



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

## COMMISSION MEMORANDUM

TO: Mayor Philip Levine and Members of the City Commission

FROM: Jimmy L. Morales, City Manager

DATE: November 18, 2016

SUBJECT: **A RESOLUTION OF THE MAYOR AND CITY COMMISSION OF THE CITY OF MIAMI BEACH, FLORIDA, ADOPTING THE SIXTH AMENDMENT TO THE GENERAL FUND, ENTERPRISE FUND, INTERNAL SERVICE FUND, AND SPECIAL REVENUE FUND BUDGETS FOR FISCAL YEAR (FY) 2015/16.**

### **ADMINISTRATION RECOMMENDATION**

Adopt the resolution amending the FY 2015/16 General Fund, Enterprise Funds, Internal Service Funds, and Special Revenue Funds budgets.

### **COMPLIANCE WITH FLORIDA STATUTES**

The First Amendment to the General Fund, Enterprise Funds, Internal Service Funds, and Special Revenue Funds budgets for FY 2015/16 was approved on December 8, 2015, by resolution 2015-29221. The Second Amendment was approved on January 13, 2016, by resolution 2016-29263. The Third Amendment was approved on March 9, 2016, by resolution 2016-29315. The Fourth Amendment was approved on May 11, 2016, by resolution 2016-29398. The Fifth Amendment was approved on July 13, 2016 by resolution # 2016-29490. Section 166.241(4)(c.), Florida Statutes, requires that a municipality's budget amendment must be adopted in the same manner as the original budget.

Per Florida Statute 166.241, the City has 60 days following the end of the fiscal year to amend a budget for that year. Proposed budget amendments represent the budget amendment required by state law for funds, departments, or accounts that exceed their appropriated authority.

Based on a detailed analysis comparing third quarter FY 2014/15 actual expenditures to budget which were distributed separately via Letter to Commission (LTC), all expenditures are within FY2015/16 amended budgets per their appropriated authority. The only exceptions are listed below and require a budget amendment per Florida Statute.

General Fund: Police, Fire, and the Department of Emergency Management

Special Revenue Funds: Normandy Shores

It should be noted that actual expenditures to date are preliminary in nature due to the fact that the City's financial records will not be closed until after the external auditors complete their

review. Historically, this occurs in April, with the City's Comprehensive Annual Financial Report (CAFR) For the Year Ended September 30, 2016, usually available in May and the External Auditor's Report available in July. However, this analysis has considered all year-end entries to date and adjusted for pending entries where appropriate.

## PROPOSED AMENDMENTS TO THE GENERAL FUND

Preliminary year-end actual expenditures show that the following departments are projected to exceed their amended budget. This variance is made up from savings in several department budgets. The following departments require budget amendments.

**Police** – The department is preliminarily estimated to be above the amended budget by approximately \$311,000. The variance is primarily due to increased usage of Police overtime and includes an allowance for expenditures that may post as the year-end numbers are further finalized.

Police				
	Amended Budget	Projected	Variance Projected v Amended Budget	% Over / (Under)
Expenditures	\$ 99,989,000	\$ 100,300,000	\$ 311,000	0.3%

**Fire** – The department is projected to be \$2.7 million above the amended budget primarily due to personnel services costs being under budgeted for the fiscal year 2015/16. During the budget development process, a salary projection model in the Eden financial system was utilized to project personnel services costs, which included salaries and benefits for both classified and unclassified personnel. The budget also includes an allowance for expenditures that may post as the year-end numbers are further finalized.

Fire				
	Amended Budget	Projected	Variance Projected v Amended Budget	% Over / (Under)
Expenditures	\$ 62,844,000	\$ 65,558,000	\$ 2,714,000	4.3%

**Emergency Management** – This account is preliminarily estimated to be above the amended budget by approximately \$347,000. This is primarily due to increases in professional services resulting from augmentation of the E-911 call center in the Department's Public Safety Communications Unit (PSCU), as well as increased overtime usage for training of call takers and dispatchers driven by filling positions that have been vacant for an extended period of time. The budget also includes an allowance for expenditures that may post as the year-end numbers are further finalized.

Emergency Management				
	Amended Budget	Projected	Variance Projected v Amended Budget	% Over / (Under)
Expenditures	\$ 9,218,000	\$ 9,565,000	\$ 347,000	3.8%

## PROPOSED AMENDMENT TO THE SPECIAL REVENUE FUNDS

The City of Miami Beach currently offers certain programs and activities not supported through the general operating budget, but by outside agency grants and self-supporting user fee

programs. These Special Revenue Fund Budgets include:

- Resort Tax Fund;
- 7th Street Garage Operations;
- 5th & Alton Garage Operations;
- Art in Public Places;
- Tourism and Hospitality Scholarship Program;
- Green/Sustainability Fund;
- Waste Hauler Additional Services and Public Benefit Contribution Fund;
- Education Compact Fund;
- Red Light Camera Fund;
- Emergency 911 Fund;
- Information and Communications Technology Fund;
- People's Transportation Plan Fund;
- Concurrency Mitigation Fund;
- Miami Beach Cultural Arts Council;
- Police Special Revenue Account;
- Police Confiscation Trust Funds (Federal and State); and
- Police Training and School Resources Fund
- Residential Housing
- Normandy Shores
- Transportation Fund

All special revenue funds are projected to be at or under the amended budget, except for the Normandy Shores budget, which is projected to be over budget by \$13,000, primarily due to repairs and maintenance.

Special Revenue Fund	Above/(Below) Amended Budget
Normandy Shores	\$13,000

## **CONCLUSION**

The resolution amending FY 2015/16 budgets will allow amendments to the General Fund, and Special Revenue Fund budgets to be enacted. This action is necessary to comply with Florida Statute 166.241, which stipulates that the City has 60 days following the end of the fiscal year to amend a budget for that year.

JLM/CGR



## **SCHEDULE A**

GENERAL FUND	FY 2015/16 Amended Budget	6th Budget Amendment	FY 2015/16 Revised Budget
<b>REVENUES</b>			
<b>Operating Revenues</b>			
Ad Valorem Taxes	\$ 140,446,000		\$ 140,446,000
Ad Valorem Taxes- S Pte Costs	\$ -		\$ -
Ad Valorem Cap. Renewal & Replacement	\$ 2,716,000		\$ 2,716,000
Ad Valorem Taxes- Normandy Shores	\$ 147,000		\$ 147,000
Other Taxes	\$ 23,940,000		\$ 23,940,000
Licenses and Permits	\$ 29,558,000		\$ 29,558,000
Intergovernmental	\$ 11,037,000		\$ 11,037,000
Charges for Services	\$ 12,046,000		\$ 12,046,000
Fines & Forfeits	\$ 2,157,000		\$ 2,157,000
Rents and Leases	\$ 6,384,000		\$ 6,384,000
Miscellaneous	\$ 12,588,000		\$ 12,588,000
Resort Tax Contribution	\$ 36,609,000		\$ 36,609,000
Other	\$ 22,926,000		\$ 22,926,000
Fund Balance/ Retained Earnings	\$ 5,857,000		\$ 5,857,000
<b>Total General Fund</b>	<b>\$ 306,411,000</b>	<b>\$ -</b>	<b>\$ 306,411,000</b>
	FY 2015/16 Amended Budget	6th Budget Amendment	FY 2015/16 Revised Budget
<b>APPROPRIATIONS</b>			
<b>Department</b>			
Mayor and Commission	\$ 2,199,000		\$ 2,199,000
City Manager	\$ 3,809,000		\$ 3,809,000
Communications	\$ 1,748,000		\$ 1,748,000
Budget & Performance Improvement	\$ 2,435,000		\$ 2,435,000
Org Dev & Performance Initiative	\$ 603,000		\$ 603,000
Finance	\$ 5,435,000		\$ 5,435,000
Procurement	\$ 2,114,000		\$ 2,114,000
Human Resources/Labor Relations	\$ 2,721,000		\$ 2,721,000
City Clerk	\$ 1,455,000		\$ 1,455,000
City Attorney	\$ 5,282,000		\$ 5,282,000
Housing & Comm. Development	\$ 2,674,000		\$ 2,674,000
Building	\$ 14,643,000		\$ 14,643,000
Code Compliance	\$ 6,118,000		\$ 6,118,000
Planning	\$ 4,274,000		\$ 4,274,000
Tourism, Culture, and Econ. Development	\$ 3,936,000		\$ 3,936,000
Parks & Recreation	\$ 30,812,000	\$ (800,000)	\$ 30,012,000
Public Works	\$ 14,143,000	\$ (800,000)	\$ 13,343,000
Capital Improvement Projects	\$ 4,945,000		\$ 4,945,000
Police	\$ 99,989,000	\$ 311,000	\$ 100,300,000
Fire	\$ 62,844,000	\$ 2,714,000	\$ 65,558,000
Emergency Management	\$ 9,218,000	\$ 347,000	\$ 9,565,000
Citywide Accounts-Other	\$ 12,261,000	\$ (1,772,000)	\$ 10,489,000
Citywide Accounts-Operating Contingency	\$ 2,093,000		\$ 2,093,000
Citywide Accounts-Normandy Shores	\$ 226,000		\$ 226,000
<b>Subtotal General Fund</b>	<b>\$ 295,977,000</b>	<b>\$ -</b>	<b>\$ 295,977,000</b>
<b>TRANSFERS</b>			
Capital Renewal & Replacement	\$ 2,716,000		\$ 2,716,000
Capital Investment Upkeep Account	\$ 315,000		\$ 315,000
Info & Comm Technology Fund	\$ 395,000		\$ 395,000
Pay-As-You-Go Capital Fund	\$ 2,400,000		\$ 2,400,000
Capital Reserve Fund	\$ 2,000,000		\$ 2,000,000
Reserve - Public Safety Radio System	\$ 500,000		\$ 500,000
Building Reserve	\$ 2,108,000		\$ 2,108,000
<b>Subtotal Transfers</b>	<b>\$ 10,434,000</b>	<b>\$ -</b>	<b>\$ 10,434,000</b>
<b>Total General Fund</b>	<b>\$ 306,411,000</b>	<b>\$ -</b>	<b>\$ 306,411,000</b>

<b>ENTERPRISE FUNDS</b>	<b>FY 2015/16 Amended Budget</b>	<b>6th Budget Amendment</b>	<b>FY 2015/16 Revised Budget</b>
<b>REVENUE/APPROPRIATIONS</b>			
Convention Center	\$ 10,737,000		\$ 10,737,000
Parking	\$ 79,452,000		\$ 79,452,000
Sanitation	\$ 21,177,000		\$ 21,177,000
Sewer Operations	\$ 48,069,000		\$ 48,069,000
Stormwater Operations	\$ 23,457,000		\$ 23,457,000
Water Operations	\$ 35,017,000		\$ 35,017,000
<b>Total Enterprise Funds</b>	<b>\$ 217,909,000</b>	<b>\$ -</b>	<b>\$ 217,909,000</b>

<b>INTERNAL SERVICE FUNDS</b>	<b>FY 2015/16 Amended Budget</b>	<b>6th Budget Amendment</b>	<b>FY 2015/16 Revised Budget</b>
<b>REVENUE/APPROPRIATIONS</b>			
Central Services	\$ 967,000		\$ 967,000
Fleet Management	\$ 10,470,000		\$ 10,470,000
Information Technology	\$ 16,277,000		\$ 16,277,000
Property Management	\$ 9,557,000		\$ 9,557,000
Risk Management	\$ 15,699,000		\$ 15,699,000
Medical and Dental Insurance	\$ 28,961,000		\$ 28,961,000
<b>Total Internal Service Funds</b>	<b>\$ 81,931,000</b>	<b>\$ -</b>	<b>\$ 81,931,000</b>

<b>SPECIAL REVENUE FUNDS</b>	<b>FY 2015/16 Amended Budget</b>	<b>6th Budget Amendment</b>	<b>FY 2015/16 Revised Budget</b>
<b>REVENUE/APPROPRIATIONS</b>			
Resort Tax	\$ 79,934,000		\$ 79,934,000
Transportation	\$ 9,812,000		\$ 9,812,000
People's Transportation Plan Fund	\$ 3,990,000		\$ 3,990,000
7th Street Garage	\$ 2,795,000		\$ 2,795,000
5th & Alton Garage	\$ 812,000		\$ 812,000
Art In Public Places	\$ 340,000		\$ 340,000
Tourism and Hospitality Scholarship Prgm	\$ 174,000		\$ 174,000
Information and Communitation Tech Fund	\$ 395,000		\$ 395,000
Education Compact	\$ 107,000		\$ 107,000
Green/Sustainability Funds	\$ 399,000		\$ 399,000
Residential Housing	\$ 773,000		\$ 773,000
Red Light Camera Fund	\$ 1,416,000		\$ 1,416,000
E-911 Fund	\$ 398,000		\$ 398,000
Cultural Arts Council	\$ 1,478,000		\$ 1,478,000
Normandy Shores	\$ 226,000	\$ 13,000	\$ 239,000
Tree Preservation	\$ 111,674		\$ 111,674
Police Confiscation Trust - Federal	\$ 454,000		\$ 454,000
Police Confiscation Trust - State	\$ 532,000		\$ 532,000
Police Special Revenue	\$ 75,000		\$ 75,000
Police Training	\$ 41,000		\$ 41,000
Police Crash Report Sales	\$ 30,000		\$ 30,000
Waste Haulers Add Serv & Public Benefit	\$ 105,000		\$ 105,000
<b>Total Special Revenue Funds</b>	<b>\$ 104,397,674</b>	<b>\$ 13,000</b>	<b>\$ 104,410,674</b>