



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

## COMMISSION MEMORANDUM

TO: Honorable Mayor Steven Meiner and Members of the City Commission

FROM: Alina T. Hudak, City Manager

DATE: April 3, 2024

SUBJECT: **A RESOLUTION OF THE MAYOR AND CITY COMMISSION OF THE CITY OF MIAMI BEACH, FLORIDA, ADOPTING THE THIRD AMENDMENT TO THE GENERAL FUND, ENTERPRISE FUNDS, INTERNAL SERVICE FUNDS, AND SPECIAL REVENUE FUNDS BUDGETS FOR FISCAL YEAR 2024 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**

The budgets for the General Fund, Enterprise Funds, Internal Service Funds, and Special Revenue Funds for Fiscal Year (FY) 2024 were adopted by the Mayor and City Commission on September 27, 2023, through Resolution No. 2023-32785.

The First Amendment to the General Fund, Enterprise Funds, Internal Service Funds, and Special Revenue Funds budgets for FY 2024 was adopted by the Mayor and City Commission on November 28, 2023, through Resolution No. 2023-32837.

The Second Amendment to the General Fund, Enterprise Funds, Internal Service Funds, and Special Revenue Funds budgets for FY 2024 was adopted by the Mayor and City Commission on February 21, 2024, through Resolution No. 2024-32932.

### **GENERAL FUND**

#### **Additional Support Services for City Commissioners**

At the March 13, 2024 City Commission meeting, an item was included on the agenda to enhance support services for City Commissioners in order to carry out their legislative duties more effectively, engage with constituents, and address public concerns, based on their needs.

The Mayor and City Commission approved this item on consent at the March 13, 2024 City Commission meeting, which authorized each City Commissioner to retain additional professional

support, either on a full-time or part-time employee basis or, in the alternative, as an independent contractor for such services in an amount not to exceed \$120,000 per City Commissioner per year.

As a result, this proposed budget amendment is to appropriate \$360,000 (pro-rated for 6 months) in the Mayor and City Commission's FY 2024 General Fund budget from the City's General Fund reserves for each City Commissioner to retain additional professional support, in accordance with the enhancement that was approved by the Mayor and City Commission on March 13, 2024. The projected total annualized cost of approximately \$720,000 (\$120,000 for each City Commissioner) would be included in the Mayor and City Commission's proposed General Fund budget beginning in FY 2025.

### **Stipends and Allowances for Members of City Commission**

At the March 13, 2024 City Commission meeting, an item was presented to discuss and take potential action regarding stipends and staffing for members of the City Commission.

The City Charter establishes a salary of \$10,000 per year for the Mayor and \$6,000 for each City Commissioner. To help offset the expenses associated with their public offices, such as providing food for the elderly and purchasing tickets to attend a myriad of civic, non-profit, and community events, the Mayor and City Commissioners have received a monthly stipend for many years. The monthly stipend for the Mayor is currently \$2,000, which has not been adjusted in approximately 18 years, while the monthly stipend for each City Commissioner is \$2,250, which has not been adjusted in over 5 years. In addition, members of the City Commission receive a vehicle allowance of \$500 per month and telephone allowance of \$100 per month.

Several items were brought forth for consideration and discussed by the Mayor and City Commission at the March 13, 2024 City Commission meeting, which were the following:

1. Adjust the Mayor and Commissioners' monthly stipends for inflation since last increased
2. Adjust the stipends by the net average federal tax rate of 24.8% based on current IRS regulations and the Tax Cuts and Jobs Act that was signed into law in December 2017, which resulted in the elimination of itemized tax deductions commencing in 2018
3. Adjust the Mayor and Commissioners' monthly vehicle and mobile telephone allowances based on the allowances provided to the City's Charter Officers (City Manager, City Attorney, City Clerk, and Inspector General)
4. Automatic annual adjustments of stipends for inflation to avoid "catch-ups" over time

The Mayor and City Commission approved all of the items that were brought forth and discussed above, with certain amendments, which were that these increases go into effect, retroactively, to November 2023, except for 2 City Commissioners who elected not to receive the stipends.

As a result, this proposed budget amendment is to appropriate \$91,000 (pro-rated for 11 months) in the Mayor and City Commission's FY 2024 General Fund budget from the City's General Fund reserves to fund the increases in the stipends, retroactively to November 2023, for members of the City Commission as approved by the Mayor and City Commission on March 13, 2024. The projected total annualized cost, which is approximately \$105,000 for FY 2025, would be included in the Mayor and City Commission's proposed General Fund budget beginning in FY 2025.

### **Constituent Services Manager**

The Mayor has requested a full-time Constituent Services Manager position be added to serve as a single point of contact in the Mayor's Office. This full-time position will be primarily responsible for receiving, processing, and monitoring resident requests through the appropriate channels within the City of Miami Beach.

The total projected cost of this additional full-time position to be added to the Mayor and City Commission's FY 2024 General Fund budget in this proposed budget amendment, including salaries and benefits, is approximately \$56,000 (pro-rated for 6 months), which would be funded from the City's General Fund reserves. If approved, the projected annualized cost, which is approximately \$113,000 in FY 2025 for this additional full-time position, would be included in the Mayor and City Commission's proposed General Fund budget beginning in FY 2025.

### **Miami Beach Public School Graduations**

At the March 13, 2024 City Commission meeting, an item that was discussed at the February 23, 2024 Finance and Economic Resiliency Committee (FERC) meeting approving the waiver of Miami Beach Convention Center room rental fees and a sponsorship in an amount not to exceed \$50,000 per fiscal year for Miami Beach public school graduations and promotions was included on the City Commission meeting agenda for City Commission consideration and approval with a recommendation for funding from the FERC.

The Mayor and City Commission approved this item on consent at the March 13, 2024 City Commission meeting for a three-year pilot program during fiscal years 2024, 2025, and 2026, subject to appropriation by the Mayor and City Commission through the annual budget process.

As a result, this proposed budget amendment is to appropriate \$50,000 in the Economic Development Department's FY 2024 General Fund budget from the City's General Fund reserves to fund the FY 2024 sponsorship that was approved by the Mayor and City Commission on March 13, 2024. The annual budget allocations of \$50,000 for FY 2025 and \$50,000 for FY 2026, in accordance with the three-year pilot program that was approved by the Mayor and City Commission, will be included in the proposed annual General Fund budgets for Economic Development for FY 2025 and FY 2026, respectively.

### **Security Camera Pilot Program**

At the March 13, 2024 City Commission meeting, an item was included on the agenda directing the City Administration to implement a reasonably priced security camera pilot program by purchasing and installing Arlo cameras (or equivalent) for use by Code Compliance and the Miami Beach Police Department to detect code violations and/or criminal activity at public sites on the western boundary of the City along the intracoastal waterway.

The Mayor and City Commission approved this item on consent at the March 13, 2024 City Commission meeting, directing the City Administration to implement the security camera pilot program at a cost not to exceed \$20,000.

As a result, this proposed budget amendment is to appropriate \$20,000 in the FY 2024 General Fund budget from the City's General Fund reserves to fund the purchase and installation of the security cameras to be installed at public sites on the western boundary of the City along the

intracoastal waterway based on the item that was approved by the Mayor and City Commission on March 13, 2024.

**CONCLUSION**

The City Administration recommends that the Mayor and City Commission adopt the Third Amendment to the General Fund, Enterprise Fund, Internal Service Fund, and Special Revenue Fund budgets for FY 2024 described herein and further detailed in the attached Exhibit "A."

**Was agenda item initially requested by a lobbyist which, as defined in Code Sec. 2-481, includes a principal engaged in lobbying? No**

**If so, specify name of lobbyist(s) and principal(s): N/A**

ATH/JDG/TOS/RA

**Exhibit "A"**

GENERAL FUND	FY 2024 Amended Budget	3rd Budget Amendment	FY 2024 Revised Budget
<b>REVENUES</b>			
<b>Operating Revenues</b>			
Ad Valorem Taxes	\$ 246,283,000		\$ 246,283,000
Ad Valorem- Capital Renewal & Repl.	\$ 2,170,000		\$ 2,170,000
Ad Valorem- Pay-As-You-Capital	\$ 4,436,000		\$ 4,436,000
Ad Valorem- Normandy Shores	\$ 316,000		\$ 316,000
Other Taxes	\$ 27,405,000		\$ 27,405,000
Licenses and Permits	\$ 20,971,000		\$ 20,971,000
Intergovernmental	\$ 14,227,000		\$ 14,227,000
Charges for Services	\$ 16,892,000		\$ 16,892,000
Fines & Forfeits	\$ 1,511,000		\$ 1,511,000
Interest Earnings	\$ 6,222,000		\$ 6,222,000
Rents & Leases	\$ 7,596,000		\$ 7,596,000
Miscellaneous	\$ 14,780,000		\$ 14,780,000
Resort Tax Contribution	\$ 46,107,000		\$ 46,107,000
Other Non-Operating Revenue	\$ 14,533,000		\$ 14,533,000
Use of General Fund Reserves/Prior Year Surplus	\$ 16,618,000	\$ 577,000	\$ 17,195,000
<b>Total General Fund</b>	<b>\$ 440,067,000</b>	<b>\$ 577,000</b>	<b>\$ 440,644,000</b>
<b>APPROPRIATIONS</b>			
<b>Department</b>			
Mayor and Commission	\$ 2,879,000	\$ 507,000	\$ 3,386,000
City Manager	\$ 4,505,000		\$ 4,505,000
Marketing and Communications	\$ 3,205,000		\$ 3,205,000
Office of Management and Budget	\$ 1,776,000		\$ 1,776,000
Finance	\$ 11,984,000		\$ 11,984,000
Procurement	\$ 3,266,000		\$ 3,266,000
Human Resources/Labor Relations	\$ 3,360,000		\$ 3,360,000
City Clerk	\$ 2,529,000		\$ 2,529,000
City Attorney	\$ 7,620,000		\$ 7,620,000
Housing & Community Services	\$ 5,412,000		\$ 5,412,000
Planning	\$ 6,238,000		\$ 6,238,000
Environment & Sustainability	\$ 2,625,000		\$ 2,625,000
Tourism and Culture	\$ 3,800,000		\$ 3,800,000
Economic Development	\$ 2,548,000	\$ 50,000	\$ 2,598,000
Code Compliance	\$ 7,392,000		\$ 7,392,000
Parks & Recreation (incl. Golf Courses)	\$ 47,359,000		\$ 47,359,000
Property Management General Fund	\$ 4,225,000		\$ 4,225,000
Public Works	\$ 17,679,000		\$ 17,679,000
Capital Improvement Projects	\$ 6,308,000		\$ 6,308,000
Police	\$ 146,814,000		\$ 146,814,000
Fire	\$ 116,467,000		\$ 116,467,000
Citywide (incl. Operating Contingency)	\$ 17,167,000	\$ 20,000	\$ 17,187,000
<b>Subtotal General Fund</b>	<b>\$ 425,158,000</b>	<b>\$ 577,000</b>	<b>\$ 425,735,000</b>
<b>TRANSFERS</b>			
Normandy Shores	\$ 316,000		\$ 316,000
Pay-As-You-Go Capital Fund	\$ 11,145,000		\$ 11,145,000
Info & Comm Technology Fund	\$ 300,000		\$ 300,000
Capital Reserve Fund	\$ 978,000		\$ 978,000
Capital Renewal & Replacement Fund	\$ 2,170,000		\$ 2,170,000
<b>Subtotal Transfers</b>	<b>\$ 14,909,000</b>	<b>\$ -</b>	<b>\$ 14,909,000</b>
<b>Total General Fund</b>	<b>\$ 440,067,000</b>	<b>\$ 577,000</b>	<b>\$ 440,644,000</b>

**Exhibit "A"**

ENTERPRISE FUNDS	FY 2024 Amended Budget	3rd Budget Amendment	FY 2024 Revised Budget
<b>REVENUE/APPROPRIATIONS</b>			
Building	\$ 18,923,000		\$ 18,923,000
Convention Center	\$ 45,694,000		\$ 45,694,000
Water	\$ 47,911,000		\$ 47,911,000
Sewer	\$ 65,734,000		\$ 65,734,000
Stormwater	\$ 39,930,000		\$ 39,930,000
Sanitation	\$ 26,033,000		\$ 26,033,000
Parking	\$ 53,873,000		\$ 53,873,000
<b>Total Enterprise Funds</b>	<b>\$ 298,098,000</b>	<b>\$ -</b>	<b>\$ 298,098,000</b>
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INTERNAL SERVICE FUNDS	FY 2024 Amended Budget	3rd Budget Amendment	FY 2024 Revised Budget
<b>REVENUE/APPROPRIATIONS</b>			
Information Technology	\$ 21,550,000		\$ 21,550,000
Risk Management	\$ 26,870,000		\$ 26,870,000
Central Services	\$ 1,202,000		\$ 1,202,000
Office of Inspector General	\$ 2,166,000		\$ 2,166,000
Property Management	\$ 13,811,000		\$ 13,811,000
Fleet Management	\$ 23,430,000		\$ 23,430,000
Medical and Dental Insurance	\$ 49,842,000		\$ 49,842,000
<b>Total Internal Service Funds</b>	<b>\$ 138,871,000</b>	<b>\$ -</b>	<b>\$ 138,871,000</b>
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SPECIAL REVENUE FUNDS	FY 2024 Amended Budget	3rd Budget Amendment	FY 2024 Revised Budget
<b>REVENUE/APPROPRIATIONS</b>			
Education Compact	\$ 258,000		\$ 258,000
IT Technology Fund	\$ 823,000		\$ 823,000
Residential Housing	\$ 1,056,000		\$ 1,056,000
Sustainability	\$ 1,272,000		\$ 1,272,000
Tree Preservation Fund	\$ 461,000		\$ 461,000
Commemorative Tree Trust Fund	\$ 2,000		\$ 2,000
Resort Tax	\$ 118,922,000		\$ 118,922,000
Tourism and Hospitality Scholarships	\$ 35,000		\$ 35,000
Cultural Arts Council	\$ 2,018,000		\$ 2,018,000
Waste Haulers	\$ 110,000		\$ 110,000
Normandy Shores	\$ 316,000		\$ 316,000
Biscayne Point Special Taxing District	\$ 341,000		\$ 341,000
Allison Island Special Taxing District	\$ 349,000		\$ 349,000
Biscayne Beach Special Taxing District	\$ 244,000		\$ 244,000
5th & Alton Garage	\$ 926,000		\$ 926,000
7th Street Garage	\$ 3,161,000		\$ 3,161,000
Transportation Fund	\$ 15,785,000		\$ 15,785,000
People's Transportation Plan	\$ 5,316,000		\$ 5,316,000
Police Confiscation Fund - Federal	\$ 82,000		\$ 82,000
Police Confiscation Fund - State	\$ 55,000		\$ 55,000
Police Unclaimed Property	\$ 18,000		\$ 18,000
Police Crash Report Sales	\$ 89,000		\$ 89,000
Police Training Fund	\$ 29,000		\$ 29,000
Red Light Camera Fund	\$ 1,215,000		\$ 1,215,000
E-911 Fund	\$ 923,000		\$ 923,000
Art in Public Places (AIPP)	\$ 171,000		\$ 171,000
Beachfront Concession Initiatives	\$ 102,000		\$ 102,000
Beach Renourishment	\$ 364,000		\$ 364,000
Resiliency Fund	\$ 2,419,000		\$ 2,419,000
Sustainability and Resiliency	\$ 209,000		\$ 209,000
Biscayne Bay Protection Trust Fund	\$ 44,000		\$ 44,000
Brick Paver Program	\$ 10,000		\$ 10,000
Adopt-A-Bench Program	\$ 20,000		\$ 20,000
Miami City Ballet	\$ 60,000		\$ 60,000
<b>Total Special Revenue Funds</b>	<b>\$ 157,205,000</b>	<b>\$ -</b>	<b>\$ 157,205,000</b>