing District Budget

	FY 2019 Actuals (MIAMI-DADE COUNTY)	FY 2020 Actuals (MIAMI-DADE COUNTY)	FY 2021 Actuals (CITY OF MIAMI BEACH)	FY 2022 Adopted Budget (CITY OF MIAMI BEACH)	FY 2023 Proposed Budget (CITY OF MIAMI BEACH)	$ Variance FY 2023 Budget vs FY 2022 Adopted	% Variance FY 2023 Budget vs FY 2022 Adopted
REVENUES							
Special Assessments	246,437	258,619	216,055	213,200	213,600	400	0.2%
Special Assessment Collection Allowance	0	0	0	2,800	2,400	(400)	-14.3%
Fund Balance/Retained Earnings	0	0	0	10,000	20,000	10,000	100.0%
Interest/Other	2,180	1,100	38,577	0	0	0	0.0%
Total	**$ 248,617**	**$ 259,719**	**$ 254,632**	**$ 226,000**	**$ 236,000**	**$ 10,000**	**4.4%**
EXPENDITURES							
County Personnel Costs	6,174	4,601	0	0	0	0	0.0%
Utilities (Electricity, Telephone, Sewer, Storm Water, Water) [1]	2,300	2,172	2,441	4,400	3,800	(600)	-13.6%
Janitorial Services [2]	2,653	1,411	490	1,200	1,200	0	0.0%
Repairs & Maintenance [3]	201	2,593	1,065	12,400	22,400	10,000	80.6%
Security Guard Services [4]	188,336	204,922	182,328	184,000	184,000	0	0.0%
Advertising [5]	0	0	0	0	1,200	1,200	100.0%
Contingencies (based on collections allowance)	0	0	0	2,800	2,400	(400)	-14.3%
Property Management Internal Service Charges [6]	28,324	19,205	27,100	20,200	20,000	(200)	-1.0%
OIG Internal Service Charges [7]	0	0	0	1,000	1,000	0	0.0%
Total	**$ 227,989**	**$ 234,904**	**$ 213,424**	**$ 226,000**	**$ 236,000**	**$ 10,000**	**4.4%**
Surplus / (Shortfall)	**$ 20,628**	**$ 24,815**	**$ 41,208**	**$ 0**	**$ 0**		
Number of Units (per Miami-Dade County Property Appraiser) [8]	47.00	47.00	46.00	47.00	49.00	2.00	4.3%
$ Assessment Rate/Unit	$ 5,336.42	$ 5,730.88	$ 4,804.35	$ 4,595.74	$ 4,408.16	$ (187.58)	-4.1%

Footnotes:

[1] Utility costs based on the following: Electricity - FY 2021 actuals for 4 months plus a 4% increase for FPL rate increase; Telephone - current monthly rate of $110.90; Storm Water - current monthly rate of $25.60 plus a 7.1% CPI increase; Water and Sewer - year-to-date actuals plus a 7.1% CPI increase

[2] FY 2023 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)

[3] FY 2023 repairs and maintenance budget based on Facilities and Fleet Management's projection for preventive and corrective maintenance, which includes one-time expenditure request of $20,000 for camera

[4] FY 2023 security guard cost based on an hourly rate for the Level 1 guard of $21.03 per hour to provide coverage 24 hours/day, 7 days/week (the hourly rate is subject to change for living wage if adopted by the City Commission for FY 2023)

[5] Advertising budget based on costs for Noticing of Public Hearing for Special Taxing Districts for FY 2022

[6] Includes approximately 16.7% of the split-funded Administrative Officer position and indirect costs associated with the operations of the Special Taxing District based on an updated Full Cost Allocation Study completed by a third-party consultant (1.32% of adjusted budget). This includes a 2.0% merit and a 10% increase over the FY 2022 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

[7] Based on the finalization of the Office of the Inspector General's FY 2023 budget and internal services allocations for FY 2023

[8] Proposed FY 2023 units based on Non-Ad Valorem Assessment roll provided by the Miami Dade Property Appraiser on June 1, 2022