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 BISCAYNE POINT SECURITY GUARD SPECIAL TAXING DISTRICT, ADOPTING THE OPERATING BUDGET FOR THE BISCAYNE POINT 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 Biscayne Point Security Guard Special Taxing District for Fiscal Year 2023 in the amount of $222,000, subject to adoption of the FY 2023 Non-Ad Valorem assessment roll of $682.03, 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.

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 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 2023 budget for the Biscayne Point Security Guard Special Taxing District is $222,000 as further detailed in Attachment A, which represents a 3.1%, or $7,000, decrease from the District's FY 2022 operating budget of $229,000 and is comprised of the following line expenditures:

Items Included in FY 2023 Expenditures	$
Contracted Security Guard Services for District	183,800
Property Management Internal Service Charges	20,000
Utilities (Water, Sewer, Storm Water, Electricity, Telephone)	7,100
Guardhouse Repairs and Maintenance	5,000
Contingencies (based on budgeted collection allowance)	2,300
Advertising and Mailing Costs for Notice of Public Hearing	1,600
Guardhouse Janitorial Services	1,200
OIG Internal Service Charges	1,000
Total	**$ 222,000**

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 $682.03 per Residential Unit, for real property located within the boundaries of the Biscayne Point 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 $2.02, or 0.3%, less than the Non-Ad

Valorem assessment adopted by the City for FY 2022 of $684.05, per Residential Unit, and would generate proceeds of approximately $222,000.

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 2023 operating budget of $222,000 for the Biscayne Point Security Guard Special Taxing District.

Attachment A – Biscayne Point Budget

ATH/JW/TOS

ATTACHMENT A

FY 2023 Biscayne Point Special Taxing District Budget

	FY 2018 Actuals (MIAMI-DADE COUNTY)	FY 2019 Actuals (CITY OF MIAMI BEACH)	FY 2020 Actuals (CITY OF MIAMI BEACH)	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	238,073	244,896	229,394	213,699	220,900	219,700	(1,200)	-0.5%
Special Assessment Collection Allowance	0	0	0	0	2,100	2,300	200	9.5%
Fund Balance/Retained Earnings	1,223	554	0	0	6,000	0	(6,000)	-100.0%
Interest/Other	0	18,620	166	38	0	0	0	0.0%
Total	**$ 239,296**	**$ 264,070**	**$ 229,560**	**$ 213,736**	**$ 229,000**	**$ 222,000**	**$ (7,000)**	**-3.1%**
EXPENDITURES								
Utilities (Water, Sewer, Storm Water, Electricity) [1]	3,905	2,710	4,596	4,831	4,100	5,300	1,200	29.3%
Utilities (Telephone)	812	909	0	1,600	1,600	1,800	200	12.5%
Janitorial Services [2]	825	1,599	3,852	1,126	1,200	1,200	0	0.0%
Repairs & Maintenance [3]	851	1,077	11,445	2,081	2,000	5,000	3,000	150.0%
Security Camera System Upgrade	0	0	17,194	0	0	0	0	0.0%
Security Guard Services [4]	192,876	170,361	175,419	181,449	190,800	183,800	(7,000)	-3.7%
Advertising [5]	2,163	11,899	0	0	0	1,600	1,600	100.0%
Other Operating Expenditures	205	0	0	0	0	0	0	0.0%
Contingencies	0	0	0	0	8,100	2,300	(5,800)	-71.6%
Property Management Internal Service Charges [6]	20,541	30,000	30,000	27,100	20,200	20,000	(200)	-1.0%
OIG Internal Service Charges [7]	0	0	0	0	1,000	1,000	0	0.0%
Total	**$ 222,178**	**$ 218,555**	**$ 242,506**	**$ 218,186**	**$ 229,000**	**$ 222,000**	**$ (7,000)**	**-3.1%**
Surplus / (Shortfall)	**$ 17,118**	**$ 45,515**	**$ (12,946)**	**$ (4,450)**	**$ 0**	**$ 0**	**$ 0**	
Number of Units (per Miami-Dade County Property Appraiser) [8]	327.50	327.50	325.00	326.50	326.00	325.50	(0.50)	-0.2%
$ Assessment Rate/Unit	$ 756.89	$ 766.41	$ 686.15	$ 676.88	$ 684.05	$ 682.03	$ (2.02)	-0.3%

Footnotes:

[1] Utility costs based on the following: Electricity - FY 2022 actuals for 6 months plus a 4% increase for FPL rate increase; Telephone - current monthly rate of $146.89; 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

[4] FY 2023 security guard cost based on two alternating Level 1 guards 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 (1.36% 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 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