



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: November 28, 2023

SUBJECT: **A RESOLUTION OF THE MAYOR AND CITY COMMISSION OF THE CITY OF MIAMI BEACH, FLORIDA, ADOPTING THE EIGHTH AMENDMENT TO THE GENERAL FUND, ENTERPRISE FUNDS, INTERNAL SERVICE FUNDS, AND SPECIAL REVENUE FUNDS BUDGETS FOR FISCAL YEAR 2023 AS SET FORTH IN THIS RESOLUTION AND IN THE ATTACHED EXHIBIT "A."**

### **ADMINISTRATION RECOMMENDATION**

Adopt the Resolution.

### **STRATEGIC PLAN SUPPORTED**

Organizational Innovation – Ensure strong fiscal stewardship

### **BACKGROUND**

Section 166.241(4), Florida Statutes, mandates that the City has 60 days following the end of the fiscal year to amend a budget for that year. Further, Section 166.241(4)(c), Florida Statutes, requires that a municipality's budget amendment must be adopted in the same manner as its original budget.

The budgets for the General Fund, Enterprise Funds, Internal Service Funds, and Special Revenue Funds for Fiscal Year 2023 were adopted by the Mayor and City Commission on September 28, 2022, through Resolution No. 2022-32334.

The First Amendment to the General Fund, Enterprise Funds, Internal Service Funds, and Special Revenue Funds budgets for FY 2023 was adopted by the Mayor and City Commission on October 26, 2022, through Resolution No. 2022-32382.

The Second Amendment to the General Fund, Enterprise Funds, Internal Service Funds, and Special Revenue Funds budgets for FY 2023 was adopted by the Mayor and City Commission on November 30, 2022, through Resolution No. 2022-32419.

The Third Amendment to the General Fund, Enterprise Funds, Internal Service Funds, and Special Revenue Funds budgets for FY 2023 was adopted by the Mayor and City Commission on February 1, 2023, through Resolution No. 2023-32481.

The Fourth Amendment to the General Fund, Enterprise Funds, Internal Service Funds, and Special Revenue Funds budgets for FY 2023 was adopted by the Mayor and City Commission

on February 22, 2023, through Resolution No. 2023-32511.

The Fifth Amendment to the General Fund, Enterprise Funds, Internal Service Funds, and Special Revenue Funds budgets for FY 2023 was adopted by the Mayor and City Commission on March 27, 2023, through Resolution No. 2023-32546.

The Sixth Amendment to the General Fund, Enterprise Funds, Internal Service Funds, and Special Revenue Funds budgets for FY 2023 was adopted by the Mayor and City Commission on April 28, 2023, through Resolution No. 2023-32590.

The Seventh Amendment to the General Fund, Enterprise Funds, Internal Service Funds, and Special Revenue Funds budgets for FY 2023 was adopted by the Mayor and City Commission on June 28, 2023, through Resolution No. 2023-32667.

**GENERAL FUND ANALYSIS**

The year-end analysis for FY 2023 reflects that the General Fund has a preliminary operating surplus of approximately \$43.2 million.

FY 2023 Budget					
General Fund	Adopted Budget	Amended Budget	Projected	Difference	% Over / (Under)
Revenues	\$ 382,618,000	\$ 401,246,000	\$ 421,985,000	\$ 20,739,000	5.2%
Expenditures	\$ 382,618,000	\$ 401,246,000	\$ 378,753,000	\$ (22,493,000)	-5.6%
<b>Excess of Revenues Over/(Under) Expenditures</b>			<b>\$ 43,232,000</b>		

Of the preliminary FY 2023 General Fund surplus of \$43.2 million, the Administration is recommending that approximately \$4.0 million be carried forward into FY 2024 to fund goods and/or services that were procured in FY 2023, but not received and/or rendered due to timing issues between fiscal years.

Similarly, the Administration is recommending that approximately \$8.3 million be carried forward into FY 2024 for General Fund projects that were originally budgeted in FY 2023, but not completed.

After accounting for the FY 2023 to FY 2024 General Fund carryforwards recommended, the Administration is recommending that the remaining preliminary FY 2023 General Fund surplus of \$30.9 million be set-aside and/or appropriated in FY 2023 as follows:

- Set aside \$8.1 million to fully fund the City’s General Fund reserve goal of 25%, or 3 months, based on the Adopted FY 2024 General Fund Budget of \$427.6 million (this is in addition to the \$3.1 million set aside that was included in the Adopted FY 2024 General Fund budget) pursuant to the City’s General Fund reserve policy adopted by the City Commission through Resolution No. 2019-30954
- Appropriate and transfer \$5.1 million to the Capital Pay-As-You-Go (PayGo) Fund for FY 2024 capital projects, as previously approved pursuant to the Adopted FY 2024 Capital budget that was adopted by the City Commission through Resolution No. 2023-32788 (the remaining \$5.7 million portion of the total \$10.8 million that was approved as part of the Adopted FY 2024 Capital budget from FY 2023 surplus is further detailed in the Resort Tax analysis below)
- Set aside an additional \$1.0 million for a total of \$2.0 million for the Homeless Trust pursuant to the Memorandum of Understanding (MOU) that was adopted by the City

Commission through Resolution No. 2023-32780

- Set aside \$115,000 to be appropriated in FY 2024 as a donation to the American Friends of Magen David Adom, Inc., a not-for-profit, 501(c)(3) organization for the purchase of an ambulance to be used by Magen David Adom in Israel pursuant to Resolution No. 2023-32830 adopted by the City Commission
- Set aside \$10,000 to be appropriated in FY 2024 as a donation to Americans for Ben-Gurion University, Inc., a not-for-profit, 501(c)(3), to support the well-being of the students, faculty, and staff at Ben-Gurion University of the Negev pursuant to Resolution No. 2023-32830 adopted by the City Commission

As summarized in the table below, after accounting for the recommended General Fund carryforward encumbrances and appropriations from FY 2023 to FY 2024 and additional set-asides and/or appropriations listed above, the remaining preliminary FY 2023 surplus in the General Fund is approximately \$16.6 million. The Administration recommends the transfer of 50% of the remaining funds to the Capital PayGo Fund and 50% to the Capital Reserve Fund, in order to fund critical capital projects with funding gaps.

FY 2023 General Fund	\$
<b>Projected General Fund Year-End Surplus/(Gap)</b>	<b>\$43,232,000</b>
Recommended FY 2023 to FY 2024 Encumbered Carryforwards	(4,028,600)
Recommended FY 2023 to FY 2024 Unencumbered Carryforwards	(8,265,400)
<b>Surplus/(Gap) Net of Carryforward Requests Recommended</b>	<b>\$30,938,000</b>
Set aside to fully fund Gen Fund reserves at 25%, or 3 months	(8,130,000)
FY 2023 Surplus Approved for FY 2024 Capital Projects	(5,068,000)
Additional Homeless Trust Contribution for Total Allocation of \$2.0 million	(1,000,000)
Magen David Adom (MAD) Donation (Reso 2023-32830)	(115,000)
Americans for Ben-Gurion University, Inc. Donation (Reso 2023-32830)	(10,000)
<b>Net Remaining Surplus/(Gap) for Capital Projects</b>	<b>\$16,615,000</b>
Transfer to Capital PayGo Fund	(8,308,000)
Transfer to Capital Reserve Fund	(8,307,000)
<b>Net Remaining Surplus/(Gap)</b>	<b>\$0</b>

### **PROPOSED GENERAL FUND AMENDMENTS**

Consistent with the third quarter projections, the Preliminary FY 2023 year-end expenditures reveal that all General Fund departments, except for those further detailed below, are projected to have savings at year-end that may be realigned to address any department overages. In addition, based on the projected FY 2023 General Fund surplus and the Administration's recommendations on allocating the preliminary FY 2023 General Fund surplus, the following amendments are being proposed for the FY 2023 General Fund budget.

For a detail of General Fund expenditures by department, refer to the attached [Exhibit A](#).

**Operations**

Preliminary FY 2023 year-end expenditures reveal that the following General Fund departments are projected to exceed their FY 2023 amended budgets.

**Fire** – As noted in the analyses that were prepared quarterly by the Administration and distributed via Letters to Commission during FY 2023, the Fire department is projected to exceed its current amended FY 2023 budget by approximately 3.7%, or \$3.7 million, resulting from additional personnel services expenditures associated with the collective bargaining agreements that were finalized after the adoption of the FY 2023 budget. While the department is projected to exceed its current amended budget, funding totaling approximately \$5.7 million was budgeted in a centralized account within the Citywide Accounts budget of the General Fund to offset the projected impact of the collective bargaining agreements since approval of the agreements was pending at the time that the FY 2023 budgets were adopted by the City Commission. As a result, this proposed amendment for FY 2023 is to realign approximately \$3.7 million of the \$5.7 million that was budgeted in the Citywide Accounts budget of the General Fund for FY 2023 to the Fire Department’s General Fund budget for the additional personnel services expenditures that were incurred as a result of the collective bargaining agreements that were finalized and approved by the City Commission during FY 2023.

Fire				
	FY 2023 Amended Budget	FY 2023 Projected	Projected vs Amended Budget Variance	% Over / (Under)
Expenditures	\$ 102,036,000	\$ 105,777,000	\$ 3,741,000	3.7%

**Capital Transfers**

As part of the development of the FY 2024 budgets, the Administration’s approach for the FY 2024 Capital budget was to fund all critical renewal and replacement projects, as many key existing projects with budget gaps, and allocate matching funds for projects that were eligible for potential grants.

The City Commission approved the transfer of approximately \$10.8 million of FY 2023 surplus funds in the General Fund and Resort Tax (through the General Fund) to the Capital PayGo Fund for several projects. As a result, this proposed budget amendment is to appropriate \$10.8 million in the FY 2023 General Fund budget from FY 2023 General Fund and Resort Tax surplus (through the General Fund) to be transferred to the Capital PayGo Fund as approved in the Adopted FY 2024 Capital budget through Resolution No. 2023-32788.

In addition, based on the Administration’s recommendations above to allocate the remaining preliminary FY 2023 General Fund surplus, this proposed budget amendment also appropriates \$16.6 million in the FY 2023 General Fund budget to be divided and 50% be transferred to the Capital PayGo Fund and 50% transferred to the Capital Reserve Fund.

**RESORT TAX FUND**

Overall, preliminary FY 2023 Resort Tax revenues are projected to be approximately \$9.3 million, or 8.3%, above the current amended FY 2023 Resort Tax budget, while Resort Tax expenditures are projected to be approximately \$274,000, or 0.2%, below the current amended FY 2023 Resort Tax budget, resulting in a preliminary surplus of \$9.6 million for FY 2023.

RESORT TAX FUND							
	FY 2023 Adopted Budget	FY 2023 Amended Budget	Preliminary Actuals as of 09/30/23	% Actual of Amended Budget	FY 2023 Year End Projections	Over/(Under) Amended Budget	% Over/(Under) Amended Budget
<b>Revenues</b>							
2% Resort Tax	\$ 71,499,000	\$ 71,499,000	\$ 72,914,316	102.0%	\$ 76,641,000	\$ 5,142,000	7.2%
Miscellaneous Revenues	251,000	251,000	1,919,299	764.7%	1,918,000	1,667,000	664.1%
Fund Balance/Retained Earnings/PY Surplus	3,955,000	4,819,000	0	0.0%	4,819,000	0	0.0%
1% Resort Tax (QOL)	17,372,000	17,372,000	17,432,046	100.3%	18,612,000	1,240,000	7.1%
Additional 1% Resort Tax for Convention Center	17,372,000	17,372,000	17,432,046	100.3%	18,612,000	1,240,000	7.1%
<b>Total Revenues</b>	<b>\$ 110,449,000</b>	<b>\$ 111,313,000</b>	<b>\$ 109,697,706</b>	<b>98.5%</b>	<b>\$ 120,602,000</b>	<b>\$ 9,289,000</b>	<b>8.3%</b>
<b>Expenditures</b>							
General Fund Contribution	\$ 39,227,000	\$ 39,227,000	\$ 39,227,000	100.0%	\$ 39,227,000	\$ -	0.0%
Sanitation Fund Contribution	3,969,000	3,969,000	3,969,000	100.0%	3,969,000	0	0.0%
Contribution to GMCVB	8,864,000	8,864,000	7,354,840	83.0%	9,355,000	491,000	5.5%
Contribution to VCA	3,433,000	3,433,000	3,471,488	101.1%	3,679,000	246,000	7.2%
Contribution to Mt. Sinai	1,000,000	1,000,000	1,000,000	100.0%	1,000,000	0	0.0%
Other Operating/Other Uses	19,002,000	19,740,700	15,572,852	78.9%	16,464,000	(3,276,700)	-16.6%
Marketing	210,000	335,300	99,843	29.8%	121,000	(214,300)	-63.9%
Transfer to NB, MB, SB Capital, Transp. and Arts (QOL)	17,372,000	17,372,000	17,432,046	100.3%	18,612,000	1,240,000	7.1%
Addtl 1% Conv. Center Debt Service & Cap. Ren & Repl.	17,372,000	17,372,000	11,415,417	65.7%	18,612,000	1,240,000	7.1%
<b>Total Expenditures</b>	<b>\$ 110,449,000</b>	<b>\$ 111,313,000</b>	<b>\$ 99,542,485</b>	<b>89.4%</b>	<b>\$ 111,039,000</b>	<b>\$ (274,000)</b>	<b>-0.2%</b>
<b>Excess of Revenues Over/(Under) Expenditures</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 10,155,221</b>	<b>9.1%</b>	<b>\$ 9,563,000</b>	<b>\$ 9,563,000</b>	

Similar to the General Fund, the Administration is recommending that \$559,800 be carried forward into FY 2024 to fund goods and/or services that were procured in FY 2023, but not received and/or rendered due to timing issues between fiscal years.

The Administration is also recommending that \$449,200 be carried forward into FY 2024 for Resort Tax projects that were originally budgeted in FY 2023, but not completed.

After accounting for the recommended Resort Tax carryforwards above, the remaining preliminary FY 2023 Resort Tax surplus is approximately \$8.6 million, which the Administration is recommending be set aside and/or appropriated in FY 2023 as follows:

- Appropriate and transfer \$5.7 million to the General Fund for tourism-eligible expenditures in the General Fund.
- Set aside \$2.3 million to fully fund the City's 2% Resort Tax reserves at 50%, or 6 months, based on the Adopted FY 2024 2% Resort Tax Budget of \$80.2 million pursuant to the City's Resort Tax reserve policy adopted by the City Commission through Resolution No. 2019-30664.
- Set aside \$500,000 for several one-time enhancements approved as part of the Adopted FY 2024 Resort Tax budget adopted by the City Commission through Resolution No. 2023-32785.
- Set aside \$78,624.98 (rounded up to \$79,000 for budget purposes) to be appropriated in the FY 2024 Resort Tax budget to fund the purchase and installation of outdoor musical instrument fixtures as part of the Freenotes Harmony Park (\$48,980.63) and purchase and installation of a "Lincoln Road" welcome sign (\$29,644.35) based on the recommendation of the Finance and Economic Resiliency Committee at its October 16, 2023 meeting.

FY 2023 Resort Tax		\$
<b>Projected Resort Tax Year-End Surplus/(Gap)</b>		<b>\$9,563,000</b>
Recommended FY 2023 to FY 2024 Encumbered Carryforwards		(559,800)
Recommended FY 2023 to FY 2024 Unencumbered Carryforwards		(449,200)
<b>Surplus/(Gap) Net of Carryforward Requests Recommended</b>		<b>\$8,554,000</b>
FY 2023 Surplus Approved for FY 2024 Capital Projects		(5,720,000)
Set aside to fully fund 2% Resort Tax reserves at 50%, or 6 months		(2,255,000)
One-Time Enhancements Approved in FY 2024 Resort Tax Budget		(500,000)
Outdoor Musical Fixtures and Welcome Sign on Lincoln Road		(79,000)
<b>Net Remaining Surplus/(Gap)</b>		<b>\$0</b>

### **PROPOSED RESORT TAX FUND AMENDMENTS**

Based on the preliminary FY 2023 year-end Resort Tax revenues and expenditures, the following budget amendments are proposed:

- Appropriate \$737,000 of additional 2% Resort Tax revenues collected in FY 2023 for an increase in the contractually required contributions to the Miami Beach Visitor and Convention Authority (VCA) and Greater Miami Convention & Visitors Bureau (GMCVB) of \$246,000 and \$491,000, respectively, since the contributions to both the VCA and GMCVB are based on a percentage of two percent Resort Tax collections that are projected to exceed the current amended budget for FY 2023.
- Appropriate approximately \$1.2 million of 1% Resort Tax (Quality of Life) revenues collected, which are to be allocated and transferred, as adopted by Resolution No. 2018-30512 and continuing in future fiscal years unless otherwise amended by the City Commission, as follows: 60% allocated for Transportation initiatives in tourist-related areas; 10% 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.
- Appropriate approximately \$1.2 million of additional 1% Resort Tax (Convention Center) revenues collected, which are to be allocated solely for the purposes of expanding, enlarging, renovating, and/or improving the Miami Beach Convention Center, including debt service related thereto, and any excess proceeds allocated and transferred to provide Capital Renewal and Replacement funding for the Miami Beach Convention Center.
- Appropriate approximately \$5.7 million of additional 2% Resort Tax revenues collected in FY 2023 to be transferred to the General Fund for tourism-eligible expenditures in the General Fund.

### **ENTERPRISE, INTERNAL SERVICE, AND SPECIAL REVENUE FUNDS ANALYSIS**

The City accounts for those goods and services provided by a department to external users for which a fee is charged as Enterprise Funds. The City’s Sanitation, Sewer, Storm Water, Water, Parking, Convention Center, and Building operations comprise this category of Proprietary Funds.

Similarly, the City accounts for goods and services provided by one department to other departments citywide on a cost reimbursement basis as Internal Service Funds. Central Services, Fleet Management, Information Technology, Property Management, Risk Management (Self Insurance), Inspector General, and Medical and Dental comprise this category of Proprietary Funds.

Special Revenue Funds consist of revenues and expenditures which are legally restricted or committed for specific purposes, other than debt service and/or capital projects. Special Revenue Funds include Resort Tax, as well as Transportation and People's Transportation Plan (PTP) Fund operations, 7<sup>th</sup> Street Garage operations, 5<sup>th</sup> & Alton Garage operations, the Tourism and Hospitality Scholarship Program, Information and Communications Technology Fund, Education Compact Fund, Franchise Waste Haulers and Sustainability Contributions, the Residential Housing Program, Red Light Camera Program operations, Emergency 911 Fund, Miami Beach Cultural Arts Council, Normandy Shores and the City's three Security Guard Special Taxing Districts (Biscayne Point, Biscayne Beach, and Allison Island), Miami City Ballet, Art in Public Places (AiPP) operations, Tree Preservation and Commemorative Tree Trust Fund, Beachfront Concession Initiatives Program, Beach Renourishment, Resiliency, Sustainability and Resiliency, and Biscayne Bay Protection Trust Funds, Police Unclaimed Property and Crash Report Sales Funds, Police Confiscation Trust Funds (Federal and State), Police Training and School Resources Fund, and the Adopt-a-Bench and Brick Paver Programs.

All Enterprise, Internal Services, and Special Revenue Funds budgets are projected to be at or below their current FY 2023 amended budgets as of year-end, except for specific Enterprise, Internal Services, and Special Revenue Funds, which have been detailed further in the following section and proposed to be amended as part of this item.

The preliminary year-end analysis for FY 2023 shows that there are approximately \$3.8 million of encumbrances in the Enterprise Funds, \$4.6 million of Internal Services Funds encumbrances, and \$2.0 million of Special Revenue Funds encumbrances (not including Resort Tax) for FY 2023 goods and/or services that were procured, but not received, that are recommended to be carried forward into the respective FY 2024 operating budgets.

Similarly, it is recommended that appropriations of approximately \$5.1 million in the Enterprise Funds, \$2.2 million in the Internal Services Funds, and \$5.5 million in the Special Revenue Funds (not including Resort Tax) be carried forward into FY 2024 for projects originally budgeted in FY 2023 that have not been completed.

## **PROPOSED AMENDMENTS TO THE ENTERPRISE, INTERNAL SERVICES, AND SPECIAL REVENUE FUNDS**

### **Enterprise Funds**

**Convention Center** – Consistent with the third quarter projections, the Convention Center Fund budget is projected to exceed its current FY 2023 amended budget by approximately \$6.0 million, or 20.2%, due to an increase in the number of events held this fiscal year at the Convention Center, which was 74 compared to the 44 events that were anticipated for FY 2023 when the budget was developed last year. Although expenditures are projected to exceed the current amended budget, projected revenues are projected to exceed budgeted revenues by \$19.1 million, resulting in a preliminary surplus of approximately \$13.1 million, which will be available to be set aside for renewal and replacement of Convention Center assets and/or future operating and other expenditure obligations. This surplus is primarily

attributed to the Convention Development Tax (CDT) bonus of \$14.5 million anticipated to be received by the City for FY 2023 based on increased Convention Development Tax receipts collected by Miami-Dade County in the current fiscal year from which a portion is remitted to the City in accordance with the Amended Interlocal Cooperation Agreement that was approved by the City Commission on November 19, 2014 through Resolution No. 2014-28836. This proposed amendment is to, therefore, appropriate the additional revenues projected for FY 2023 to fund the additional expenditures incurred as a result of the additional events that were held during FY 2023.

Convention Center				
	FY 2023 Amended Budget	FY 2023 Projected	Projected vs Amended Budget Variance	% Over / (Under)
Revenues	\$ 29,607,000	\$ 48,663,000	\$ 19,056,000	64.4%
Expenditures	\$ 29,607,000	\$ 35,584,000	\$ 5,977,000	20.2%
Surplus/(Shortfall)	\$ 0	\$ 13,079,000	\$ 13,079,000	

**Sanitation** – Although the Sanitation Fund budget is not projected to exceed the current amended budget for FY 2023, the projected savings in the Sanitation Fund’s operating budget is mainly attributed to delays in the receipt of vehicles and equipment due to ongoing supply chain issues that were scheduled for replacement in FY 2023. A portion of these funds were realigned during FY 2023 to provide increased levels of sanitation and cleaning services throughout the City, including those provided to the Parking Department that were not budgeted for in FY 2023. As a result, this proposed amendment is to appropriate a combination of additional revenues collected by Sanitation in FY 2023 and Sanitation fund balance totaling \$741,000 in order to replenish the funding that was realigned during FY 2023 so that the vehicles and equipment that were budgeted in FY 2023 for Sanitation remain fully funded although they are not anticipated to be received in FY 2023.

Sanitation				
	FY 2023 Amended Budget	FY 2023 Projected	Projected vs Amended Budget Variance	% Over / (Under)
Revenues	\$ 24,821,000	\$ 25,695,000	\$ 874,000	3.5%
Expenditures	\$ 24,821,000	\$ 24,473,000	\$ (348,000)	-1.4%
Surplus/(Shortfall)	\$ 0	\$ 1,222,000	\$ 1,222,000	

### **Internal Service Funds**

**Risk Management** – As noted in the third quarter projections, the City’s actuary has advised that the Risk Management Fund is projected to be approximately \$4.3 million, or 16.5%, above the current amended budget primarily due to unforeseen increases in claims incurred but not reported (IBNR) and case reserves that are trending higher than were originally budgeted for in FY 2023 based on the most recent actuarial forecasts. This material change in the City’s tort liability exposure in the current year may be largely due to the impacts of HB 837, the comprehensive Tort Reform bill that Governor DeSantis signed into law and which took effect earlier this year. Specifically, just before the law went into effect, the City experienced a large wave of new tort cases filed against the City, including, without limitation, a wrongful death action. This extraordinary, one-time surge in case filings was consistent with the statewide increase in tort case filings by plaintiffs seeking to avoid the application of the new law before it went into effect. As a result, this proposed amendment is to appropriate available Risk



Management fund balance to offset the increase in claims experience and case reserves recorded for FY 2023.

Risk Management				
	FY 2023 Amended Budget	FY 2023 Projected	Projected vs Amended Budget Variance	% Over / (Under)
Revenues	\$ 26,162,000	\$ 26,664,000	\$ 502,000	1.9%
Expenditures	\$ 26,162,000	\$ 30,472,000	\$ 4,310,000	16.5%
Surplus/(Shortfall)	\$ 0	\$ (3,808,000)	\$ (3,808,000)	

**Property Management** – Although the Property Management Fund budget is not projected to exceed the current amended budget for FY 2023, the projected savings in Property Management’s operating budget is mainly attributed to delays in the receipt of numerous vehicles, machinery, and equipment due to ongoing supply chain issues that were scheduled for replacement in FY 2023. A portion of these savings were realigned by Property Management during FY 2023 to fund projects that were not budgeted for in FY 2023. As a result, this proposed amendment is to appropriate \$426,000 of Property Management fund balance in order to replenish the funding that was realigned during FY 2023 so that the vehicles and equipment that were budgeted in FY 2023 for Property Management remain fully funded although they are not anticipated to be received in FY 2023.

Property Management				
	FY 2023 Amended Budget	FY 2023 Projected	Projected vs Amended Budget Variance	% Over / (Under)
Revenues	\$ 12,849,000	\$ 11,980,000	\$ (869,000)	-6.8%
Expenditures	\$ 12,849,000	\$ 12,233,000	\$ (616,000)	-4.8%
Surplus/(Shortfall)	\$ 0	\$ (253,000)	\$ (253,000)	

**Special Revenue Funds**

**Biscayne Beach Special Taxing District** – The Biscayne Beach Special Taxing District is projected to be 1.3%, or \$3,000, above the current amended budget. This is primarily attributed to increases in the costs for utilities and contracted security guard services. Although this District is projected to exceed the current amended budget, the additional expenditures are projected to be offset using available fund balance, which is proposed to be appropriated to fund these unbudgeted expenditures.

Biscayne Beach Special Taxing District				
	FY 2023 Amended Budget	FY 2023 Projected	Projected vs Amended Budget Variance	% Over / (Under)
Revenues	\$ 234,000	\$ 227,000	\$ (7,000)	-3.0%
Expenditures	\$ 234,000	\$ 237,000	\$ 3,000	1.3%
Surplus/(Shortfall)	\$ 0	\$ (10,000)	\$ (10,000)	

**5<sup>th</sup> & Alton Garage Fund** – This fund is projected to be 9.8%, or \$83,000, above its current amended budget. This is primarily attributed to an increase in the level of operations from increased activity taking place at this garage from what was originally anticipated for the current fiscal year. Since this fund is projected to exceed the current amended budget, the

additional expenditures are projected to be offset by additional revenues proposed to be appropriated from available fund balance, as well as a contribution from the Parking Enterprise Fund, if necessary, to fund these additional operating expenditures.

5th & Alton Garage				
	FY 2023 Amended Budget	FY 2023 Projected	Projected vs Amended Budget Variance	% Over / (Under)
Revenues	\$ 844,000	\$ 927,000	\$ 83,000	9.8%
Expenditures	\$ 844,000	\$ 927,000	\$ 83,000	9.8%
Surplus/(Shortfall)	\$ 0	\$ 0	\$ 0	

**People’s Transportation Plan (PTP) Fund** – The City’s allocation of Half-Cent Sales Tax Surtax revenues from Miami-Dade County is based on population and the City’s FY 2023 revenues are projected to exceed the FY 2023 amended budget. As a result of the increased revenues projected for FY 2023, this proposed amendment would appropriate an additional \$673,000 in PTP revenues received during FY 2023, which in-turn, will be utilized to fund additional allowable costs associated with operations of the City’s trolleys.

People’s Transportation Plan (PTP)				
	FY 2023 Amended Budget	FY 2023 Projected	Projected vs Amended Budget Variance	% Over / (Under)
Revenues	\$ 4,227,000	\$ 4,900,000	\$ 673,000	15.9%
Expenditures	\$ 4,227,000	\$ 4,900,000	\$ 673,000	15.9%
Surplus/(Shortfall)	\$ 0	\$ 0	\$ 0	

**E-911 Fund** – The City’s allocation of E-911 tax revenues from Miami-Dade County are primarily based on call volume. As a result of an increase in call volume and the resulting additional revenues collected by Miami-Dade County that are disbursed to local municipalities based on the determined allocation, the City’s projected FY 2023 E-911 revenues for wireless, non-wireless, and wireless prepaid services are projected to exceed the current FY 2023 amended budget. As a result of the increased revenues for FY 2023, this proposed amendment would appropriate an additional \$96,000 in E-911 revenues received during FY 2023, which in-turn, are proposed to be utilized to fund additional allowable costs associated with the operations of the Fire Department’s E-911 call center.

E-911				
	FY 2023 Amended Budget	FY 2023 Projected	Projected vs Amended Budget Variance	% Over / (Under)
Revenues	\$ 767,000	\$ 863,000	\$ 96,000	12.5%
Expenditures	\$ 767,000	\$ 863,000	\$ 96,000	12.5%
Surplus/(Shortfall)	\$ 0	\$ 0	\$ 0	

**Short-Term Rental Violations** – On March 9, 2022, the City Commission adopted Resolution No. 2022-32092 approving the settlement agreement between the parties in the action styled Christian Conti v. City of Miami Beach. Based on the settlement payments and legal fees associated with this short-term rental case, approximately \$418,546 were incurred by the City and at the attorney-client session with the City Commission it was represented that there was funding from short-term rental violations that Finance had segregated due to the pendency of

the litigation, which would be used to pay for the settlement expenses. As a result, this proposed amendment is to appropriate \$419,000 of short-term rental violations funds collected to reimburse the Risk Management Fund for the settlement payments and legal fees incurred by the City.

### **CONCLUSION**

The Administration recommends that the Mayor and City Commission adopt the Eighth Amendment to the General Fund, Enterprise Fund, Internal Services Fund, and Special Revenue Fund budgets for FY 2023 as previously detailed and reflected in the attached Exhibit "A," which is necessary to comply with Florida Statute, Section 166.241, that mandates that the City has 60 days following the end of the fiscal year to amend a budget for that year.

ATH/JDG/TOS

**Exhibit "A"**

GENERAL FUND	FY 2023 Amended Budget	8th Budget Amendment	FY 2023 Revised Budget
<b>REVENUES</b>			
<b>Operating Revenues</b>			
Ad Valorem Taxes	\$ 220,605,000		\$ 220,605,000
Ad Valorem- Capital Renewal & Repl.	\$ 1,944,000		\$ 1,944,000
Ad Valorem- Pay-As-You-Capital	\$ 3,974,000		\$ 3,974,000
Ad Valorem- Normandy Shores	\$ 282,000		\$ 282,000
Other Taxes	\$ 26,660,000	2,500,000	\$ 29,160,000
Licenses and Permits	\$ 18,843,000	4,000,000	\$ 22,843,000
Intergovernmental	\$ 14,225,000		\$ 14,225,000
Charges for Services	\$ 15,681,000	2,000,000	\$ 17,681,000
Fines & Forfeits	\$ 1,264,000	750,000	\$ 2,014,000
Interest Earnings	\$ 5,577,000	3,000,000	\$ 8,577,000
Rents & Leases	\$ 7,067,000	750,000	\$ 7,817,000
Miscellaneous	\$ 15,753,000	6,000,000	\$ 21,753,000
Resort Tax Contribution	\$ 39,227,000	5,720,000	\$ 44,947,000
Other Non-Operating Revenue	\$ 13,905,000		\$ 13,905,000
Use of General Fund Reserves/Prior Year Surplus	\$ 16,239,000		\$ 16,239,000
<b>Total General Fund</b>	<b>\$ 401,246,000</b>	<b>24,720,000</b>	<b>\$ 425,966,000</b>
<b>APPROPRIATIONS</b>			
<b>Department</b>			
Mayor and Commission	\$ 2,809,000		\$ 2,809,000
City Manager	\$ 4,290,000		\$ 4,290,000
Marketing and Communications	\$ 2,983,000		\$ 2,983,000
Office of Management and Budget	\$ 1,678,000		\$ 1,678,000
Org. Dev Performance Initiatives	\$ 3,356,000		\$ 3,356,000
Finance	\$ 8,042,000		\$ 8,042,000
Procurement	\$ 3,101,000		\$ 3,101,000
Human Resources/Labor Relations	\$ 3,124,000		\$ 3,124,000
City Clerk	\$ 2,081,000		\$ 2,081,000
City Attorney	\$ 7,654,000	(500,000)	\$ 7,154,000
Housing & Community Services	\$ 6,148,000	(500,000)	\$ 5,648,000
Planning	\$ 6,074,000		\$ 6,074,000
Environment & Sustainability	\$ 2,386,000		\$ 2,386,000
Tourism and Culture	\$ 3,661,000		\$ 3,661,000
Economic Development	\$ 2,993,000		\$ 2,993,000
Code Compliance	\$ 6,886,000		\$ 6,886,000
Parks & Recreation (incl. Golf Courses)	\$ 44,067,000	(500,000)	\$ 43,567,000
Property Management General Fund	\$ 3,848,000		\$ 3,848,000
Public Works	\$ 17,021,000	(500,000)	\$ 16,521,000
Capital Improvement Projects	\$ 6,003,000		\$ 6,003,000
Police	\$ 133,588,000	(683,000)	\$ 132,905,000
Fire	\$ 102,036,000	3,741,000	\$ 105,777,000
Citywide (incl. Operating Contingency)	\$ 19,817,000	(3,741,000)	\$ 16,076,000
<b>Subtotal General Fund</b>	<b>\$ 393,646,000</b>	<b>(2,683,000)</b>	<b>\$ 390,963,000</b>
<b>TRANSFERS</b>			
Normandy Shores	\$ 282,000		\$ 282,000
Pay-As-You-Go Capital Fund	\$ 3,974,000	19,096,000	\$ 23,070,000
Info & Comm Technology Fund	\$ 300,000		\$ 300,000
Capital Reserve Fund	\$ 1,100,000	8,307,000	\$ 9,407,000
Capital Renewal & Replacement	\$ 1,944,000		\$ 1,944,000
<b>Subtotal Transfers</b>	<b>\$ 7,600,000</b>	<b>27,403,000</b>	<b>\$ 35,003,000</b>
<b>Total General Fund</b>	<b>\$ 401,246,000</b>	<b>24,720,000</b>	<b>\$ 425,966,000</b>

**Exhibit "A"**

ENTERPRISE FUNDS	FY 2023	8th Budget	FY 2023
	Amended Budget	Amendment	Revised Budget
<b>REVENUE/APPROPRIATIONS</b>			
Building	\$ 18,090,000		\$ 18,090,000
Convention Center	\$ 29,607,000	5,977,000	\$ 35,584,000
Water	\$ 39,932,000		\$ 39,932,000
Sewer	\$ 59,180,000		\$ 59,180,000
Stormwater	\$ 36,030,000		\$ 36,030,000
Sanitation	\$ 24,821,000	741,000	\$ 25,562,000
Parking	\$ 47,458,000		\$ 47,458,000
<b>Total Enterprise Funds</b>	<b>\$ 255,118,000</b>	<b>6,718,000</b>	<b>\$ 261,836,000</b>

INTERNAL SERVICE FUNDS	FY 2023	8th Budget	FY 2023
	Amended Budget	Amendment	Revised Budget
<b>REVENUE/APPROPRIATIONS</b>			
Information Technology	\$ 20,694,000		\$ 20,694,000
Risk Management	\$ 26,162,000	4,310,000	\$ 30,472,000
Central Services	\$ 1,064,000		\$ 1,064,000
Office of Inspector General	\$ 2,180,000		\$ 2,180,000
Property Management	\$ 12,849,000	426,000	\$ 13,275,000
Fleet Management	\$ 24,928,000		\$ 24,928,000
Medical and Dental Insurance	\$ 46,159,000		\$ 46,159,000
<b>Total Internal Service Funds</b>	<b>\$ 134,036,000</b>	<b>4,736,000</b>	<b>\$ 138,772,000</b>

SPECIAL REVENUE FUNDS	FY 2023	8th Budget	FY 2023
	Amended Budget	Amendment	Revised Budget
<b>REVENUE/APPROPRIATIONS</b>			
Education Compact	\$ 155,000		\$ 155,000
IT Technology Fund	\$ 582,000		\$ 582,000
Residential Housing	\$ 1,129,000		\$ 1,129,000
Sustainability	\$ 1,082,000		\$ 1,082,000
Tree Preservation Fund	\$ 282,000		\$ 282,000
Commemorative Tree Trust Fund	\$ 4,000		\$ 4,000
Resort Tax	\$ 111,313,000	8,937,000	\$ 120,250,000
Tourism and Hospitality Scholarships	\$ 81,000		\$ 81,000
Cultural Arts Council	\$ 2,990,000		\$ 2,990,000
Waste Haulers	\$ 109,000		\$ 109,000
Normandy Shores	\$ 282,000		\$ 282,000
Biscayne Point Special Taxing District	\$ 230,000		\$ 230,000
Allison Island Special Taxing District	\$ 244,000		\$ 244,000
Biscayne Beach Special Taxing District	\$ 234,000	3,000	\$ 237,000
5th & Alton Garage	\$ 844,000	83,000	\$ 927,000
7th Street Garage	\$ 3,213,000		\$ 3,213,000
Transportation Fund	\$ 14,294,000		\$ 14,294,000
People's Transportation Plan	\$ 4,227,000	673,000	\$ 4,900,000
Police Confiscation Fund - Federal	\$ 90,000		\$ 90,000
Police Confiscation Fund - State	\$ 66,000		\$ 66,000
Police Unclaimed Property	\$ 15,000		\$ 15,000
Police Crash Report Sales	\$ 116,000		\$ 116,000
Police Training Fund	\$ 67,000		\$ 67,000
Red Light Camera Fund	\$ 1,216,000		\$ 1,216,000
E-911 Fund	\$ 767,000	96,000	\$ 863,000
Art in Public Places (AIPP)	\$ 202,000		\$ 202,000
Beachfront Concession Initiatives	\$ 116,000		\$ 116,000
Beach Renourishment	\$ 1,564,000		\$ 1,564,000
Resiliency Fund	\$ 1,974,000		\$ 1,974,000
Sustainability and Resiliency	\$ 194,000		\$ 194,000
Biscayne Bay Protection Trust Fund	\$ 6,000		\$ 6,000
Adopt-A-Bench Program	\$ 20,000		\$ 20,000
Miami City Ballet	\$ 234,000		\$ 234,000
Short Term Rental Violations	\$ -	419,000	\$ 419,000
<b>Total Special Revenue Funds</b>	<b>\$ 147,942,000</b>	<b>10,211,000</b>	<b>\$ 158,153,000</b>