



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

COMMITTEE MEMORANDUM

TO: Members of the Finance & Citywide Projects Committee

FROM: Jimmy L. Morales, City Manager

DATE: July 20, 2018

SUBJECT: FISCAL YEAR (FY) 2019 PROPOSED OPERATING BUDGET AND MILLAGE RATE

The preliminary FY 2019 General Fund budget based on the preliminary June 1, 2018 property values reflected a revenue increase of \$7.8 million and expenditure increase of \$13.2 million for a net deficit of \$5.4 million.

The certified July 1, 2018 property values reflected an increase in new construction from \$97.0 million to \$186.1 million, which is a 91.9% increase over the June 1, 2018 preliminary values, and an overall increase in citywide values of 4.0%, which is a 0.6% increase over the preliminary June 1, 2018 values.

Based on the certified July 1, 2018 property values, revenues increased by \$968,000 resulting in a decrease in the net deficit to \$4.5 million. The Administration is recommending a combination of revenue adjustments, efficiencies and reductions, and enhancements to close the projected budget deficit, which would result in a balanced budget.

The total combined millage rate is proposed to remain the same at 5.8888 mills. Due to the 4.0% increase in certified property values for FY 2019, the debt service millage rate can be reduced by 0.0064 mills. This difference is proposed to be applied to the general operating millage rate, as approved at the June 8, 2018 and July 13, 2018 Finance and Citywide Projects Committee (FCWPC) Budget Briefings.

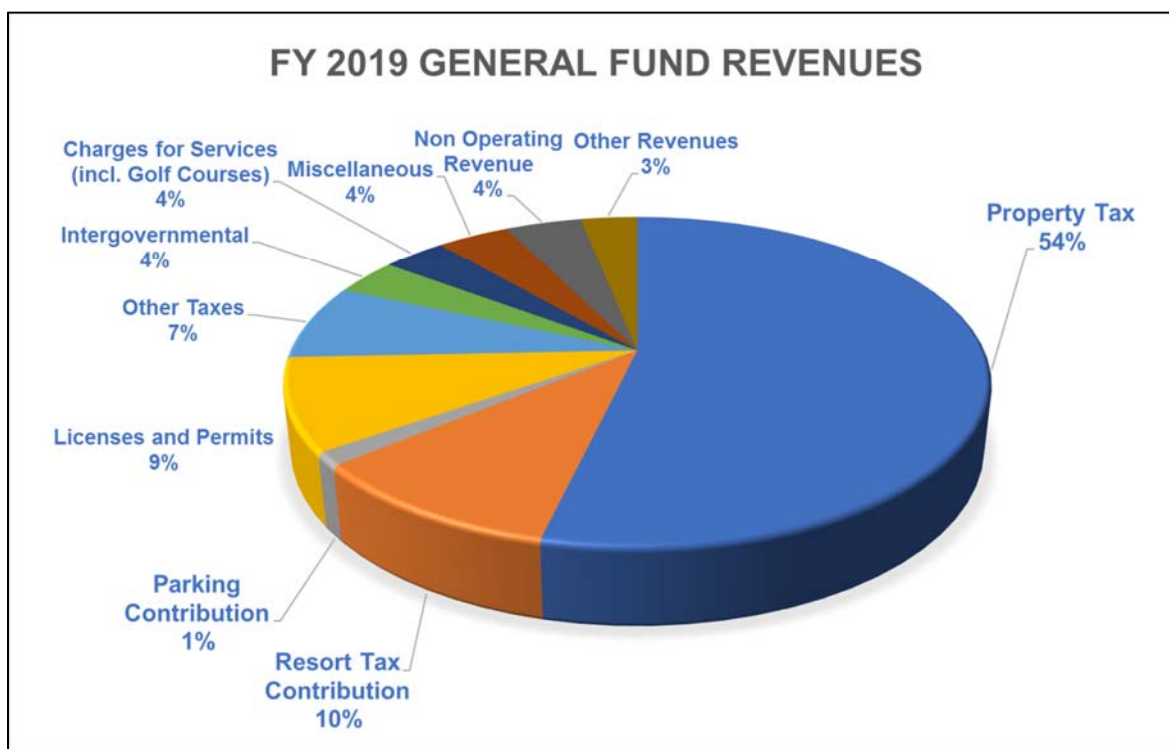
During the City Commission's Budget Workshop on May 24, 2018, and at the June 8, 2018 and July 13, 2018 FCWPC Budget Briefings, it was recommended that the annual transfer from the General Fund to the "Pay-As-You-Go" (PAYGO) capital fund be converted into a dedicated millage rate, which would allow for growth over time with property values. This proposed millage rate dedicated to funding General Fund capital projects would be entirely offset by a decrease in the City's general operating millage by the same rate.

At the July 25, 2018 City Commission meeting, the City Commission will set the proposed millage rate for the FY 2019 budget process in accordance with the State of Florida's Truth-in-Millage (TRIM) requirements.

GENERAL FUND CURRENT SERVICE LEVEL BUDGET UPDATE

At the May 24, 2018 Budget Workshop, and at the June 8, 2018 and July 13, 2018 FCWPC Budget Briefings, the City Commission was briefed regarding the preliminary FY 2019 General Fund budget. The preliminary budget represents the cost of providing the same level of services as in the prior year and serves as the baseline of funding for the budget process.

The Miami-Dade County Property Appraiser provided the 2018 certified property values on July 1, 2018. The 2018 certified property values increased approximately \$1.5 billion, or 4.0%, over the 2017 certified property values, which resulted in an increase of \$6.8 million in General Fund property tax revenues. Property taxes comprise approximately 54% of the total General Fund revenues and are a key driver of the proposed revenues.



Overall, FY 2019 revenues are estimated to increase \$8.8 million due to an increase of \$6.8 million in property tax revenues assuming the millage rate is kept the same and \$2.0 million increase in non-property tax revenues. These figures do not assume any change in contributions from the Resort Tax Fund or Parking Fund for FY 2019.

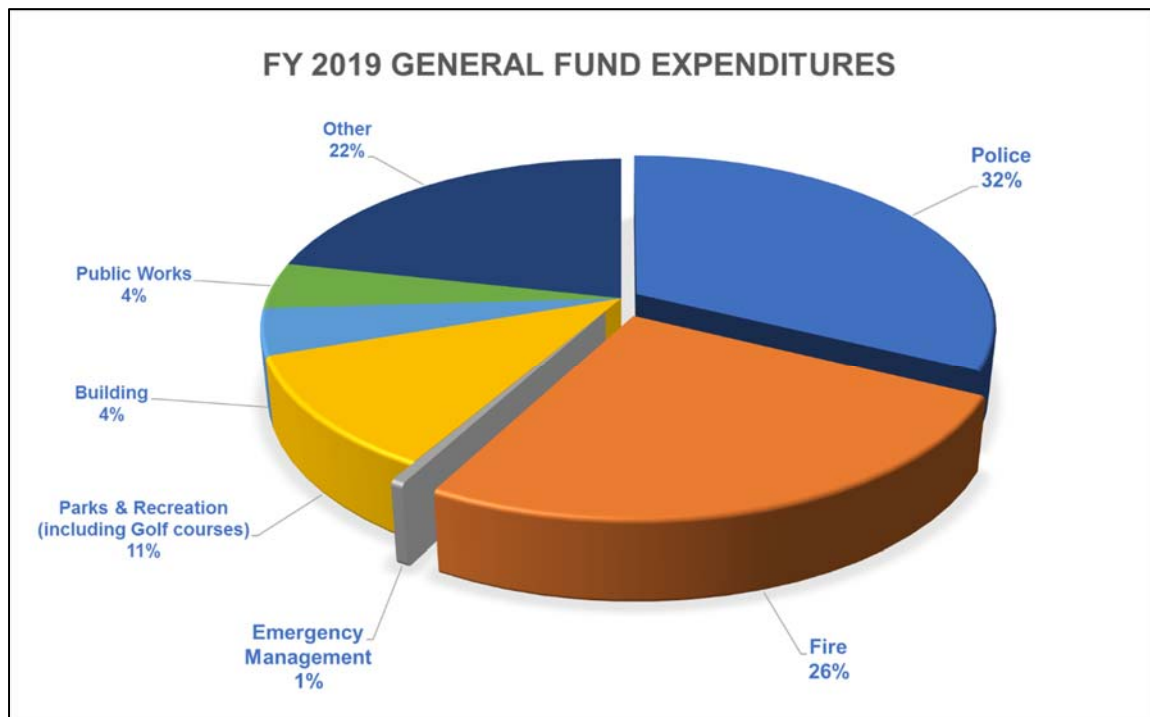
At the June 8, 2018 FCWPC 1st Budget Briefing, preliminary expenditures were estimated to increase \$13.2 million due to the following, of which the majority are contractually required:

- 0-3% merit pay for all groups, except Police and Fire: \$771,000
- 5% step for Police and Fire: \$1.5 million
- 1% Cost-of-Living Adjustment (COLA), effective April 1, 2019: \$680,000
- Increase in Police and Fire pension contributions of \$2.0 million attributed to an increase in the number of participants and pensionable payroll despite both pension boards voting to lower the investment rate assumption

- 15% increase in the City's portion of Medical and Dental premiums for active employees based on current claims experience: \$2.6 million
- 15% increase in the City's portion of Medical and Dental premiums for retirees based on current claims experience: \$2.2 million
- Increase in internal services chargebacks primarily due to an increase in Fleet Management debt service for replacement of General Fund vehicles and equipment: \$2.5 million
- Increase in S415 Excess Pension Plan contributions based on actuarial projections, which include additional members for FY 2019: \$300,000
- Increase in annual contribution to the Information Technology and Communications Fund (IT Tech) to provide funding for one-time technology and communications projects focused on effectively responding to the dynamic technology needs of the City: \$300,000

The preliminary FY 2019 budget also includes the annualized impact of the following additions that were approved by Commission mid-year in FY 2018:

- Elder Services / UNIDAD meals program: \$230,000
- UNIDAD North Beach Senior Center maintenance: \$76,000
- Increase in General Allowance for City Commission: \$57,000
- Educational Initiatives: \$99,000



FY 2019 expenditures do not assume any additional savings from potential efficiencies and/or reductions.

PROPOSED ADJUSTMENTS TO THE FY 2019 GENERAL FUND BUDGET

The FY 2019 General Fund budget, based on the certified July 1, 2018 property values, reflects a revenue increase of \$8.8 million and expenditure increase of \$13.3 million resulting in a net deficit of \$4.5 million.

At the July 13, 2018 FCWPC 2nd Budget Briefing, the Administration proposed a combination of revenue enhancements, revenue reductions, expenditure efficiencies and reductions, and expenditure enhancements, which, if approved, would have resulted in an unallocated surplus of \$97,000 as noted below.

Balancing Strategies	\$
July 1 Preliminary Deficit	(4,553,000)
Recommended Revenue Enhancements	1,386,000
Revenue Refinements	1,485,000
Other Expenditure Reductions	1,134,000
Recommended Reductions	1,533,000
Recommended Enhancements	(1,869,000)
Less One-time Enhancements	981,000
Surplus/ (Deficit)	97,000

Based on the direction given at the July 13, 2018 FCWPC 2nd Budget Briefing, the Administration has amended the proposed adjustments to the FY 2019 General Fund budget as noted below. These recommendations, if approved, would result in a balanced budget.

Balancing Strategies	\$
July 1 Preliminary Deficit	(4,553,000)
Recommended Revenue Enhancements	1,094,000
Revenue Refinements	1,485,000
Recommended Reductions	1,716,000
Recommended Enhancements	(1,981,000)
Transfer in from Parking	1,166,000
Less One-time Expenditures	1,073,000
Surplus/ (Deficit)	-

Recommended Revenue Enhancements – Attachment A (\$1,094,000)

Attachment A includes a listing of all revenue enhancements submitted by departments during the budget process, along with detailed descriptions, for FY 2019. The recommended General Fund revenue enhancements are the following:

- Increase in Golf Fees: \$265,000
- Increase in Police Off-Duty Administrative Fees: \$164,000

- Increase in Elevator Permit/Inspection Fees: \$236,000
- Increase in Public Works Elevator Lockbox Fees: \$11,000
- Increase in Sidewalk Café Permit Fees: \$358,000
- Increase in Food Truck Revenues (Pilot program for 1 truck for 6 months): \$60,000

Other Revenue Refinements (\$1,485,000)

In addition to the recommended revenue enhancements listed above for FY 2019, the Administration has further refined the FY 2019 revenue projections based on FY 2018 second quarter projected revenues. These adjustments have resulted in an increase of approximately \$1,485,000 in additional revenues projected for FY 2019, which primarily consist of the following:

- Increase in Resort Tax transfer to the General Fund: \$500,000
- Increase in projected Interest Income: \$500,000
- Increase in Code Compliance Violation revenues: \$250,000
- Increase in Fire-Ambulance Fees: \$250,000

Recommended Expenditure Reductions/Efficiencies – Attachment B (\$1,716,000)

Attachment B includes a listing of all proposed reductions/efficiencies submitted by departments during the budget process, which includes detailed descriptions, as well as those recommended by the Administration. Some significant reductions recommended include:

- Elimination of 5 full-time and 4 part-time vacant General Fund positions: \$469,000
- Elimination of the Rapid Response Team: \$147,000 (2 filled positions)
- Reduction of General Fund Contingency: \$332,000
- Elimination of one Assistant City Manager position once vacated: \$75,000 (pro-rated)
- Elimination of annual grant contribution to the Miami Design Preservation League per direction from the Finance and Citywide Projects Committee: \$23,000
- Other departmental operating reductions/efficiencies: \$660,000
- Transfer of contribution to Miami Beach Gay Pride Parade to Resort Tax Fund: \$10,000

Recommended Expenditure Enhancements – Attachment C (\$1,981,000)

Attachment C includes a listing of all enhancements requested by departments during the budget process, which includes detailed descriptions, as well as those recommended by the Administration. These recommended enhancements, which are recurring, include:

- Police Officers in Schools: \$871,000
This enhancement will add (1) Sergeant and (6) Police Officers to increase public safety in schools. The first-year cost of adding 1 Sergeant and 6 Police Officers to be assigned to the schools is \$1,063,000, which will be offset by the elimination of (5) Part Time School Liaison Officer positions in the amount of \$192,000, resulting in a net impact of \$871,000 in year 1, including one-time costs for equipment needed (vehicles, radios, etc.)
- Convert Part-time School Liaison Supervisor to Full-time \$34,000
The current role of a School Liaison Supervisor (SLS) is to oversee the School Liaison Officers (SLO) and School Crossing Guards (SCG). During the regular school year, this employee is required to be available to all part-time employees throughout the various

shifts. Supervision and evaluation of crossing guards is necessary at 6 schools in the City during early morning and afternoon hours, five days per week. If approved, this position will be assigned additional duties in support of the School Officer Program.

- Part-Time Education Compact Initiatives Coordinator position: \$45,000
With the increase in the education initiatives and number of initiatives supported by the City, the Department of Organizational Development and Performance Initiatives (ODPI) requires an individual to support Education Compact initiatives and other Commission priorities related to education. In addition, this part-time position will identify opportunities and gaps in services and programs which will prepare children and youths for their futures.
- Living Wage Increase (General Fund): \$89,000
Based on the Finance and Citywide Projects Committee's recommendation, approved by City Commission through Resolution No. 2018-30299 on May 16, 2018, this living wage enhancement would fund the previously approved phase-in approach of increasing the minimum living wage rate by \$0.56 per hour for FY 2019. The overall citywide impact of the proposed living wage increase for FY 2019 is projected to be \$504,000, of which \$89,000 is projected to impact the General Fund.
- Homeless Relocation Services: \$10,000
With this proposed increase in relocation funds, the Homeless Outreach Program will be able to reconnect up to an estimated 250 homeless clients with family living outside of Miami-Dade, Broward, Monroe and Palm Beach County per a motion approved by the Committee on the Homeless. This request received a favorable recommendation for funding from the Finance and Citywide Projects Committee at the July 13, 2018 FCWPC meeting.
- The Cat Network Program: \$10,000
The Cat Network Program is a spay/neuter program for surgeries, vaccines and wellness. This enhancement is to provide funding outside of the grant contribution for the trailer, septic tank, marketing, feeders, badges and other operating expenditures needed for the program to be successful. This request received a favorable recommendation for funding from the Finance and Citywide Projects Committee at the July 13, 2018 FCWPC meeting.

Parking Fund Transfer to the General Fund: \$1,166,000

As noted at the May 24, 2018 Commission Budget Workshop, and June 8, 2018 and July 13, 2018 FCWPC Budget Briefings, in order reduce the burden on the Parking Fund, the Administration's goal is to reduce the \$4.4 million subsidy from the Parking Fund to the General Fund during the FY 2019 budget development process.

Based on direction given at the July 13th FCWPC Budget Briefing, the Administration is recommending reducing the FY 2019 transfer from the Parking Fund to the General Fund from \$4.4 million to \$1,166,000, as well as increasing the transfer of funds released from the City Center Redevelopment Agency (RDA) Fund by \$4.4 million in FY 2019. These RDA funds became available through approval of the Fourth Amendment to the Interlocal Agreement between the City and Miami Dade County. The City's objective is to reduce the General Fund's reliance on this funding from the RDA over the next four years during each budget development cycle.

One-Time Expenditures (\$1,073,000)

Pursuant to Resolution No. 2006-26341 (Attachment E), the City can use one-time, non-recurring revenue for capital expenditures or one-time expenditures and not to subsidize recurring personnel, operational and maintenance costs.

In an effort to further make investments toward creating additional capacity and increasing efficiency in the future, the Administration is recommending funding the FY 2019 enhancements below, which are considered one-time in nature, utilizing fund balance in accordance with Resolution No. 2006-26341:

- First-Year Funding Bridge for Office of the Inspector General: \$484,000
The pro-rated cost of the Office of the Inspector General, if approved by the voters in November of 2018, is projected to be \$484,000 in its first year of operation (FY 2019). The intention is to fully fund this new office from a surcharge on City contracts, similar to Miami Dade County's surcharge. It is important to note that surcharge revenues, if approved by the City Commission, would apply to new contracts as they are re-awarded. As a result, the full \$1.0 million in revenues needed to fund the projected year-two costs, which are annualized, would not be realized until FY 2023. Funding the first-year cost as a one-time expenditure from fund balance would be the first step in the funding bridge towards FY 2023.
- Sunset Islands 3 & 4 Undergrounding Project Debt Service: \$212,000
To advance fund the Sunset Islands 3 & 4 Utility Improvement, as adopted by Resolution 2015-29180, \$1.5 million was borrowed from the General Fund as approved by Resolution No. 2016-29273. There is currently no 3rd party outstanding debt. Once the project is completed, the City will enter into a bank loan in order to reimburse itself from the proceeds of such loan for funds advanced by the General Fund. Pursuant to Resolution 2015-29180, Section 8, the City will start billing a Special Assessment once the Mayor and Commission adopt a Resolution accepting the improvements as completed. Shortly thereafter, the City will commence billing and collections of the Assessment. Assessment receipts will be used to pay the loan. The \$212,000 is budgeted in anticipation of project completion in FY 2019, which could result in a debt service payment before the Assessments are collected.
- Business Tax Receipt (BTR) Process Improvements: \$200,000
A subject matter expert would be retained to assess the City's Business Tax Receipt process and provide recommendations for improvement, which would be geared toward streamlining the BTR processes and increasing efficiency.
- Washington Avenue Master Plan: \$50,000
The Washington Avenue Master Plan would be developed to focus on improvements to increase vibrancy, lighting, and gathering points along the Washington Avenue corridor for both residents and visitors.
- Employee Innovation Academy: \$35,000
Employees at all levels would be educated on principles geared toward the elimination of waste, increased efficiency, improving processes, and ultimately creating a higher standard of government.

- Camillus House Pilot Project: \$92,000

This organization proposes conducting targeted street outreach to chronically homeless persons with mental illnesses to provide medication and engagement to enable shelter and housing placement for those served. This request was recommended by the Committee for Quality Education and received a favorable recommendation for funding from the Neighborhood and Community Affairs and Finance and Citywide Projects Committees.

Unallocated Funds

Some unfunded enhancement requests submitted during the budget process, which are included in Attachment C, consist of the following:

- Park Ranger Program Expansion: \$1.1 million
- Body Cameras for Park Rangers: \$44,000 (one-time) + \$29,000 (recurring)

OTHER FUNDS

2% Resort Tax Fund

At the May 24, 2018 Budget Workshop and July 13, 2018 FCWPC Budget Briefing, the City Commission was also briefed regarding the preliminary FY 2019 Resort Tax budget. Based on revenues collected as of May 2018, the projected Resort Tax surplus for FY 2019 was approximately \$2.8 million.

Resort Tax Fund	\$
Revenues	59,993,000
Expenditures	(57,210,000)
Surplus/ (Deficit)	2,783,000

At the July 13, 2018 FCWPC Budget Briefing, the Administration proposed a combination of revenue enhancements, expenditure reductions, and expenditure enhancements, which, if approved, would have resulted in a balanced budget.

Balancing Strategies	\$
Budget Surplus	2,783,000
Transfer to Sanitation Fund	(941,000)
Transfer to General Fund	(500,000)
Recommended Efficiency	48,000
Recommended Enhancements	(2,191,000)
Less One-Time Expenditures	801,000
Surplus/ (Deficit)	-

Based on the direction given at the July 13, 2018 FCWPC Budget Briefing, the Administration has amended the proposed adjustments to the FY 2019 Resort Tax Fund budget as indicated below. These recommendations, if approved, would result in a balanced budget.

Balancing Strategies	\$
Budget Surplus	2,783,000
Additional Transfer to Sanitation Fund	(941,000)
Additional Transfer to General Fund	(500,000)
Recommended Reductions/Efficiencies	121,000
Recommended Enhancements	(2,114,000)
Less One-Time Expenditures	651,000
Surplus/ (Deficit)	-

- Transfer to Sanitation Fund: \$941,000

During development of the FY 2018 budget, the Resort Tax Fund was unable to fund \$2.8 million of services provided by the Sanitation Fund. This proposed increase in funding is the first step towards the Resort Tax Fund increasing its contribution to fully cover costs for services provided by the Sanitation Fund.

- Transfer to General Fund: \$500,000

During development of the FY 2018 budget, the Resort Tax Fund was unable to fund \$2.6 million of services provided by the General Fund. The proposed increase in funding is the includes an increase of \$500,000, which is the first step towards the Resort Tax Fund increasing its contribution to fully cover the costs for services provided by the General Fund.

Recommended Reductions/Efficiencies – Attachment B (\$121,000)

Attachment B includes a listing of all proposed reductions/efficiencies submitted by departments during the budget process, which includes detailed descriptions, as well as those recommended by the Administration. For the Resort Tax Fund, the one recommended efficiency is the following:

- Elimination of Outside External Resort Tax Auditors and Replace with a Full-Time Tax Auditor Position: \$48,000
- Reduction of Resort Tax Contingency: \$73,000

Recommended Resort Tax Expenditure Enhancements – Attachment C (\$2,114,000)

Attachment C includes a listing of all enhancements requested by departments for the Resort Tax Fund during the budget process, which includes detailed descriptions, as well as those recommended by the Administration. The recommended enhancements, which are recurring, are the following:

- Police Overtime & Equipment for High Impact Periods: \$700,000
- Miami Beach Air & Sea Show: \$350,000
- Memorial Day Programming/Cultural Activation: \$100,000
- International Tennis Federation Sponsorship: \$100,000

- Additional Enhanced Holiday Lighting: \$140,000
- Miami Beach Gay Pride Parade: \$73,000

One-time Resort Tax Expenditures (\$651,000)

In addition, the following items below are also recommended that are one-time in nature, and as such, can be funded utilizing fund balance pursuant to Resolution No. 2006-26341 (Attachment E):

- Ocean Drive Off-Duty Program: \$151,000
- Super Bowl 2020: \$500,000

Unallocated Funds

Some unfunded Resort Tax enhancement requests submitted during the budget process, which are included in Attachment C, consist of the following:

- Miami Design Preservation League Art Deco Weekend: \$120,000 (\$100,000 funded from General Fund in FY 2018 as one-time)
- Increase of Bass Museum Management Agreement: \$234,000 (currently \$651,000)
- Increase of Colony Theater Management Agreement: \$330,000 (currently \$170,000)
- Increase of Byron Carlyle Theater Agreement: \$162,000 (currently \$48,000)

1% Resort Tax Fund Quality-of-Life Funding Allocations

As presented at the May 24, 2018 Commission Budget Workshop and July 13, 2018 FCWPC Budget Briefing, the Administration is recommending that the 1% Resort Tax Quality of Life funding allocation be modified in order further reduce the burden on the Parking Fund in FY 2019.

The current 1% Quality of Life bed tax, as adopted by Resolution No. 2015-28919, is to be used as follows: 45% allocated for Transportation initiatives in tourist-related areas; 15% allocated equally among North Beach, Middle Beach and South Beach for capital projects that enhance Miami Beach's tourist related areas; and 10% allocated to various arts and cultural programs.

Commencing FY 2019, the proposed allocation would increase the allocation for Transportation initiatives from 45% to 60% and decrease North Beach, Middle Beach, and South Beach capital from 15% to 10% each, which would reduce the Parking Fund's subsidy to the Transportation Fund. Based on revenues collected as of May 2018, the projected FY 2019 1% Resort Tax contribution for transportation initiatives would increase by approximately by \$2.2 million thereby reducing the Parking Fund subsidy to the Transportation Fund by the same amount.

FY19 PROJECTED (CURRENT)			FY19 PROJECTED (PROPOSED)			Prop vs Curr.
1% Bed Tax Revenue Allocation			1% Bed Tax Revenue Allocation			1% Allocation
Transportation	45%	6,483,000	Transportation	60%	8,643,000	2,160,000
NB - QOL	15%	2,161,000	NB - QOL	10%	1,441,000	(720,000)
MB - QOL	15%	2,161,000	MB - QOL	10%	1,441,000	(720,000)
SB - QOL	15%	2,161,000	SB - QOL	10%	1,441,000	(720,000)
Arts	10%	1,440,000	Arts	10%	1,440,000	-
Total	100%	14,406,000	Total	100%	14,406,000	-

Proposed Parking Rate Increases

As presented at the May 24, 2018 Commission Budget Workshop and July 13, 2018 FCWPC Budget Briefing, the Administration is recommending the following parking rate increases, commencing in FY 2019, to ensure adequate funding for future capital projects and renewal and replacement of existing Parking Department assets. These recommended rate increases are being made in conjunction with the recommended reduction in the FY 2019 transfer to the General Fund and modification of the 1% Resort Tax Quality-of-Life allocation commencing in FY 2019, as previously mentioned.

- Daily Space Rental Construction: \$224,000
This proposed modification would increase the construction daily space rental fee from \$25/day to \$35/day.
- Entertainment District Meter Hours (Ocean Drive to Washington Avenue and 5th to 15th Street): \$135,000
Currently, metered parking rates within the corridor of Ocean Drive to Washington Avenue and 5th to 15th Street are enforced from 9 am to 3 am. This proposed enhancement would increase the hours that these spaces are metered to 24 hours/day.
- 46th Street & Collins Avenue Parking Lot (P71): \$539,000
Currently, metered parking at the 46th Street & Collins Avenue Municipal Parking Lot (P71), Monday to Friday, from 8am to 6pm, is \$1/hour, while weekends is a flat rate of \$20 for visitors and \$6 for residents. This proposed enhancement would change the hourly rate to a flat rate of \$20 for visitors and \$6 for residents, 24 hours/day. This enhancement, if approved, would also generate an additional \$149,000 in expenditure savings from a reduction in meter attendant services since revenue collections will be 100% automated.
- Hostel/Bed & Breakfast Residential Zones: \$30,000
Currently, the annual residential parking permit rate is \$54.60. This proposed enhancement would replace the annual residential parking permit rate in the Hostel/Bed and Breakfast Residential Zones with the daily parking permit rate of \$3.00/day.

PROPOSED GENERAL FUND MILLAGE RATE

There are two main components to the City's total combined millage rate: the operating millage rate and the voted debt service millage rate. The operating millage rate, which is comprised of a general and a renewal and replacement millage, funds operating costs in the General Fund while the debt service millage rate funds debt service for previously issued General Obligation (G.O.) bonds. For FY 2019, the debt service payment is \$5.9 million, which requires the levy of a voted debt service millage rate of 0.1600 mills. The proposed FY 2019 debt service millage rate is 0.0064 mills less than the adopted FY 2018 debt service millage and this difference is proposed to be applied to the general operating millage rate, as approved by the FCWPC at the June 8, 2018 and July 13, 2018 Budget Briefings.

For FY 2019, as presented and recommended during the City Commission's Budget Workshop held on May 24, 2018, and approved by the FCWPC at the June 8, 2018 and July 13, 2018 Budget Briefings, the operating millage rate will be comprised of an additional millage rate for PAYGO capital funds, which will provide dedicated funding and allow for growth over time with property

FY 2019 Proposed Operating Budget Update and Proposed Millage Rate

July 20, 2018

Page 12

values. This additional dedicated millage rate, equivalent to \$2.4 million included in the proposed FY 2019 General Fund budget, will be offset entirely by a decrease in the City's operating millage. Overall, the City's total combined millage rate for FY 2019 is proposed to remain flat as reflected below:

	FY 2018 Adopted	FY 2019 Proposed	Variance	\$ Variance
General	5.6989	5.6298	(0.0691)	(2,196,490)
Renewal & Replacement	0.0235	0.0235	0.0000	0
Pay-Go	0.0000	0.0755	0.0755	2,400,000
General Operating Millage	5.7224	5.7288	0.0064	203,510
Debt Service	0.1664	0.1600	(0.0064)	(203,510)
Total Combined Millage	5.8888	5.8888	0.0000	0

By August 4, 2018, the City Manager will certify the proposed millage rate to the Miami Dade County Property Appraiser. The proposed millage rate will be included in the TRIM notices mailed by the Property Appraiser on August 24, 2018. The purpose of the TRIM notice is to notify property owners of how much their property taxes could potentially increase or decrease and which governmental entity is responsible for the taxes levied.

As such, the proposed millage rate effectively sets the "ceiling" for the millage rate during the budget process because it cannot be increased without sending out a new TRIM notice to all property owners in Miami Beach. However, millage rates can remain the same or be decreased throughout the remainder of the process until the final millage rates are adopted by the Commission at the second public hearing on September 26, 2018.

CONCLUSION

The proposed FY 2019 operating budget will be finalized at the 3rd FCWPC Budget Briefing on July 20, 2018. At the July 25, 2018 City Commission meeting, the City Commission will set the proposed millage rate for the FY 2019 budget process in accordance with the State of Florida's Truth-in-Millage (TRIM) requirements.

In September, two public hearings will be held in accordance with the State of Florida's TRIM requirements. The first public hearing scheduled on September 12, 2018 will be to adopt the proposed millage rates and budgets for FY 2019. The second public hearing scheduled on September 26, 2018 will be to adopt the final millage rates and budgets for FY 2019. Both public hearings, which will begin at 5:01 p.m., will be held in the City Commission Chambers at 1700 Convention Drive, 3rd Floor, Miami Beach, Florida 33139.

Attachment A – Proposed FY 2019 Revenue Enhancements
Attachment B – Proposed FY 2019 Service Reductions and Efficiencies
Attachment C – Proposed FY 2019 Enhancements
Attachment D – Proposed FY 2019 Revenue Reductions
Attachment E – Resolution 2006-26341

JLM/JW/TOS