

**RESOLUTION NO.            2016-29565**

**A RESOLUTION OF THE MAYOR AND CITY COMMISSION  
OF THE CITY OF MIAMI BEACH, FLORIDA, ADOPTING  
TENTATIVE BUDGETS FOR THE GENERAL, G.O. DEBT  
SERVICE, RDA AD VALOREM TAXES, ENTERPRISE,  
INTERNAL SERVICE, AND SPECIAL REVENUE FUNDS  
FOR FISCAL YEAR 2016/17, SUBJECT TO A SECOND  
PUBLIC HEARING SCHEDULED ON TUESDAY,  
SEPTEMBER 27, 2016 AT 5:01 P.M.**

**WHEREAS**, the City Manager's proposed Fiscal Year (FY) 2016/17 General Fund operating budget totals \$317,252,000 and the total proposed operating budget for FY 2016/17 net of transfers is \$604,774,000 including the General Fund, General Obligation Debt Service Fund, Enterprise Funds, Transfers to the RDA Ad Valorem Taxes Fund, and Special Revenue Funds as shown in Composite Exhibit "A"; and

**WHEREAS**, the proposed Enterprise Fund budgets total \$209,369,000; and

**WHEREAS**, the budget for Internal Service Funds, which are wholly supported by transfers from the General Fund, Enterprise Funds, and the Redevelopment District, is \$83,911,000; and

**WHEREAS**, the proposed Special Revenue Fund budgets total \$110,497,000; and

**WHEREAS**, Section 932.7055 of the Florida Statutes sets forth the purpose and procedures to be utilized for the appropriation and expenditures of the Police Confiscation Trust Fund; and

**WHEREAS**, the proceeds and interest earned from the Police Confiscation Trust Fund is authorized to be used for crime prevention, safe neighborhoods, drug abuse education and prevention programs, or for other law enforcement purposes; and

**WHEREAS**, the Chief of Police is authorized to expend these funds following a request to the City of Miami Beach Commission, and only upon appropriation to the Miami Beach Police Department by the City of Miami Beach Commission; and

**WHEREAS**, the Chief of Police of the City of Miami Beach has submitted a written certification (attached as Exhibit "B") which states that this request complies with the provisions of Section 932.7055 of the Florida Statutes and the Guide to Equitable Sharing of Federally Forfeited Property for Local Law Enforcement Agencies; and

**WHEREAS**, the Police Confiscation Trust Fund budgets for FY 2016/2017 in the amount of \$336,000 shall be funded from State Confiscated Funds in the amount of \$121,000, and Federal Justice Confiscated Funds in the amount of \$215,000, as reflected in the attached Exhibit "B"; and

**WHEREAS**, funds in the amount of \$336,000 are available in the Police Confiscation Trust Funds; and

**WHEREAS**, the City of Miami Beach is authorized to assess \$2.00 from court costs for criminal proceedings for expenditures for Criminal Justice Education degree programs and training courses for officers and support personnel of the Miami Beach Police Department pursuant to Section 938.15 of the Florida Statutes; and

**WHEREAS**, the Police Training and School Resources Fund is currently funded with the assessed criminal justice education expenditures for the City of Miami Beach pursuant to Section 938.15 of the Florida Statutes, in the amount of \$30,000, as reflected in the attached Exhibit "C"; and

**WHEREAS**, the Chief of Police of the City of Miami Beach has submitted a written certification (attached as Exhibit "C") which states that this request complies with the provisions of Sections 938.15 and 943.25 of the Florida Statutes and the guidelines established by the Division of Criminal Justice Standards and Training; and

**WHEREAS**, the City of Miami Beach Police Department intends to utilize the \$30,000 for those purposes as authorized pursuant to Section 938.15 of the Florida Statutes, and the \$30,000 shall be expended from the Police Training and School Resources Fund for education degree programs and training courses for officers and support personnel of the Miami Beach Police Department; and

**WHEREAS**, Section 705.105 of the Florida Statutes sets forth the procedure for unclaimed evidence which is in the custody of the Miami Beach Police Department and permanently vests in the Miami Beach Police Department sixty (60) days after the conclusion of the criminal proceeding; and

**WHEREAS**, \$75,000 has been in the custody of the Miami Beach Police Department Property and Evidence Unit in excess of the statutory period set forth in Section 705.105 of the Florida Statutes; and

**WHEREAS**, said funds have vested permanently in the Miami Beach Police Department, and have now been placed in the Police Special Revenue Account Fund, as provided by Resolution No. 90-19931, adopted on March 7, 1990; and

**WHEREAS**, the Miami Beach Police Department seeks to purchase those items identified on Exhibit "D" with the funds in the Police Special Revenue Account Fund; and

**WHEREAS**, the Miami Beach Cultural Arts Council (CAC) was established by the Mayor and City Commission on March 5, 1997; and

**WHEREAS**, the mission of the CAC is to develop, coordinate, and promote the visual and performing arts in the City of Miami Beach for the enjoyment, education, cultural enrichment, and benefit of the residents of, and visitors to, the City of Miami Beach; and

**WHEREAS**, the Mayor and City Commission adopted the Cultural Arts Master Plan on June 3, 1998, identifying the following program areas for the CAC: cultural arts grants; marketing; facilities; advocacy and planning; and revenue development; and

**WHEREAS**, pursuant to its enabling legislation, the CAC's budget for each fiscal year shall be adopted by the Mayor and City Commission; and

**WHEREAS**, accordingly, the CAC recommends a \$1,429,000 budget allocation for FY 2016/17 to continue implementation of its programs; and

**WHEREAS**, CAC was created to develop, coordinate, and promote the performing and visual arts of the City of Miami Beach for the enjoyment, education, cultural enrichment, and benefit of the residents of, and visitors to, the City; and

**WHEREAS**, from December 2014 through June 2016, the Cultural Affairs staff and CAC conducted its application and review process for its FY 2016/17 Cultural Arts Grant Programs; and

**WHEREAS**, grants panelists, comprised of the CAC members, yielded 55 viable applications, requesting a total of \$1,115,500; and

**WHEREAS**, the CAC, at its regular meeting on July 7, 2016, reviewed the grant panelists' recommendations and unanimously supported the recommended Cultural Arts awards totaling \$850,000 for FY 2016/17, as more specifically identified in the "Award Request" column on Exhibit "E," attached hereto; and

**WHEREAS**, the City Manager has reviewed the recommended Cultural Arts awards and concurs with same; and

**WHEREAS**, the Miami Beach Visitor and Convention Authority (MBVCA) was created pursuant to Chapter 67-930 of the Laws of Florida, and Sections 102-246 through 102-254 of the Code of the City of Miami Beach; and

**WHEREAS**, pursuant to its enabling legislation, the MBVCA's budget for each fiscal year shall be presented to the Mayor and Commission; and

**WHEREAS**, the MBVCA has recommended approval of the proposed work plan and budget for FY 2016/17, in the amount of \$3,101,000, to continue implementation of its programs as shown in Exhibit "F".

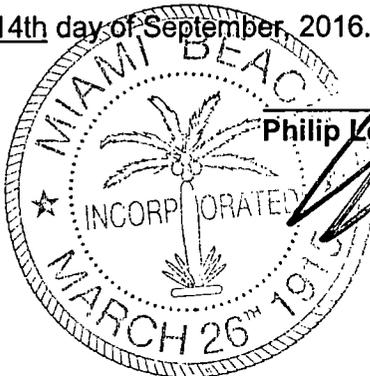
**NOW, THEREFORE, BE IT DULY RESOLVED BY THE MAYOR AND THE CITY COMMISSION OF THE CITY OF MIAMI BEACH, FLORIDA**, that the Mayor and City Commission of the City of Miami Beach, Florida hereby adopt tentative budgets for the General, G.O. Debt Service, RDA Ad Valorem Taxes, Enterprise, Internal Service, and Special Revenue Funds for Fiscal Year 2016/17 as shown in composite Exhibit "A" (Total Revenues and Expenditures by Fund and Department), Exhibit "B" (Confiscated Trust Funds), Exhibit "C" (Police Training & School Resources Fund), Exhibit "D" (Police Special Revenue Account), Exhibit "E" (Cultural Arts Council Grants), and Exhibit "F" (MBVCA) subject to a second public hearing scheduled at 5:01 P.M., Tuesday, September 27, 2016.

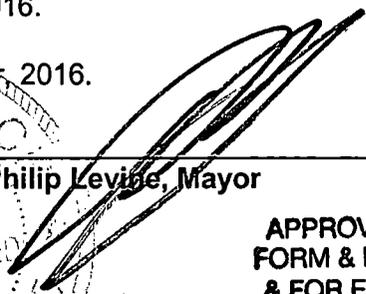
**PASSED and ADOPTED** this 14th day of September, 2016.

ATTEST:

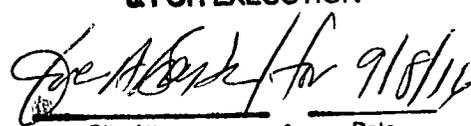
  
Rafael E. Granado, City Clerk

9/22/16



  
Philip Levine, Mayor

APPROVED AS TO  
FORM & LANGUAGE  
& FOR EXECUTION

  
City Attorney RAP

Date

**COMPOSITE EXHIBIT A**  
**Revenue Summary**  
**by Fund and Major Category**

FUNCTION/DEPARTMENT	GENERAL	G.O. DEBT SERVICE	RDA	ENTERPRISE	SPECIAL REVENUES	TOTALS	INTERNAL SERVICE
<b>GENERAL OPERATING REVENUES</b>							
Ad Valorem Taxes	\$ 159,950,000					\$ 159,950,000	
Ad Valorem- South Pointe Costs	-					-	
Ad Valorem- Capital Renewal & Repl.	662,000					662,000	
Ad Valorem- Normandy Shores	167,000					167,000	
Other Taxes	23,732,000					23,732,000	
Licenses and Permits	30,348,000					30,348,000	
Intergovernmental	11,439,000					11,439,000	
Charges for Services	12,176,000					12,176,000	
Fines & Forfeits	1,799,000					1,799,000	
Rents & Leases	6,426,000					6,426,000	
Miscellaneous	12,575,000					12,575,000	
Resort Tax Contribution	37,609,000					37,609,000	
Other- Non operating Revenue	20,369,000					20,369,000	
<b>Sub-Total</b>	<u>\$ 317,252,000</u>					<u>\$ 317,252,000</u>	
<b>G.O. DEBT SERVICE FUND</b>							
Ad Valorem Taxes		\$ 5,921,000				\$ 5,921,000	
Other							
<b>Sub-Total</b>							
<b>FUND TOTAL</b>	<u>\$ 317,252,000</u>	<u>\$ 5,921,000</u>				<u>\$ 323,173,000</u>	
<b>RDA FUND-City TIF only</b>							
<b>AD VALOREM TAXES</b>							
Property Taxes- RDA City Center (net)			\$ 27,133,000			\$ 27,133,000	
<b>FUND TOTAL</b>							
<b>ENTERPRISE FUNDS</b>							
Convention Center				\$ 11,038,000			
Parking				60,815,000			
Sanitation				20,624,000			
Sewer Operations				54,156,000			
Storm Water				28,334,000			
Water Operations				34,402,000			
<b>FUND TOTAL</b>				<u>\$ 209,369,000</u>		<u>\$ 209,369,000</u>	
<b>INTERNAL SERVICE FUNDS</b>							
Central Services							\$ 1,015,000
Fleet Management							9,547,000
Information Technology							16,828,000
Property Management							8,409,000
Risk Management							17,580,000
Medical & Dental Insurance							30,532,000
<b>FUND TOTAL</b>							<u>\$ 83,911,000</u>
<b>SPECIAL REVENUE FUNDS</b>							
Education Compact					235,000		
Resort Tax					86,722,000		
Art in Public Places					473,000		
Tourism & Hospitality Scholarships					184,000		
Cultural Arts Council					1,429,000		
Sustainability					350,000		
Waste Hauler					70,000		
Normandy Shores					257,000		
5th & Alton Garage					771,000		
7th St. Garage					2,320,000		
Transportation					10,187,000		
Tree Preservation					90,000		
People's Transportation Plan					3,766,000		
Police Confiscation					336,000		
Police Special Revenues					105,000		
Police Training					30,000		
Red Light Camera					1,516,000		
Residential Housing					771,000		
Emergency 9-1-1					351,000		
Information & Technology					534,000		
<b>FUND TOTAL</b>					<u>\$ 110,497,000</u>	<u>\$ 110,497,000</u>	
<b>TOTAL ALL FUNDS</b>	<u>\$ 317,252,000</u>	<u>\$ 5,921,000</u>	<u>\$ 27,133,000</u>	<u>\$ 209,369,000</u>	<u>\$ 110,497,000</u>	<u>\$ 670,172,000</u>	<u>\$ 83,911,000</u>
Less Transfers						(65,398,000)	
<b>GRAND TOTAL - ALL FUNDS</b>						<u>\$ 604,774,000</u>	

**COMPOSITE EXHIBIT A**  
**Total Expenditures by Fund and Department**  
**Fiscal Year 2016/17**

FUNCTION/DEPARTMENT	GENERAL	G.O. DEBT SERVICE	RDA	ENTERPRISE	SPECIAL REVENUES	TOTALS	INTERNAL SERVICE
MAYOR & COMMISSION	\$2,093,000					\$2,093,000	
ADMINISTRATIVE SUPPORT SERVICES						\$21,861,000	
CITY MANAGER	3,625,000						
COMMUNICATIONS	1,995,000						
BUDGET & PERFORMANCE IMPROV	2,499,000						
ORG DEV & PERFORMANCE INITIATIVE	629,000						
Education Compact					235,000		
FINANCE	5,746,000						
PROCUREMENT	2,258,000						
INFORMATION TECHNOLOGY							16,828,000
IT Tech					534,000		
HUMAN RESOURCES/LABOR RELATIONS	2,780,000						
Risk Management							17,580,000
Medical & Dental Insurance							30,532,000
CITY CLERK	1,560,000						
Central Services							1,015,000
CITY ATTORNEY	5,370,000					\$5,370,000	
ECONOMIC DEV. & CULTURAL ARTS						\$127,326,000	
Economic Development							
HOUSING & COMM. DEV.	743,000						
Homeless Services	1,480,000						
Residential Housing					771,000		
BUILDING	15,146,000						
ENVIRONMENT & SUSTAINABILITY	1,064,000				350,000		
Tree Preservation					90,000		
PLANNING	4,156,000						
Cultural Arts							
TOURISM & CULTURAL & ECONOMIC DEV	3,680,000						
CONVENTION CENTER				11,038,000			
Resort Tax					86,722,000		
Art in Public Places					473,000		
Tourism & Hospitality Scholarships					184,000		
Cultural Arts Council					1,429,000		
OPERATIONS						\$273,805,000	
CODE COMPLIANCE	5,845,000						
COMMUNITY SERVICES	575,000						
PARKS & RECREATION	31,934,000						
PROPERTY MANAGEMENT							8,409,000
PUBLIC WORKS	14,698,000						
Sanitation				20,624,000			
Sewer				54,156,000			
Stormwater				28,334,000			
Water				34,402,000			
Waste Hauler					70,000		
Normandy Shores					257,000		
CAPITAL IMPROVEMENT PROJECTS	5,051,000						
PARKING				60,815,000			
5th & Alton					771,000		
7th Street Garage					2,320,000		
FLEET MANAGEMENT							9,547,000
TRANSPORTATION					10,187,000		
People's Transportation Plan					3,766,000		
PUBLIC SAFETY						\$188,255,000	
POLICE	104,470,000						
Police Confiscation					336,000		
Police Special Revenues					105,000		
Police Training					30,000		
Red Light Camera					1,516,000		
FIRE	71,938,000						
Emergency Management	9,509,000						
E911					351,000		

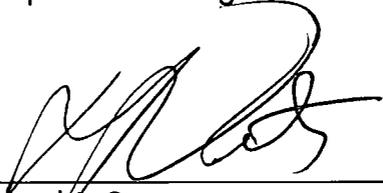
**COMPOSITE EXHIBIT A**  
**Total Expenditures by Fund and Department**  
**Fiscal Year 2016/17**

FUNCTION/DEPARTMENT	GENERAL	G.O. DEBT SERVICE	RDA	ENTERPRISE	SPECIAL REVENUES	TOTALS	INTERNAL SERVICE
<b>CITYWIDE ACCOUNTS</b>						<b>\$14,951,000</b>	
CITYWIDE ACCTS-Normandy Shores	257,000						
CITYWIDE ACCTS-Operating Contingency	1,335,000						
CITYWIDE ACCTS-Other	13,359,000						
Transfers						<b>\$3,457,000</b>	
Info & Comm Technology Fund	395,000						
Pay-as-you-go Capital	2,400,000						
CAPITAL RENEWAL & REPLACEMENT	662,000						
<b>G.O. DEBT SERVICE</b>		<b>5,921,000</b>				<b>\$5,921,000</b>	
RDA-City TIF Transfer only							
City Center			27,133,000			27,133,000	
<b>TOTAL - ALL FUNDS</b>	<b>\$317,252,000</b>	<b>\$5,921,000</b>	<b>\$27,133,000</b>	<b>\$209,369,000</b>	<b>\$110,497,000</b>	<b>\$670,172,000</b>	<b>\$83,911,000</b>
Less Transfers						<u>-65,398,000</u>	
<b>GRAND TOTAL - ALL FUNDS</b>						<u><b>\$604,774,000</b></u>	

## **EXHIBIT B**

### **CERTIFICATION**

I, Daniel J. Oates, Chief of Police, City of Miami Beach, do hereby certify that the aforementioned proposed request for expenditures from the City of Miami Beach Police Confiscation Trust Fund, for the FY 2016/17 fiscal year providing funds for expenditures, complies with the provisions of Section 932.7055(4) (a), Florida Statutes, and the Guide to Equitable Sharing of Federally Forfeited Property for Law Enforcement Agencies.



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Daniel J. Oates  
Chief of Police  
Miami Beach Police Department

9/2/16

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Date

## EXHIBIT B

### Miami Beach Police Department Confiscations - Federal & State Funds FY 2016/17 Proposed Budget

#### **Federal Funds (603):**

	<b>FY 2016/17 Proposed Budget</b>
Organizational Development Travel & Off-site testing	\$ 70,000
Training Supplement to supplement LETTF	\$ 70,000
Bulletproof Vest Partnership	\$ 50,000
Graffiti eradication through Teen Job Corp.	\$ 25,000
Gym Equipment	\$ -
<b>Total Federal Funds (603)</b>	<b>\$ 215,000</b>

#### **State Funds (607):**

	<b>FY 2016/17 Proposed Budget</b>
Costs connected with the prosecution/processing of forfeitures.	\$ 40,000
Crime Prevention initiatives & School Liaison Projects	\$ 20,000
AR Rifle Program/Initiative - City's match for reimbursement of rifles at \$500.	\$ 15,000
25% of State Funds collected in FY15 to be used for drug abuse treatment, drug and crime prevention education and non-profit community based programs.	\$ 36,000
Gym Equipment	\$ 10,000
<b>Total State Funds (607)</b>	<b>\$ 121,000</b>

<b>Total Federal &amp; State Funds</b>	<b>\$ 336,000</b>
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## EXHIBIT C

### CERTIFICATION

I, Daniel J. Oates, Chief of Police, City of Miami Beach, do hereby certify that the aforementioned proposed request for expenditures from the City of Miami Beach Police Training & School Resources Fund, for the FY 2016/17 fiscal year, to provide funds for the education of police personnel at various schools, conferences, and workshops and for the purchase of training and operational supplies, is in accordance with the guidelines established by the Division of Criminal Justice Standards and Training, as provided by Section 938.15 and 943.25, Florida Statutes.



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Daniel J. Oates  
Chief of Police  
Miami Beach Police Department

9/2/16

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Date

## EXHIBIT C

### Miami Beach Police Department Police Training and School Resources Fund FY 2016/17 Proposed Budget

#### Police Training and School Resources Funds (608):

	<b>FY 2016/17 Proposed Budget</b>
Education of police personnel at various schools, conferences, and workshops, as well as training and operational supplies	\$ 30,000
<b>Total Funds (608)</b>	<b>\$ 30,000</b>

## EXHIBIT D

### Miami Beach Police Department Special Revenue Account FY 2016/17 Proposed Budget

#### **Special Revenue Funds:**

	<b>FY 2016/17 Proposed Budget</b>
Community Activities	\$ 50,000
Law Enforcement Equipment and Supplies	\$ 20,000
Facilities Maintenance	\$ 5,000
<b>Total Funds</b>	<b>\$ 75,000</b>

**EXHIBIT E  
Cultural Grants**

		Score Average	Award Request	2016-17 City Administration Recommendation
<b>ANCHORS</b>				
1	New World Symphony	101.80	\$ 35,000.00	\$ 27,649.00
2	Florida International University -Wolfsonian	99.87	\$ 35,000.00	\$ 27,613.06
3	Miami City Ballet	99.44	\$ 35,000.00	\$ 27,494.16
4	The Holocaust Memorial Committee, Inc.	98.75	\$ 30,000.00	\$ 23,402.75
5	Friends of the Bass Museum, Inc.	97.88	\$ 35,000.00	\$ 27,062.82
6	Florida International University -MBUS	96.00	\$ 30,000.00	\$ 22,751.00
7	South Florida Art Center, Inc.	96.00	\$ 30,000.00	\$ 22,751.00
8	Florida International University -Jewish Museum of Florida	95.87	\$ 30,000.00	\$ 22,720.19
9	Miami Beach Film Society	95.11	\$ 25,000.00	\$ 18,783.23
10	The Rhythm Foundation	94.44	\$ 30,000.00	\$ 22,381.28
11	Miami Beach Garden Conservancy	94.25	\$ 25,000.00	\$ 18,613.38
12	Friends of the Miami-Dade Public Library, Inc.	93.55	\$ 25,000.00	\$ 18,475.13
13	Arts at St. Johns	92.88	\$ 25,000.00	\$ 18,342.80
14	O Cinema	91.00	\$ 30,000.00	\$ 21,566.00
		<b>96.20</b>	<b>\$ 420,000.00</b>	<b>\$ 319,605.78</b>
<b>CULTURAL PRESENTERS</b>				
15	National Foundation for Advancement in the Arts	96.75	\$ 20,000.00	\$ 15,285.50
16	Tigertail Productions, Inc.	94.57	\$ 20,000.00	\$ 16,941.06
17	Miami Gay & Lesbian Film Festival	92.16	\$ 20,000.00	\$ 14,560.28
18	University of Wynwood, Inc.	91.62	\$ 20,000.00	\$ 16,474.74
19	Locust Projects	90.50	\$ 20,000.00	\$ 14,298.00
20	Inffinito Art & Cultural Foundation	89.25	\$ 20,000.00	\$ 16,100.50
21	Miami Music Institute	89.00	\$ 12,500.00	\$ 10,787.75
22	Patrons of Exceptional Artists, Inc.	88.87	\$ 20,000.00	\$ 14,040.46
23	Center for the Advancement of Jewish Education	88.12	\$ 20,000.00	\$ 15,921.96
24	Miami Beach Jazz, Inc.	87.75	\$ 10,000.00	\$ 6,931.25
25	Community Arts and Culture	86.37	\$ 20,000.00	\$ 13,645.46
26	FUNDarte, Inc.	86.00	\$ 20,000.00	\$ 15,587.00
27	MDC Live Arts	85.62	\$ 20,000.00	\$ 13,526.96
28	Global Arts Project	83.75	\$ 20,000.00	\$ 15,231.50
29	South Florida Friends of Classical Music	83.50	\$ 20,000.00	\$ 13,192.00
30	Miami Bach Society	83.25	\$ 20,000.00	\$ 13,152.50
31	Miami short Film Festival Inc.	82.87	\$ 20,000.00	\$ 15,092.46
32	Chopin Foundation	82.00	\$ 7,000.00	\$ 4,533.60
33	Edge Zones, Inc.	81.00	\$ 20,000.00	\$ 14,797.00
		<b>87.52</b>	<b>\$ 349,500.00</b>	<b>\$ 260,099.98</b>
<b>ARTISTIC DISCIPLINES</b>				
34	Seraphic Fire	96.87	\$ 20,000.00	\$ 15,304.46
35	Dance Now! Ensemble	94.71	\$ 20,000.00	\$ 16,963.18
36	Miami Lyric Opera	94.22	\$ 20,000.00	\$ 14,885.76
37	Fantasy Theater Factory	94.00	\$ 10,000.00	\$ 9,425.00
38	Miami Symphony Orchestra	93.66	\$ 20,000.00	\$ 16,797.28
39	Florida Grand Opera	93.44	\$ 10,000.00	\$ 7,380.76
40	Miami New Drama	92.88	\$ 20,000.00	\$ 14,674.04
41	Orchestra Miami	92.11	\$ 10,000.00	\$ 9,275.69
42	Peter London Global Dance Co.	92.00	\$ 15,000.00	\$ 10,901.00
43	Greater Miami Youth Symphony	91.66	\$ 10,000.00	\$ 7,240.14
44	Miami Momentum Dance Co.	91.66	\$ 20,000.00	\$ 16,481.28
45	Miami Children's Chorus	91.22	\$ 10,000.00	\$ 9,205.38
46	Cuban Classical Ballet of Miami	90.88	\$ 20,000.00	\$ 14,358.04
47	South Florida Composer's Alliance	90.62	\$ 20,000.00	\$ 14,316.96
48	Miami Piano Circle	90.55	\$ 10,000.00	\$ 7,152.45
49	Siempre Flamenco	90.50	\$ 15,000.00	\$ 12,723.25
50	Ballet Flamenco La Rosa	89.77	\$ 20,000.00	\$ 14,182.66
51	South Beach Chamber Ensemble	89.50	\$ 16,000.00	\$ 13,311.80
52	Florida Opera Prima	89.50	\$ 20,000.00	\$ 16,140.00
53	Ground Up and Rising	89.33	\$ 10,000.00	\$ 9,056.07
54	Brazz Dance Theater Incorporated	88.22	\$ 10,000.00	\$ 6,968.38
55	South Florida Art Enrichment	85.77	\$ 20,000.00	\$ 13,550.66
		<b>91.50</b>	<b>\$ 346,000.00</b>	<b>\$ 270,294.24</b>
			<b>\$ 1,115,500</b>	<b>\$ 850,000</b>

Fresh Air Funding \$ 38,000

<b>TOTAL</b>	<b>\$ 1,153,500</b>	<b>\$ 850,000</b>
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- Applicants receiving Fresh Air Funds (19 organizations)
- Applicants whose funding request was reduced to 20K (11 organizations)



## Exhibit F

### MBVCA FY 2016/2017 WORKPLAN AND BUDGET

utilizing funds rolled over from several years past.

A total of \$1,779,357.50 was awarded in FY 2015/2016, compared to \$1,801,330 in FY 2014/2015. The decrease in awards reflects several rescinded events, due to non-compliance or cancellation. Grants funded in partnership with the CMB are critical, branded tourism-related programs, such as the South Beach Wine & Food Festival and Winter Music Conference, both examples of events whose beginnings in Miami Beach stem from grants provided by the MBVCA; events which could easily be recruited by other destinations.

#### **FY 2016/2017 TOURISM ADVANCEMENT PROGRAM**

The MBVCA strategically focuses funding to maximize tourism and brand, to improve Miami Beach by focusing on events and projects that generate significant publicity, strengthen brand and increase tourism (generating critical resort taxes for Miami Beach). The Board pays significant attention to marquee events.

#### ***Review process:***

For over a decade, the MBVCA has used a multi-level review process for its grant program and the process is reviewed annually. The process includes a mandatory pre-proposal staff conference regarding MBVCA policies and procedures and TAP. During the interview, MBVCA administration advises each potential applicant regarding the eligibility and appropriateness of the proposed project and defines the grant category best suited to the potential applicant. Once it is determined that the project is eligible, the MBVCA administration provides further detail, including required attachments and relevant meeting dates and deadlines. The applicant is provided with an overview of the application submission process. All applications are submitted through the online Application Portal in a multi-step format. All grant formats and policies are available on the MBVCA website. By Florida law, all MBVCA meetings are advertised and open to the public; all records are public records.

Annually, the MBVCA Board reviews and refines grant guidelines with respect to efficacy and effectiveness. In FY 2012/2013, the MBVCA implemented changes to its funding caps and declining scale. The new declining scale and funding caps allowed the MBVCA to diversify their funding into other areas and initiatives as requested by the City administration and/or the Board. In FY 2016/2017 the MBVCA voted to maintain the criteria in place for the Major One Time Special Event and Special Events Recurring grant categories requiring a total of 350 hotel room nights to be contracted, along with the 1,000,000 contracted media impressions. The viewership criteria remained at 1,000,000. The grant criteria guidelines were further defined for clarity and accuracy, requiring fully executed contracts to be submitted prior to proceeding with the next step in the application process. The application requires contract confirmation for hotel room blocks; media contract agreements, and/or television/cable contracts to be attached to the completed application. The data must be confirmed before and after funding is awarded. Grant applicants need to meet two of the three criteria in place for each of the MBVCA grant categories. MBVCA grants are paid upon performance; therefore, grantees are required to provide post-performance reports in the form of reservation or pick-up reports from Miami Beach hotels; impressions reports garnered from the organization's PR Firm, or from a media monitoring/press clipping service such as BurrellesLuce to prove media impressions, and a broadcast post performance report from a third party reporting delivery of Adult 18+ and Households (HH) in Thousands (000) from Nielsen, Over The Top (OTT), or Rentrak Post for viewership. The defined criteria and specific post-performance reporting structure will be implemented in FY 2016/2017.

The MBVCA guidelines and application process place emphasis on defining and measuring the economic impact of each event, as well as considering the impact and value of marketing, publicity and television origination/viewership. Questions concerning the economic impact of the program, including requiring an explanation of various aspects of the marketing plan, and how the numbers of hotel room nights are calculated and where they are contracted, are also required as part of the application. The event's or organization's publicity plan, community and residential involvement, and/or special residents' considerations. Standardized recap sheets and point systems have been developed to give each applicant a score that rates potential success. In 2016/2017, a revamped point system will be implemented to be more closely aligned with the MBVCA's grant criteria. Using

## Exhibit F

### MBVCA FY 2016/2017 WORKPLAN AND BUDGET

this tool, the MBVCA can better evaluate the applicant’s long-term commitment to the community; commitment to brand enhancement; value to tourism, and economic impact. The MBVCA votes on each specific and individual grant, and evaluates the grant request, funds available and possible extenuating circumstances after a formal presentation is made by the grant applicant. A question and answer period follows with further discussion as needed.

**RECURRING PROJECTS:**

The MBVCA has a current policy in place to fund recurring projects on a declining scale. The declining scale encourages recurring events to recruit corporate and private sponsorship and; therefore, not solely rely on MBVCA funds as a means of sustaining the event year after year. The award category establishes funding caps for recurring events, funding that can be reduced based on the maximum request for the specific grant category. Below is the current scale, implemented in FY 2012/2013; applicable to non and for profit agencies. The declining scale will remain in place for FY 2016/2017.

Year 1	Initial Grant Award
Year 2	No more than 80% of Eligible Request
Year 3	No more than 70% of Eligible Request
Year 4	No more than 60% of Eligible Request
Year 5	New Cycle Begins

**CATEGORIES:**

Tourism Advancement Program funds are currently awarded in eight categories, including: Film Incentive, Initiatives, Major One Time Special Event, North Beach Incentive, Special Events Recurring, Special Projects, Special Projects Recurring, and Tourism Partnerships. The MBVCA has developed pre-eligibility criteria for grants within these categories. The criteria allow staff to determine eligibility and the appropriate grant category. Applicants must meet two of three of the criteria noted. The Cultural Tourism grant program has been retired.

Grant Category	Contracted Hotel Room Nights	Contracted Media Impressions	Contracted Television or Cable Broadcast
Film Incentive*	250	N/A	N/A
Initiatives**	N/A	N/A	N/A
Major One Time Special Event	350	1,000,000	1,000,000
North Beach Incentive	75	200,000	500,000
Special Events Recurring	350	1,000,000	1,000,000
Special Projects	2,500	250,000,000	15,000,000
Special Projects Recurring	2,500	250,000,000	15,000,000
Tourism Partnerships	200	500,000	5,000 (visitors/attendees/participants)

\* Industry specific eligibility criteria in place for this program

\*\* Initiatives are specifically targeted towards organizations chosen by the MBVCA to carry out the designated initiative

**Budget**

*Budget (TAP) FY 2016/2017:*

The MBVCA has budgeted \$1,876,000 for FY 2016/2017 for its Tourism Advancement Program which reflects 60% of the total budget. This grant funding reflects an increase of \$13,755 from FY 2015/2016. This increase is due to an increase in the total number of new grants being requested.

## Exhibit F

### MBVCA FY 2016/2017 WORKPLAN AND BUDGET

- The *Tourism Partnerships* category is budgeted at \$120,000; reflecting 4% of the total budget for FY 2016/2017. The category currently includes applicants at the maximum request cap of \$30,000. Four applications are anticipated to be received.
- The *Major One Time Special Event* category, representing 6% of the total budget, is budgeted at \$180,000 in FY 2016/2017, which reflects a 20% decrease from FY 2015/2016. The MBVCA expects four new events to apply at a maximum request of \$45,000. The MBVCA works tirelessly to stimulate and recruit new events and is willing and prepared to fund valuable tourism and brand related events. In fact, the MBVCA works with all partners, city leadership and media to solicit appropriate new projects. New applicants are expected to include Sports Illustrated Volleyball Tournament, Maison d'Objet, Prizm Art Fair, and The Hangout Festival.
- The *Special Events Recurring* category, reflecting 25% of the total budget, has been calculated at \$784,000 for FY 2016/2017 based on the established declining scale and the number of applicants anticipated to return.
- The *Special Projects* category is budgeted at \$270,000 with three applicant expected at the maximum request of \$90,000 representing 9% of the total budget.
- The *Special Projects Recurring* category is budgeted at \$442,000 and represents 14% of the total budget. Anticipated applicants include the Orange Bowl Marketing Campaign; South Beach Comedy Festival; Lifetime Miami Marathon, Half Marathon, and Tropical 5K; the Food Network & Cooking Channel South Beach Wine & Food Festival; the Miami International Film Festival; FUNKSHION Fashion Week Miami Beach; and Winter Music Conference. These events, recruited and sustained by the MBVCA, are all marquee events and annually fill the City's hotel rooms.
- The *Film Incentive* category is budgeted at \$60,000 for FY 2016/2017, which represents 2% of the budget; budgeting for a total of 1 possible applicant.
- The *North Beach Initiative Incentive* category is budgeted at \$20,000 for FY 2016/2017, representing 1% of the budget; in anticipation of 2 applicants at the maximum request of \$10,000 each.

#### **Destination Marketing**

The Destination Marketing allocation reflects a 3% of the total budget for FY 2016/2017. This allocation provides for the additional placement of stories and press releases on the PR Newswire as well as the Video Blogger Program that will be implemented in FY 2016/2017.

#### **New Initiatives**

The MBVCA expects to support new initiatives in FY 2016/2017. Strategic plans, goals and initiatives are developed through consultation, the result of ongoing communications with the Mayor, Commission and City Administration. Some of these initiatives include the continued support of The Customer and You – Certificate Program in Service and the development of an online Customer Service Program; offered free of charge to all Miami Beach hospitality employees. The category is budgeted for FY 2016/2017 at \$205,000, representing 7% of the total budget.

One of these initiatives in the Visual Memoirs Project. In 2011/2012, the MBVCA issued an RFP for qualified entities to record, catalogue and warehouse personal and eyewitness accounts of the history of the City of Miami Beach. The deliverables included a recorded detailed history of Miami Beach through personal interviews, creating collateral materials about the history of Miami Beach and identifying comprehensive exhibit concepts that can be implemented to execute a comprehensive visual memoir library and promotional campaign.

The Miami Design Preservation League (MDPL) in partnership with Close-Up Productions, was awarded a one year contract on October 1, 2011 in the amount of \$21,000, and the contract was renewed in FY 2012/2013 for an additional \$21,000, which represents 1% of the total budget. A total of forty interviews were conducted during the Project's first year.

## Exhibit F

### MBVCA FY 2016/2017 WORKPLAN AND BUDGET

The exhibit opened to the public daily for its initial run from mid-October through late November 2012, free of charge from 10:00am until 4:30pm and reopened during Art Deco Weekend 2013. The documentary played on a loop in the lecture hall portion of the Art Deco Welcome Center. Seating was also placed near the screen and accommodated approximately 25 people at a time with standing room in the back. A total of twenty interviews were completed by September 2013.

An educational component was developed for FY 2012/2013 that included a video and guide for Miami Beach Middle Schools.

In FY 2013/2014, the videos were prepared for archival as part of a statewide university consortium. MDPL also collaborated with various institutions to create links to the online materials.

At the end of FY 2014/2015, MDPL and Close-Up Productions had conducted and transcribed a total of 75 interviews.

In FY 2015/2016 MDPL conducted and transcribed an additional 15 interviews and coordinated and presented the Visual Memoirs material at the MDPL Deco Museum. In addition to their scheduled interviews, MDPL developed a digital promotional portal showcasing the video archive with links highlighting other Miami Beach historical resources, housed at institutions in Miami Beach and Miami Dade County. The "Windows on Miami Beach" portal is expected to generate local interest and support through school contests and online displays created by students and joint curating displays by portal partners; offer daily and weekly calendars of partners' events; develop social media linkages that drive people to the new website and its resources; provide easier access to the interviews, educational videos and curricula produced by the Visual Memoirs Project; increase patronizing of museums and historic sites on Miami Beach, and promote Miami Beach as a tourist destination through historic and artistic connections. A total of \$30,000 has been budgeted in FY 2016/2017 towards this project, which reflects 1% of the total budget.

#### **Public Relations Initiative**

In FY 2013/2014, the MBVCA issued a Request for Qualifications (RFQ) for a P.R. agency of record to enhance Miami Beach's image, after their initial Request for Proposals (RFP) issued in FY 2011/2012. The MBVCA selected Hill & Knowlton/SAMCOR (H+K) to support the MBVCA efforts by continuing increasing brand awareness through strategic media outreach to consumer and travel trades, major event recruitment, and business and corporate communications programs. There is an allotment of \$250,000, representing 8% of the total budget, towards this effort.

The current contract with H+K runs through June 27, 2017 in FY 2016/2017. Objectives include increased public relations or tourism related activities in CMB, recruitment of new events and meetings, and improvement of CMB global reputation. CMB leaders have been active participants in planning and in oversight. H+K has an extensive presence in the US and internationally. The agency's ability to network and leverage its global relationships is crucial to the growth of the 'Miami Beach' brand.

H+K created and distributed a total of 15 press releases and pitches during their first year as agency of record, garnering 3,416,581,560 media impressions and 12 press releases during their second year, generating 3,913,341,910 media impressions. In their third year, H+K generated 2,783,369,818 media impressions through the issuance of 12 press releases and a Harris Poll Survey that was conducted to determine why people visit Miami Beach.

During their fourth year, H+K developed and released a total of 12 press releases and 1 pitch, generating a total of 1,492,734,059 media impressions, valued at \$15,615,214.75. During its fifth, and most recent, year H+K wrote and released 12 press releases, generating 1,410,465,887 media impressions, valued at \$15,638,438.52. To date, H+K has generated over 3 billion media impressions for the destination.

## Exhibit F

### MBVCA FY 2016/2017 WORKPLAN AND BUDGET

#### **IT/API Development**

The MBVCA wishes to provide visitors with timely and relevant information about the City of Miami Beach, its public and private attractions, services, hotels, businesses, and events in order to enhance visitors (and residents) experiences. Visitors to Miami Beach - all visitors worldwide – are increasingly using technology to navigate cities or make decisions about leisure experiences, dining, parking, entertainment and travel in general. Worldwide, technology is king. Many visitors already use the free Miami Beach Wi-Fi service, CMBWiFi, to access the information they need at select public locations around town.

Miami Beach visitors and residents are using smartphones and tablets to communicate and acquire information to make these kinds of decisions on-the-go. It is now critical for these visitors and residents to have access to mobile applications (Apps) that can help them obtain the information they need to make a timely and informed decisions. A new version of the App, Miami Beach Information (MBI), was released in fiscal year 2015/2016 for both Android and iOS platforms. The latest version of MBI included new and exciting features for the end-user. The newest features included a side-swipe feature; listing the information in an A-Z format; new categories added that included Shopping, Nightlife, Art & Culture, and Restaurants; and the creation of “My Miami Beach” section where users can add events, photos, and itineraries as they navigate the App. In addition, the App features a “Deals” section that has special promotional rates or offers developed by MBVCA grantees. This cross promotional effort increases the number of downloads the App receives, while also assisting with the promotion of MBVCA-funded events. The promotions in the “Deals” section were also posted to the various MBVCA social media pages such as Facebook, Twitter, and Instagram. The App has now been downloaded over 6,500 times across both mobile platforms. Approximately half of all downloads come from European users seeking to learn about Miami Beach. The first version of the App was released in FY 2013/2014.

The MBVCA’s preliminary review of opportunities and needs was initiated in spring 2011 in consultation with area experts, and subsequent to a public meeting sponsored by the MBVCA, as a situational analysis. The MBVCA released an RFP in January 2012 and awarded a one year contract to Just Program LLC dba Solodev on May 22, 2012. The purpose of the RFP was to develop a Miami Beach-focused web-based digital content management system (CMS) and modifiable database to support 3<sup>rd</sup> party mobile applications via an application programming interface (API).

Currently, the API is fully functional with 250 different categories of businesses each averaging 90 different services and amenities. Web and App developers will be able to use these attributes to create new and exciting experiences for their end-users. A fully functional mobile App for the MBVCA API for both iPhone and Android platforms.

We have allocated \$30,000 or 1% of the overall budget in FY 2016/2017 towards IT development, to add additional categories to expand the API database to include local non-business information that can be useful in App development such as beach access roads, public restrooms, and lifeguard stands. A total of \$65,000 has been allotted to market and promote the API/App to App developers in FY 2016/2017, representing 2% of the total budget.

#### **Research and Development**

The MBVCA will develop a strategic list of major events worldwide as the result of ongoing communications and consulting with all partners. We expect to investigate some of these events with the goal of the development of a new major event for the destination. The MBVCA has budgeted \$10,000 of the total towards this effort.

#### **Projected Cash Flow Reserve**

The MBVCA has budgeted \$2,000 of the total budget, for cash flow reserve in FY 2016/2017. The City of Miami Beach allots resort tax payments to the MBVCA a month after its collection; therefore, as a fiscal responsibility, the MBVCA has built in a \$2,000 projected cash flow reserve to its budget to ensure that all grants awarded will

## **Exhibit F**

### **MBVCA FY 2016/2017 WORKPLAN AND BUDGET**

have the necessary funds to be reimbursed upon proper request and documentation.

#### **Administration and Overhead**

The MBVCA's administration and benefits costs are budgeted at \$365,000 for the FY 2016/2017. This figure represents 12% of the total budget. The overhead allocation is budgeted at \$210,000 which reflects 7% of the overall budget. The increase from FY 2015/2016 is attributed to the cloud information hosting and redundancy, and staffing a full office. The total administration and overhead is 19% of the total budget.<sup>1</sup>

#### **Rollover**

A total of \$425,000 will be rolled over from FY 2015/2016 into the FY 2016/2017 MBVCA budget to fund special projects. This rollover of funds is primarily from the grants that were either not awarded and/or were rescinded for noncompliance.

#### **CONCLUSION**

At their August 9, 2016 meeting, the MBVCA Board recommended the Mayor and City Commission adopt the MBVCA Budget for FY 2016/2017 in the amount of \$3,101,000 as reflected in Exhibit A.

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<sup>1</sup> This is below the non-profit industry standard of 20% (Source: BBB)

## Exhibit F

### MIAMI BEACH VISITOR AND CONVENTION AUTHORITY FY 2016/2017

	ADOPTED BUDGET FY 2015.2016	PROPOSED FY 2016.2017
<b>REVENUES</b>		
Unrestricted		
Rollover	\$ 300,000	\$ 425,000
Projected Resort Tax	\$ 2,676,000	\$ 2,676,000
TOTAL REVENUES	<b>\$ 2,976,000</b>	<b>\$ 3,101,000</b>
<b>EXPENDITURES</b>		
Administration & Benefits	\$ 361,255	\$ 365,000
Operating Expenses	\$ 195,000	\$ 210,000
Capital	\$ 3,000	\$ 5,000
Total Administration	\$ 559,255	\$ 580,000
<b>GRANTS - Tourism Advancement Program</b>		
Tourism Partnerships	\$ 109,245	\$ 120,000
Cultural Tourism	\$ 30,000	\$ -
Major One Time Special Event	\$ 225,000	\$ 180,000
Special Events Recurring	\$ 736,000	\$ 784,000
Special Projects	\$ 270,000	\$ 270,000
Special Projects Recurring	\$ 442,000	\$ 442,000
Film Incentive	\$ 30,000	\$ 60,000
North Beach Incentive	\$ 20,000	\$ 20,000
Total Tourism Adv. Program	\$ 1,862,245	\$ 1,876,000
<b>Marketing/PR/Technology</b>		
Marketing/Communications and PR	\$ 250,000	\$ 250,000
API Marketing	\$ 65,000	\$ 65,000
IT Development	\$ 20,000	\$ 30,000
Total	\$ 335,000	\$ 345,000
<b>Other</b>		
Destination Marketing	\$ 50,000	\$ 83,000
Initiatives	\$ 130,000	\$ 205,000
R&D	\$ 7,500	\$ 10,000
Projected Cash Flow Reserve	\$ 2,000	\$ 2,000
Total Other	<b>\$ 189,500</b>	<b>\$ 300,000</b>
<b>TOTAL</b>	<b>\$ 2,946,000</b>	<b>\$ 3,101,000</b>

# MIAMI BEACH

## COMMISSION MEMORANDUM

TO: Honorable Mayor and Members of the City Commission  
FROM: Jimmy L. Morales, City Manager  
DATE: September 14, 2016

**5:01 p.m. First Reading Public Hearing**

SUBJECT: A RESOLUTION OF THE MAYOR AND CITY COMMISSION OF THE CITY OF MIAMI BEACH, FLORIDA, ADOPTING TENTATIVE BUDGETS FOR THE GENERAL, G.O. DEBT SERVICE, RDA AD VALOREM TAXES, ENTERPRISE, INTERNAL SERVICE, AND SPECIAL REVENUE FUNDS FOR FISCAL YEAR 2016/17 SUBJECT TO A SECOND PUBLIC HEARING SCHEDULED ON TUESDAY, SEPTEMBER 27, 2016 AT 5:01 P.M.

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### Legislative Tracking

Budget & Performance Improvement

### ATTACHMENTS:

#### **Description**

- ▢ First PH Budget Memo
- ▢ Attachment A - City Manager's FY17 Proposed Budget Message
- ▢ Attachment B - FY17 Proposed Efficiencies
- ▢ Attachment C - FY17 Proposed Enhancements
- ▢ Attachment D – City of Miami Beach Financial Support for Cultural Institutions
- ▢ Attachment E – Bass Museum Distribution of Expenses for FY17 Enhancement Request
- ▢ Resolution

# MIAMI BEACH

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

## COMMISSION MEMORANDUM

TO: Mayor Philip Levine and Members of the City Commission

FROM: Jimmy L. Morales, City Manager

DATE: September 14, 2016

SUBJECT: **A RESOLUTION OF THE MAYOR AND CITY COMMISSION OF THE CITY OF MIAMI BEACH, FLORIDA, ADOPTING TENTATIVE BUDGETS FOR THE GENERAL, G.O. DEBT SERVICE, RDA AD VALOREM TAXES, ENTERPRISE, INTERNAL SERVICE, AND SPECIAL REVENUE FUNDS FOR FISCAL YEAR 2016/17 SUBJECT TO A SECOND PUBLIC HEARING SCHEDULED ON TUESDAY, SEPTEMBER 27, 2016 AT 5:01 P.M.**

### **ADMINISTRATION RECOMMENDATION**

The Administration recommends that the City Commission adopt the attached Resolution which establishes tentative budgets for the General, G.O. Debt Service, RDA Ad Valorem Taxes, Enterprise, Internal Service, and Special Revenue Funds for Fiscal Year (FY) 2016/17.

### **PROCEDURE**

As outlined in the companion General Operating Millage Agenda Item, Section 200.065, Florida Statutes specifies the manner in which budgets are adopted. First, the tentative millage rate for both the general operating and debt service is adopted, then immediately thereafter, tentative budgets by fund are adopted. The attached Resolution adopting tentative budgets for the General, G.O. Debt Service, RDA Ad Valorem Taxes, Enterprise, Internal Service, and Special Revenue Funds for FY 2016/17 is therefore presented to you at this time for adoption.

Additional details are contained in my Budget Message (Attachment A), however, highlights of that document are outlined below.

### **GENERAL FUND CURRENT SERVICE LEVEL BUDGET DEVELOPMENT**

The General Fund is the primary source of funding for the majority of City services. Revenues are derived from ad valorem property taxes, franchise and utility taxes, business license and permit fees, revenue sharing from various statewide taxes, user fees for services, fines, rents and concession fees and interest income. Additionally, intergovernmental revenues from Miami-Dade County and Resort Taxes contribute funding for tourist-related activities provided by General Fund departments.

The first step in preparing the FY 2016/17 budget was an evaluation of Current Service Level (CSL) revenues and expenditures. CSL revenues represent the amount of revenues that would be generated based on existing tax rate, fees and charges. CSL expenditures represent the expenditures associated with providing the same level of service next year as in the current budget year.

At the Strategic Planning Retreat on May 12th, 2016, the Commission was briefed regarding the preliminary General Fund Current Service Level (CSL) budget. The CSL 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.

Property taxes comprise approximately half of the total General Fund revenue and are a key driver of CSL revenues. The Property Appraiser provided the preliminary 2016 property values on June 1, 2016. The Commission was briefed regarding the updated CSL budget at the June 6th Finance & Citywide Projects Committee. The preliminary Current Service Level (CSL) based on June 1st property values projected a revenue increase of \$17.8 million and an expenditure increase of \$13.5 million for a net surplus of \$4.3 million. CSL expenditures have increased by \$13.5 million since the adoption of the FY2015/16 Operating Budget primarily due to the following:

- Property taxes comprise approximately half of the total General Fund revenue and are a key driver of CSL revenues. The Property Appraiser provided the preliminary 2016 property values on June 1, 2016. The Commission was briefed regarding the updated CSL budget at the June 6<sup>th</sup> Finance & Citywide Projects Committee. The 2016 Preliminary Taxable Values increased 13.5% compared to the 2015 Preliminary Taxable Values, which would result in an increase of approximately \$17.8 million in General Fund property tax revenues.
- CSL revenues were estimated to increase \$17.8 million due to an \$14.6 million increase in property tax revenues (assuming the operating millage rate remained equivalent to FY 2015/16), a \$2.6 million increase in non-property tax revenues including an increase in the Resort Tax contribution of \$1.7 million for items added in mid-year and annualized items from FY 2014/15, and a decrease in prior-year set-aside (one-time revenue) of \$1.6 million. These figures do not assume additional contributions from the Resort Tax or Parking Funds.
- CSL expenditures have increased by \$13.5 million since the adoption of the FY2015/16 Operating Budget primarily due to the following:
  - 0-2 percent merit pay: \$2.2 million
  - 1 percent COLA in April 2016 and 3 percent COLA in July 2017: \$2.5 million
  - Increase in citywide Health and Life Insurance of \$706,000
  - Increase in the Police Department over-time expenses of \$1.7 million, an increase in Police allowances (hazard duty pay) due to Union negotiations of \$921,000, and an additional \$160,000 for uniforms
  - Increase in Fire allowances (hazard duty pay, uniforms) due to Union negotiations of \$1 million
  - \$253,000 for the Voluntary Pre-Kindergarten program
  - \$200,000 for the Mobility Fee Study

- o \$190,000 for the '2066 Miami Beach Rising Above and Time Capsule' project
- o Increase in Information Technology of \$240,000 due to one-time Terremark charge
- o Annualized costs for items added during FY 2015/16 such as \$760,000 for the Customer Service Center, \$534,000 for the adjustment of the PC replacement cycle from 5 to 3 years (year 2 of 2), \$238,000 for a new contract for the Building Department Inspectors and Plan Examiners, and \$112,000 for an increase in Special Master rates
- o Annualized costs for items added mid-year including \$526,000 for four traffic flow specialists, 2 analysts and 1 supervisor to support the Traffic Management Initiative, \$60,000 for towing and relocation of derelict vessels, and \$25,000 for the Miami Dade Transit Corporate program.

The preliminary Current Service Level (CSL) based on June 1<sup>st</sup> property values projected a revenue increase of \$17.8 million and an expenditure increase of \$13.5 million for a net surplus of \$4.3 million. On July 1<sup>st</sup>, we received the certified property assessment value of \$34.7 billion, which is the property assessment value used for budget purposes. On July 13<sup>th</sup>, the Commission sent the ceiling for the millage rate of 5.8888 which is estimated to generate \$160.8 million in property tax revenues. The proposed millage rate of 5.8888, which represents a decrease of 0.0235 from FY 2015/16, is to our knowledge, the lowest in the history of the City of Miami Beach, and certainly in the last 54 years for which we have found records.

**APPROACHES TO BALANCE**

At the July 22<sup>nd</sup> Finance and Citywide Projects Committee meeting, direction was given regarding the proposed Millage Rate, enhancements and efficiencies for the Operating Budget, and changes to the Capital Budget.

The July 1<sup>st</sup> certified taxable values of \$34.7 billion were 0.8 percent higher than the June 1st preliminary taxable values of \$34.4 billion. As noted in the table below, the June 1st preliminary Property Tax Revenue projections assumed the City Center CRA would grow 10 percent from 2015. The City Center CRA growth rate calculated based on July 1st certified property resulted in a 16.4 percent increase compared to 2015, thereby reducing the Citywide Total by a greater percentage than estimated. As a result, the Property Tax Revenues projections were reduced by \$177,000 for the General Fund.

	June 1st Preliminary	July 1st Certified
<b>Property Assessment</b>		
Existing Values	33,282,000,000	33,532,510,312
New Construction	1,156,000,000	1,165,246,796
Total	34,438,000,000	34,697,757,108
City Center CRA	5,305,000,000	5,612,744,843
Citywide Total	29,133,000,000	29,085,012,265
Property Tax Revenue Projection	160,956,000	160,779,000
<b>Property Tax Revenue Projection Variance</b>		<b>(177,000)</b>

## Efficiencies and Reductions

City departments continue to be proactive in identifying additional efficiencies to their current service level programs and services. As with the preparation of budgets for the last nine years, departments are continuing to analyze their budget from two perspectives: 1) reviewing for potential efficiencies, reorganizations to reduce cost, etc., without adversely impacting services; and 2) performing a modified zero-based analysis of each department budget, identifying potential service reduction alternatives versus core functions. As part of the FY 2016/17 budget process, the City Manager requested that departments submit lists of potential reductions/efficiencies totaling 3 percent of their FY 2015/16 budgets. The lists were reviewed extensively by the City Manager, Executive Team, Department Directors, and the Budget Office. At their July 6th meeting, the Finance & Citywide Projects Committee accepted the recommended reductions/efficiencies with the addition of reducing overtime in the Parks and Recreation department. The list of recommended reductions/efficiencies can be found in Attachment B. The updated savings from the recommended reductions/efficiencies in the General Fund totals \$1,108,000 of which the majority will result in minimal service impacts.

## Service Enhancements

The proposed enhancements found in Attachment C reflect service enhancements to increase public safety and cleanliness, educational and health initiatives for the city. An outline of recommended enhancements is listed below:

### General Fund

- \$1,371,000 to create a new response unit within the Fire Department for the purpose of staffing an additional Rescue Unit at Fire Station 4 which includes staffing for the Fire Boat.
- \$54,000 to expand the Miami Beach Nurse Enhancement Initiative to extend behavioral health services to Fienberg Fisher K-8 Center, South Pointe Elementary, Nautilus Middle School, Biscayne Elementary, and Miami Beach Senior High School.
- \$100,000 to provide venue, entertainment, food and decorations to replace the Convention Center site while the Center undergoes renovation to host the four citywide senior events.
- \$95,000 to increase the current level of bathroom service around the UNIDAD Senior Center area.
- \$80,000 to increase the current level of service of inclusionary aides for the summer camps.
- \$212,000 for three police officers to enhance services to the 41<sup>st</sup> Street Corridor and boardwalk coverage.

- \$143,000 for two police officers to meet the growing and changing needs of the North Beach community.
- \$45,000 to provide oversight and supervision for the City's School Resource Officer Program.

#### Special Revenue Funds

- \$141,000 to sustain the Voluntary Pre-Kindergarten program funded via the Education Compact Fund.
- \$13,000 to expand dual enrollment options at Nautilus Middle School and Miami Beach Senior High School, through a partnership with City of Miami Beach, Miami-Dade College and Miami-Dade County Public Schools funded via the Education Compact Fund.
- \$120,000 for three Ciclovía events in FY 2016/17.

#### Resort Tax

- \$255,000 for Code Compliance to add three additional positions for the purpose of coordinating, supervising and oversight of a Short-term Rental Investigation Team to increase proactive enforcement and investigation of illegal Short-Term Rentals
- \$1,093,000 for the new Entertainment District within the Police Department which includes 12 new police officers and 24/7 coverage within the entertainment area which includes Ocean Drive, Washington Avenue, Collins Avenue and any adjacent areas as required. This unit will also have dedicated homeless outreach responsibilities.
- Funding for Special Events such as the World Out Games (\$300,000), the Major League Baseball All-Star Game (\$100,000), and the North Beach Tennis Event (\$50,000), and the Miami Beach Air & Sea Show (\$650,000) will be funded from the projected FY 2015/16 year end surplus in Resort Tax.

At the July 22<sup>nd</sup> Finance and Citywide Projects Committee meeting, the following two changes were made to the list of proposed additions and service enhancements:

#### General Fund

- Added \$3 million set-aside to off-set estimated \$6 million Pension Mortality Payment in Fiscal Year 2017/18.
- Removed \$74,000 for an Energy Analyst in the Environmental & Sustainability Department.
- Added \$135,000 for the Department of Emergency Management to insure monthly, quarterly and yearly maintenance, testing and certifications of all City of Miami Beach storage tank sites and remain in compliance with DERM and the Miami Dade Regulatory and Environmental Resource Division.

- Added \$60,000 for the Office of Housing and Community Services to provide short-term employment for homeless persons placed in shelter as a transition to seeking permanent, independent employment.
- Added \$509,000 for the Department of Parks and Recreation for six full-time and two part-time Park Rangers at Lummus Park.
- Added \$50,000 for the Planning Department to create a new Office Associate III position in the Office of the Clerk of the Boards division for the purpose of scanning, indexing and archiving all Land Use, Historic Preservation & Zoning Map documents/information which are used to update the Historic Preservation webpage, and to assist in creating a Phone-App.
- Added \$187,000 for the Publics Works Department for two Greenspace Management Tree Trimmers and one bucket truck for Right-Of-Way Tree Maintenance throughout the City of Miami Beach. This was previously estimated to cost \$200,000.

#### Internal Service Fund

- Added \$70,000 for the Office of Information and Technology to connect to the NAP building in downtown Miami. A cut in this single path, as took place on April 30<sup>th</sup>, 2016, leaves the City totally disconnected from its servers at the NAP. The funds in this enhancement are to procure a physically diversified route to the NAP. Furthermore, diversifying vendors will ensure that if an issue were to affect AT&T and their ability to provide the network path, the city would still be able to reach the NAP as this path would belong to a vendor totally independent of AT&T.

#### Enterprise Fund

- Added \$48,000 for the Parking Department to create a new position within the Parking Department for the reception area which is currently serviced by temporary employees. This would reduce temporary labor costs in the department by \$40,000.

#### Resort Tax

- Added \$67,000 of one-time expenses for ATVs to support the Police enhancements approved by the Committee to be funded from the projected FY 2015/16 year end surplus in Resort Tax.

After the July 22<sup>nd</sup> Finance Committee meeting, an enhancement was added for the Procurement Department in the amount of \$45,000 to purchase software that provides support for the compliance efforts related to the local hire ordinance, in lieu of additional staffing.

#### **FY 2016/17 Proposed Budget**

Non-Property Tax Revenues have been adjusted to reflect a lower transfer from the Parking Operations Fund and were further refined based on FY 2015/16 third quarter performance. The City has been decreasing the amount of transfer of prior year Parking

Operations surplus Funds to the General Fund over time to allow funding for parking garages and other parking initiatives. In FY 2015/16, the transfer was budgeted at \$8.4 million. In FY 2016/17, the recommended transfer is \$6.4 million and in FY 2017/18, the recommended transfer is \$2 million. The net result of these changes including the proposed efficiencies and enhancements approved by the Committee on July 22<sup>nd</sup> results in a balanced budget, as shown below.

Property Tax Revenues	160,779,000
Non-property Tax Revenues	156,473,000
<b>Total Revenues</b>	<b>317,252,000</b>
Operating Budget	308,176,000
FY18 Pension Mortality Payment Set-Aside	3,000,000
Proposed Efficiencies approved by Commission	(1,036,000)
Proposed Enhancements approved by Commission	3,655,000
Capital Funded by General Fund	3,457,000
<b>Total Revenues</b>	<b>317,252,000</b>
<b>Unallocated Surplus/(Deficit)</b>	<b>-</b>

Additional information was requested for the following enhancement requests:

- Bass Museum: At the July 22<sup>nd</sup>, 2016 additional information was requested from Staff regarding the contributions provided to cultural institutions, particularly the Bass Museum. The matrix in Attachment D compares capital and operating funding provided by the City of Miami Beach to the Bass Museum, Miami City Ballet, New World Symphony, O' Cinema (Byron Carlyle), and the Colony Theater. The matrix also describes the relationship between the City of Miami Beach and those entities. Although the Bass Museum states they receive less public funding than their competitive set, they are comparing themselves to other museums in Miami-Dade County. The analysis shows that the Bass Museum is the largest recipient of annual operating funding and second largest recipient of capital funding from the City of Miami Beach amongst cultural organizations/facilities within the City. Additionally, Attachment E contains the breakdown for the \$560,000 enhancement request from the Bass Museum.
- Open Data: At the July 22, 2016 Finance and Citywide Projects meeting, Commissioner Arriola provided direction to reduce the staff commitment to this effort and begin with a smaller scope. Since then, staff has communicated with Socrata and based on these conversations, the updated cost estimate includes the following:
  - One Strategic Program Manager for policy direction and coordination: salary and fringe range is \$121,500 – \$162,000;
  - One Data Analyst responsible for the technical support and details of the program: salary and fringe range equals \$81,000 - \$121,500;
  - Procurement of Socrata services and software, including travel: \$110,000;
  - Other initial operating and capital costs including initial hardware and software have been reduced to \$50,000.

The first year estimate for this effort would be in the range of \$311,875 - \$443,500 depending on the starting salary for staff and timing of the new hires. The low end of the range estimates three months of time to hire and the lowest

pay range; while the high end estimates a hire date of October 1, 2016 at the highest pay range for the positions. The annual recurring costs would be for the two staffers and the annual fee for vendor technical support (approximately \$45,000).

### **Increased Use of Resort Taxes to offset Tourism Eligible Expenditures in the General Fund**

Based on an outside consultant study conducted in 2010 using FY 2007/08 actual costs, it is estimated that there are approximately \$50.5 million in eligible resort tax expenditures in the General Fund. However, \$8.8 million of these costs were estimated as being addressed by dedicated funding pursuant to the Miami-Dade County Convention Development Tax interlocal agreement, thereby resulting in approximately \$41.7 million in eligible Resort Tax expenses in the General Fund.

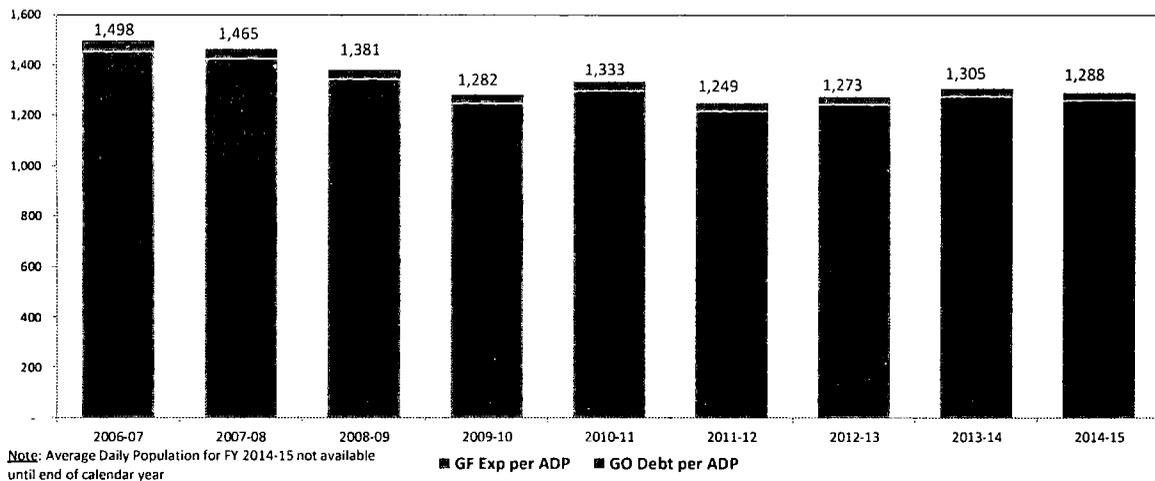
These include expenses associated with police officers serving entertainment areas; a portion of fire rescue services from Fire Stations 1 & 2; ocean rescue services; enhanced code compliance provided to respond to evening entertainment area violations and staffing of special events; other code compliance activities in tourism and visitor related facilities/areas; Tourism and Culture Department and the Cultural Arts Council; museums and theaters (Garden Center, Bass Museum, and Colony Theater); golf courses (net of revenues); Memorial Day and other special event costs; homeless services; July 4<sup>th</sup>; Visitor Center funding; holiday lights; Jewish Museum; Miami Design Preservation League (MDPL); Orange Bowl; monuments; etc.

The total proposed Resort Tax Fund transfer to the General Fund for FY 2016/17 is approximately \$37.6 million.

### **Environmental Scan**

The 2016 Environmental Scan conducted as part of the strategic planning process showed that the average daily population in the city has grown 40.9 percent from 2005 to 2015. Much of this increase consists of additional tourists (157 percent), day trippers (85 percent), and seasonal residents (60 percent). Having 40.9 percent more people in the city over the last ten years, without an offsetting increase in budget can result in services becoming degraded over time. The chart below shows the General Fund budget and General Obligation Bond Debt Service budget divided by the average daily population from 2007 to 2015. The following chart shows that the average daily population has grown faster than the budget and that the FY 2014/15 amount is 14 percent below the FY 2006/07 amount.

**General Fund and G.O. Debt Budget by Average Daily Population 2007 – 2015**



**PROPOSED FY 2016/17 ENTERPRISE FUND BUDGETS**

Enterprise Funds are comprised of Sanitation, Water, Sewer, Stormwater, Parking, and Convention Center Departments. The FY 2016/17 Enterprise Funds Budget is \$209.3 million. This represents a decrease of \$2.8 million (1 percent) from the FY 2015/16 budget of \$212.1 million, primarily due to:

- A significant reduction (\$16.7 million) in the Parking budget due to lower than anticipated revenue collections in FY 2015/16. This may be as a result of increases in parking rates which took effect in FY 2015/16, as well as the growing popularity of a variety of ride sharing companies operating in the City.
- Sewer reflects an increase in expenditures of \$7.1 million, primarily due to increased sewer treatment costs and DERM fees. The budget also includes a proposed rate increase, which would generate \$5.7 million in additional revenues.
- Stormwater reflects an increase in expenditures of \$7.3 million, primarily due to a \$6 million increase in debt service costs, as a result of the FY2017 stormwater bond.

**PROPOSED FY 2016/17 INTERNAL SERVICE FUND BUDGETS**

Internal Service Funds are comprised of the Central Services, Fleet Management, Information Technology, Risk Management, Medical & Dental and Property Management Divisions. The FY 2016/17 Internal Service Fund budget is \$83.9 million, or 4.4%, more than FY 2015/16. Internal Service costs are completely allocated to the General Fund and Enterprise Fund departments, Special Revenue Funds, and the Risk Management Fund reimburses the General Fund for the cost of legal services.

**PROPOSED FY 2016/17 RESORT TAX FUND BUDGET**

The FY 2016/17 Resort Tax budget is \$86.7 million, an increase of \$8.0 million or 10.3 percent from FY 2015/16. This increase reflects the continued increase in resort tax revenues and the implementation of an additional 1 percent resort tax to pay for the Convention Center Renovation project. Highlights are listed below:

- New enhancement of \$255,000 for Code Compliance to add three additional positions for the purpose of coordinating, supervising and oversight of a Short-term Rental Investigation Team to increase proactive enforcement and investigation of illegal Short-Term Rentals.
- New enhancement of \$1,093,000 for Police to create an Entertainment District Unit that will deploy 12 officers for 24 hour/7 day week coverage to enhance and proactively address issues unique to the entertainment district and will also have dedicated homeless outreach responsibilities. Officers will be deployed in areas of focus to include; Ocean Drive, Washington Avenue, Collins Avenue, and any adjacent areas as required.
- \$37,609,000 (a \$1 million increase) is provided to the General Fund to support new and continuing tourism eligible expenditures such as more proactive code enforcement, cleanliness index, park ranger program, homelessness at Lummus Park, hurricane and disaster preparation equipment, increased support for the Miami Beach Botanical Garden and the City's cultural facilities, public safety programs such as ocean rescue, police services on Lincoln Road, Ocean Drive/Lummus Park, Collins Avenue, Washington Avenue, ATV officers, Boardwalk security, special traffic enforcement and special event staffing; and fire rescue units in tourist and visitor areas. The funding also supports code compliance services to respond to evening entertainment areas and provides for a portion of the operational costs of the Tourism and Cultural Development.
- Includes \$2.8 million for enhancing the outcomes from major events such as Memorial Day, including management and Goodwill Ambassadors.
- The contribution to the Miami Beach Visitor and Convention Authority will increase from \$2.6 million to \$2.8 million based on the legislated funding formula.
- Maintains \$350,000 is provided to continue the local Miami Beach marketing campaign, to be matched with funds from the Greater Miami Convention and Visitors Bureau, the Miami Beach Visitor and Convention Authority, and the Cultural Arts Council.
- Maintains \$300,000 for enhanced holiday decorations in the tourism areas.
- \$200,000 contribution to help offset expenses of the Miami Beach Bowl or equivalent event.
- Maintains \$100,000 for the 4<sup>th</sup> of July event.

- The third year of a 15 year annual contribution of \$1 million to Mount Sinai Medical Center to fund the design and construction of a new Emergency Room facility.
- The contribution to the Greater Miami Convention and Visitors Bureau (GMCVB) increased from \$5.4 million to \$6.5 based on a new performance-based contract.
- Increased the transfer to Sanitation from \$542,000 to \$4,213,000 (a \$3.7 million increase) which was previously funded through the former South Pointe RDA.
- Includes the estimated debt costs of \$13 million associated with the Resort Tax revenue bonds for the redevelopment of the Miami Beach Convention Center.

### **CONCLUSION**

The FY 2016/17 Budget includes service level enhancements that address high priority needs of the City. The Administration recommends adoption of the attached Resolution which establishes tentative budgets for General, G.O. Debt Service, RDA Ad Valorem Taxes, Enterprise, and Internal Service, and Special Revenue Funds for FY 2016/17, subject to a second public hearing scheduled on Tuesday, September 27, 2016 at 5:01 P.M.

Attachment A – City Manager's FY 2016/17 Budget Message

Attachment B – FY 2016/17 Efficiencies

Attachment C – FY 2016/17 Enhancements

Attachment D – City of Miami Beach Financial Support for Cultural Institutions

Attachment E – Bass Museum Distribution of Expenses for FY17 Enhancement Request

JLM/CGR



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

Jimmy L. Morales, City Manager  
Tel: 305-673-7010, Fax: 305-673-7782

September 14, 2016

Honorable Mayor Philip Levine and Members of the City Commission:

I am pleased to transmit the Proposed Work Plan and Operating Budget for Fiscal Year (FY) 2016/17, commencing on October 1, 2016 and ending on September 30, 2017, including the Proposed Work Plan, the Proposed Operating Budget, the Proposed Capital Budget, and the associated Capital Improvement Program for FY 2016/17 through FY 2020/21. The total Proposed General Fund Operating Budget is \$317.2 million, which is \$16.9 million or 5.6 percent more than the FY 2015/16 adopted budget of \$300.3 million.

Further, General Fund reserve levels as of September 30, 2015 for the 11 percent emergency reserve and the 6 percent contingency goal were a total of \$47.5 million. The 11 percent General Fund emergency reserve requirement for FY 2016/17, based on the proposed operating budget (net of capital transfers and reserves) is \$33.0 million. This results in \$14.4 million (or 5.0 percent) available for additional contingency, if there are no additional changes in fund balance, and no additional transfers made.

#### **BUDGET HIGHLIGHTS**

- The proposed millage rate of 5.8888 is 0.0235 mills less than FY 2015/16, is to our knowledge, the lowest in the history of the City of Miami Beach, and certainly in the last 54 years for which we have found records.***
- The FY 2016/17 budget includes \$1.1 million of reductions/efficiencies as well as \$3.6 million of service enhancements to address priorities in the City's Strategic Plan.***

The City's Proposed Operating Budget in total for FY 2016/17 is \$604.7 million including the General Fund, General Obligation Debt Service, Enterprise Funds, Special Revenue Funds and Transfers to the Redevelopment District. This amount is net of Internal Service Funds and Interfund Transfers.

The City of Miami Beach has experienced significant change in the last several years, due to changes in property tax legislation, property values that first increased and then declined, and increasing pension plan contributions due to the downturn in the investment market.

In FY 2010/11 the city's approach to addressing the then deficit of \$32 million included a distribution of the shortfall between taxpayers and employees. Taxpayers had their tax rate increased from 5.9123 to 6.5025, an increase of 0.5902 mills. The goal of the Commission has been to bring them back to that level as property values increase over time. It should be remembered that between FY 2009/10 and FY 2010/11 values declined by \$2.6 billion driving the need for an increase in the millage.

In FY 2011/12 the City took its first step in that direction with a reduction in the millage rate of 0.0486 mills. The millage rate for FY 2012/13 reduced the millage by an additional 0.1062 mills. In the FY 2013/14 budget, the millage rate was reduced 0.2314 mills and in the FY 2014/15 budget the millage rate was reduced 0.0926 mills. Over four years, this reduction represented 81 percent of the goal to get back to a millage rate of 5.9123. The FY 2015/16 budget achieved the remaining goal of lowering the millage rate to the level in FY 2009/10 and set the millage rate at 5.9123.

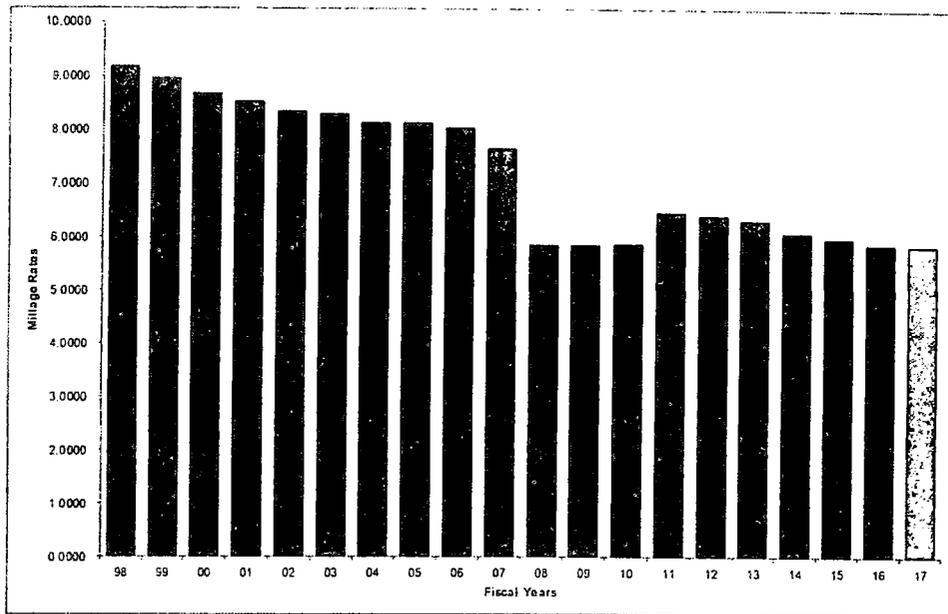
For FY 2016/17, the Administration proposes a total combined millage rate for the City of Miami Beach of 5.8888, which represents a decrease of 0.0235 mills and is to our knowledge, the lowest in the history of the City of Miami Beach, and certainly in the last 54 years for which we have found records.

Taxable Values Chart	Taxable Property Values (billions)	Final/Revised Taxable Values (billions)	Millage Rates		Tax Levy (in millions)	
			Total Combined Citywide Millage	General Fund/RDA Millage	Total Tax Levy including Debt	General Fund Total (including S. Pointe, and Renewal & Replacement)
FY1997/98	\$ 6.46	\$ 6.40	9.2100	7.4990	\$ 57.45	\$ 46.78
FY1998/99	\$ 6.97	\$ 6.87	8.9830	7.4990	\$ 60.37	\$ 44.66
FY1999/00	\$ 7.66	\$ 7.54	8.6980	7.4990	\$ 64.29	\$ 47.36
FY2000/01	\$ 8.37	\$ 8.22	8.5550	7.3990	\$ 69.08	\$ 49.75
FY2001/02	\$ 9.40	\$ 9.22	8.3760	7.2990	\$ 75.97	\$ 54.37
FY2002/03	\$ 10.56	\$ 10.41	8.3220	7.2990	\$ 84.81	\$ 61.05
FY2003/04	\$ 12.09	\$ 11.85	8.1730	7.2990	\$ 95.39	\$ 68.17
FY2004/05	\$ 14.04	\$ 13.86	8.1730	7.4250	\$ 110.74	\$ 79.38
FY2005/06	\$ 17.45	\$ 17.15	8.0730	7.4810	\$ 135.91	\$ 111.69
FY2006/07	\$ 22.74	\$ 22.26	7.6730	7.3740	\$ 168.38	\$ 140.31
FY2007/08	\$ 26.85	\$ 26.14	5.8970	5.6555	\$ 150.42	\$ 125.33
FY2008/09	\$ 26.90	\$ 25.89	5.8930	5.6555	\$ 150.59	\$ 125.94
FY2009/10	\$ 24.70	\$ 23.24	5.9123	5.6555	\$ 138.70	\$ 115.73
FY2010/11	\$ 22.10	\$ 20.97	6.5025	6.2155	\$ 136.55	\$ 112.14
FY2011/12	\$ 21.98	\$ 20.75	6.4539	6.1655	\$ 134.75	\$ 111.29
FY2012/13	\$ 23.07	\$ 22.02	6.3477	6.0909	\$ 139.10	\$ 114.32
FY2013/14	\$ 24.66	\$ 23.64	6.1163	5.8634	\$ 143.26	\$ 117.41
FY2014/15	\$ 27.10	\$ 26.27	6.0237	5.7942	\$ 155.10	\$ 127.76
FY2015/16	\$ 30.70	\$ 29.92	5.9123	5.7092	\$ 172.39	\$ 143.16
FY2016/17	\$ 34.70	*	5.8888	5.7092	\$ 193.74	\$ 160.78

\* Information will be available next fiscal year

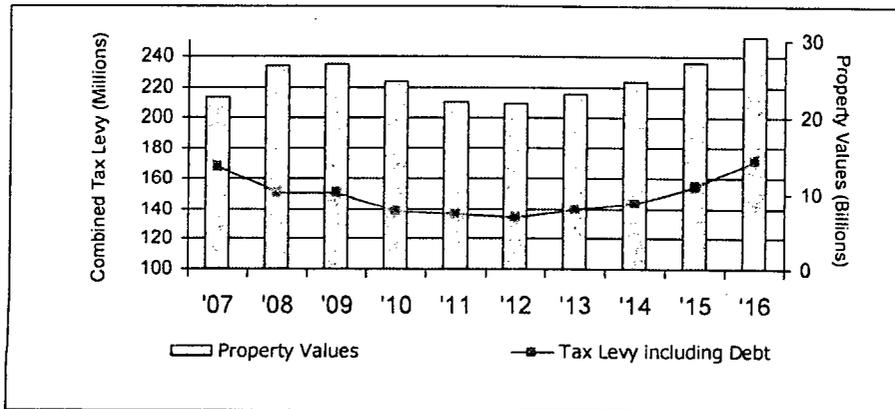
The City of Miami Beach has made strides in significantly reducing tax rates as property values have increased. Between FY 1999/00 and FY 2009/10, the total combined City of Miami Beach

property tax rates declined approximately 2.8 mills. In FY 2007/08 alone, the millage rate declined by approximately 1.8 mills, with annual savings to the average homesteaded property of over \$400.



Further, although the City increased the operating tax rate by 0.56 mills in FY 2010/11, the City's proposed combined millage rate is now the lowest in the history of the City and the rate remains approximately 2.8 mills or 32 percent lower than it was in FY 1999/00.

### Property Values and Tax Levy



Today's General Fund Operating Budget also reflects greater diversification of revenues since FY 2006/07. The Proposed Work Plan and Budget includes \$37.6 million in resort taxes to fund tourism-eligible expenditures and a \$6.4 million transfer of Parking Operations Fund year-end surplus. In large part due to these alternative sources, property tax revenues represent half of the total funding for the General Fund budget, as compared to 59 percent in FY 2006/07, a significant reduction over the past several years.

Although the economy is slowly recovering, the impact of the Great Recession impacted both property tax revenues as well as pension costs. Therefore, the City's strategy continues to consider the long term financial sustainability of the City. Beginning with the development of the FY 2009/10 budget, a strategy was developed to address short-term, mid-term and long-term financial needs.

- Short-term financial strategies have included ongoing efficiencies and wage concessions by employees.
- Mid-term financial sustainability has been addressed by pension concessions from current employees in the Miami Beach Employees Retirement Plan
- Longer term financial sustainability is enhanced by the pension plan restructures that have been put in place for employees in the City's retirement plans. Further, additional pension plan reform recommendations were developed by the City's Budget Advisory Committee (BAC) for the Fire and Police Pension Plan for consideration as part of the FY 2013/14 adopted budget. While the specific BAC recommendations were not implemented, the pension reform agreed upon by IAFF and FOP generated savings is in excess of the BAC recommendations: \$5.6 million in the first year, \$1.9 million in the second year, and \$140 million net present value over 30 years.

Of note, the FY 2016/17 General Fund Budget is about \$79.5 million (33.5 percent) more than the FY 2006/07 budget, despite pension contribution increases of \$30.6 million during the same *period*. At this point, annual contributions to the City's two pension plans alone represent more than \$53.7 million (17 percent) of the total General Fund budget. As a result, pension reform continues to be a high priority for the City.

During FY 2015/16 both pension boards voted to decrease the investment rate of return for their plans to more conservative assumptions over the next several years due to market performance and there continues to be a negative trend nationwide in pension plan performance which will continue to place pressure on municipal budgets in the future. The impact to the FY 2016/17 Budget from the annual required contribution (ARC) for both plans is \$1.9 million. It should be noted that the ARC for both funds would have been much less without the change in the investment rate assumptions. Additionally, beginning in FY 2017/18, the City will be required to pay the pension mortality payment as part of the annual pension contribution. This payment is estimated to be approximately \$6 million in FY 2017/18 of which \$3 million is set aside to offset the payment in the FY2016/17 Budget. Lastly, the funded net position as a percentage of total pension liability is 72 percent for the Fire and Police plan and 70 percent for the General Employees plan as of the most recent valuation dates.

## **FY 2016/17 PROPOSED WORK PLAN AND BUDGET OVERVIEW**

As in past years, the Proposed Work Plan and Budget was developed through an intensive review process with our City Commission. Preliminary budget information was provided at the Commission Retreat on May 12<sup>th</sup> and in meetings with the Finance and Citywide Projects Committee (FCWPC) on June 6<sup>th</sup>, July 6<sup>th</sup>, and July 22<sup>nd</sup>.

## **GENERAL FUND CURRENT SERVICE LEVEL BUDGET DEVELOPMENT**

The General Fund is the primary source of funding for the majority of City services. Revenues are derived from ad valorem property taxes, franchise and utility taxes, business license and permit fees, revenue sharing from various statewide taxes, user fees for services, fines, rents and concession fees and interest income. Additionally, intergovernmental revenues from Miami-Dade County and Resort Taxes contribute funding for tourist-related activities provided by General Fund departments.

The first step in preparing the FY 2016/17 budget was an evaluation of Current Service Level (CSL) revenues and expenditures. CSL revenues represent the amount of revenues that would be generated based on existing tax rate, fees and charges. CSL expenditures represent the expenditures associated with providing the same level of service next year as in the current budget year.

At the Strategic Planning Retreat on May 12, 2016, the Commission was briefed regarding the preliminary General Fund Current Service Level (CSL) budget. The CSL 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.

Property taxes comprise approximately half of the total General Fund revenue and are a key driver of CSL revenues. The Property Appraiser provided the preliminary 2016 property values on June 1, 2016. The Commission was briefed regarding the updated CSL budget at the June 6<sup>th</sup> Finance & Citywide Projects Committee. The preliminary Current Service Level (CSL) based on June 1st property values projected a revenue increase of \$17.8 million and an expenditure increase of \$13.5 million for a net surplus of \$4.3 million. CSL expenditures have increased by \$13.5 million since the adoption of the FY 2015/16 Operating Budget primarily due to the following:

- 0-2 percent merit pay: \$2.2 million
- 1 percent COLA in April 2016 and 3 percent COLA in July 2017: \$2.5 million
- Increase in citywide Health and Life Insurance of \$706,000
- Increase in the Police Department over-time expenses of \$1.7 million, an increase in Police allowances (hazard duty pay) due to Union negotiations of \$921,000, and an additional \$160,000 for uniforms
- Increase in Fire allowances (hazard duty pay, uniforms) due to Union negotiations of \$1 million
- \$253,000 for the Voluntary Pre-Kindergarten program
- \$200,000 for the Mobility Fee Study

- \$190,000 for the '2066 Miami Beach Rising Above and Time Capsule' project
- Increase in Information Technology of \$240,000 due to one-time Terremark charge
- Annualized costs for items added during FY 2015/16 such as \$760,000 for the Customer Service Center, \$534,000 for the adjustment of the PC replacement cycle from 5 to 3 years (year 2 of 2), \$238,000 for a new contract for the Building Department Inspectors and Plan Examiners, and \$112,000 for an increase in Special Master rates
- Annualized costs for items added mid-year including \$526,000 for four traffic flow specialists, 2 analysts and 1 supervisor to support the Traffic Management Initiative, \$60,000 for towing and relocation of derelict vessels, and \$25,000 for the Miami Dade Transit Corporate program.

On July 1<sup>st</sup>, we received the certified property assessment value of \$34.7 billion, which is the property assessment value used for budget purposes. On July 13<sup>th</sup>, the Commission set the ceiling for the millage rate of 5.8888 which is estimated to generate \$160.8 million in property tax revenues.

### APPROACHES TO BALANCE

At the July 22<sup>nd</sup> Finance and Citywide Projects Committee meeting, direction was given regarding the proposed Millage Rate, enhancements and efficiencies for the Operating Budget, and changes to the Capital Budget.

The July 1<sup>st</sup> certified taxable values of \$34.7 billion were 0.8 percent higher than the June 1<sup>st</sup> preliminary taxable values of \$34.4 billion. As noted in the table below, the June 1<sup>st</sup> preliminary Property Tax Revenue projections assumed the City Center CRA would grow 10 percent from 2015. The City Center CRA growth rate calculated based on July 1<sup>st</sup> certified property value resulted in a 16.4 percent increase compared to 2015, thereby reducing the Citywide Total by a greater percentage than estimated. As a result, the Property Tax Revenues projections were reduced by \$177,000 for the General Fund.

	June 1 <sup>st</sup> Preliminary	July 1 <sup>st</sup> Certified
Property Assessment		
Existing Values	33,282,000,000	33,532,510,312
New Construction	1,156,000,000	1,165,246,796
Total	34,438,000,000	34,697,757,108
City Center CRA	5,305,000,000	5,612,744,843
Citywide Total	29,133,000,000	29,085,012,265
Property Tax Revenue Projection	160,956,000	160,779,000
<b>Property Tax Revenue Projection Variance</b>		<b>(177,000)</b>

The proposed millage rate of 5.8888, which represents a decrease of 0.0235 from FY 2015/16, is to our knowledge, the lowest in the history of the City of Miami Beach, and certainly in the last 54 years for which we have found records.

## **Efficiencies and Reductions**

City departments continue to be proactive in identifying additional efficiencies to their current service level programs and services. As with the preparation of budgets for the last nine years, departments are continuing to analyze their budget from two perspectives: 1) reviewing for potential efficiencies, reorganizations to reduce cost, etc., without adversely impacting services; and 2) performing a modified zero-based analysis of each department budget, identifying potential service reduction alternatives versus core functions. As part of the FY 2016/17 budget process, the City Manager requested that departments submit lists of potential reductions/efficiencies totaling 3 percent of their FY 2015/16 budgets. The lists were reviewed extensively by the City Manager, Executive Team, Department Directors, and the Budget Office. At their July 6<sup>th</sup> meeting, the Finance & Citywide Projects Committee accepted the recommended reductions/efficiencies with the addition of reducing overtime in the Parks and Recreation department. The list of recommended reductions/efficiencies can be found in Attachment A. The updated savings from the recommended reductions/efficiencies in the General Fund totals \$1,108,000 of which the majority will result in minimal service impacts.

## **Service Enhancements**

The proposed enhancements found in Attachment B reflect service enhancements to increase public safety and cleanliness, educational and health initiatives for the city. An outline of recommended enhancements is listed below:

### General Fund

- \$1,371,000 to create a new response unit within the Fire Department for the purpose of staffing an additional Rescue Unit at Fire Station 4 which includes staffing for the Fire Boat.
- \$54,000 to expand the Miami Beach Nurse Enhancement Initiative to extend behavioral health services to Fienberg Fisher K-8 Center, South Pointe Elementary, Nautilus Middle School, Biscayne Elementary, and Miami Beach Senior High School.
- \$100,000 to provide venue, entertainment, food and decorations to replace the Convention Center site while the Center undergoes renovation to host the four citywide senior events.
- \$95,000 to increase the current level of bathroom service around the UNIDAD Senior Center area.
- \$80,000 to increase the current level of service of inclusionary aides for the summer camps.
- \$212,000 for three police officers to enhance services to the 41<sup>st</sup> Street Corridor and boardwalk coverage.
- \$143,000 for two police officers to meet the growing and changing needs of the North Beach community.

- \$45,000 to provide oversight and supervision for the City's School Resource Officer Program.

#### Special Revenue Funds

- \$141,000 to sustain the Voluntary Pre-Kindergarten program funded via the Education Compact Fund.
- \$13,000 to expand dual enrollment options at Nautilus Middle School and Miami Beach Senior High School, through a partnership with City of Miami Beach, Miami-Dade College and Miami-Dade County Public Schools funded via the Education Compact Fund.
- \$120,000 for three Ciclovía events in FY 2016/17.

#### Resort Tax

- \$255,000 for Code Compliance to add three additional positions for the purpose of coordinating, supervising and oversight of a Short-term Rental Investigation Team to increase proactive enforcement and investigation of illegal Short-Term Rentals.
- \$1,093,000 for the new Entertainment District within the Police Department which includes 12 new police officers and 24/7 coverage within the entertainment area which includes Ocean Drive, Washington Avenue, Collins Avenue and any adjacent areas as required. This unit will also have dedicated homeless outreach responsibilities.
- Funding for Special Events such as the World Out Games (\$300,000), the Major League Baseball All-Star Game (\$100,000), the North Beach Tennis Event (\$50,000), and the Miami Beach Air & Sea Show (\$650,000) will be funded from the projected FY 2015/16 year end surplus in Resort Tax.

At the July 22<sup>nd</sup> Finance and Citywide Projects Committee meeting, the following two changes were made to the list of proposed additions and service enhancements:

#### General Fund

- Added \$3 million set-aside to off-set estimated \$6 million Pension Mortality Payment in Fiscal Year 2017/18.
- Removed \$74,000 for an Energy Analyst in the Environmental & Sustainability Department.
- Added \$135,000 for the Department of Emergency Management to insure monthly, quarterly and yearly maintenance, testing and certifications of all City of Miami Beach storage tank sites and remain in compliance with DERM and the Miami Dade Regulatory and Environmental Resource Division.

- Added \$60,000 for the Office of Housing and Community Services to provide short-term employment for homeless persons placed in shelter as a transition to seeking permanent, independent employment.
- Added \$509,000 for the Department of Parks and Recreation for six full-time and two part-time Park Rangers at Lummus Park.
- Added \$50,000 for the Planning Department to create a new Office Associate III position in the Office of the Clerk of the Boards division for the purpose of scanning, indexing and archiving all Land Use, Historic Preservation & Zoning Map documents/information which are used to update the Historic Preservation webpage, and to assist in creating a Phone-App.
- Added \$187,000 for the Public Works Department for two Greenspace Management Tree Trimmers and one bucket truck for Right-Of-Way Tree Maintenance throughout the City of Miami Beach. This was previously estimated to cost \$200,000.

#### Internal Service Fund

- Added \$70,000 for the Office of Information and Technology to connect to the NAP building in downtown Miami. A cut in this single path, as took place on April 30<sup>th</sup>, 2016, leaves the City totally disconnected from its servers at the NAP. The funds in this enhancement are to procure a physically diversified route to the NAP. Furthermore, diversifying vendors will ensure that if an issue were to affect AT&T and their ability to provide the network path, the city would still be able to reach the NAP as this path would belong to a vendor totally independent of AT&T.

#### Enterprise Fund

- Added \$48,000 for the Parking Department to create a new position within the Parking Department for the reception area which is currently serviced by temporary employees. This would reduce temporary labor costs in the department by \$40,000.

#### Resort Tax

- Added \$67,000 of one-time expenses for ATVs to support the Police enhancements approved by the Committee to be funded from the projected FY 2015/16 year end surplus in Resort Tax.

After the July 22<sup>nd</sup> Finance Committee meeting, an enhancement was added for the Procurement Department in the amount of \$45,000 to purchase software that provides support for the compliance efforts related to the local hire ordinance, in lieu of additional staffing.

### **FY 2016/17 Proposed Budget**

Non-Property Tax Revenues have been adjusted to reflect a lower transfer from the Parking Operations Fund and were further refined based on FY 2015/16 third quarter performance. The City has been decreasing the amount of transfer of prior year Parking Operations surplus funds to

the General Fund over time to allow funding for parking garages and other parking initiatives. In FY 2015/16, the transfer was budgeted at \$8.4 million. In FY 2016/17, the recommended transfer is \$6.4 million and in FY 2017/18, the recommended transfer is \$2 million. The net result of these changes including the proposed efficiencies and enhancements approved by the Committee on July 22<sup>nd</sup> results in a balanced budget, as shown below.

Property Tax Revenues	160,779,000
Non-property Tax Revenues	156,473,000
<b>Total Revenues</b>	<b>317,252,000</b>
Operating Budget	308,176,000
FY18 Pension Mortality Payment Set-Aside	3,000,000
Proposed Efficiencies approved by Commission	(1,036,000)
Proposed Enhancements approved by Commission	3,655,000
Capital Funded by General Fund	3,457,000
<b>Total Revenues</b>	<b>317,252,000</b>
<b>Unallocated Surplus/(Deficit)</b>	<b>-</b>

### Increased Use of Resort Taxes to offset Tourism Eligible Expenditures in the General Fund

Based on an outside consultant study conducted in 2010 using FY 2007/08 actual costs, it is estimated that there are approximately \$50.5 million in eligible resort tax expenditures in the General Fund. However, \$8.8 million of these costs were estimated as being addressed by dedicated funding pursuant to the Miami-Dade County Convention Development Tax interlocal agreement, thereby resulting in approximately \$41.7 million in eligible Resort Tax expenses in the General Fund.

These include expenses associated with police officers serving entertainment areas; a portion of fire rescue services from Fire Stations 1 & 2; ocean rescue services; enhanced code compliance provided to respond to evening entertainment area violations and staffing of special events; other code compliance activities in tourism and visitor related facilities/areas; Tourism and Culture Department and the Cultural Arts Council; museums and theaters (Garden Center, Bass Museum, and Colony Theater); golf courses (net of revenues); Memorial Day and other special event costs; homeless services; July 4<sup>th</sup>; Visitor Center funding; holiday lights; Jewish Museum; Miami Design Preservation League (MDPL); Orange Bowl; monuments; etc.

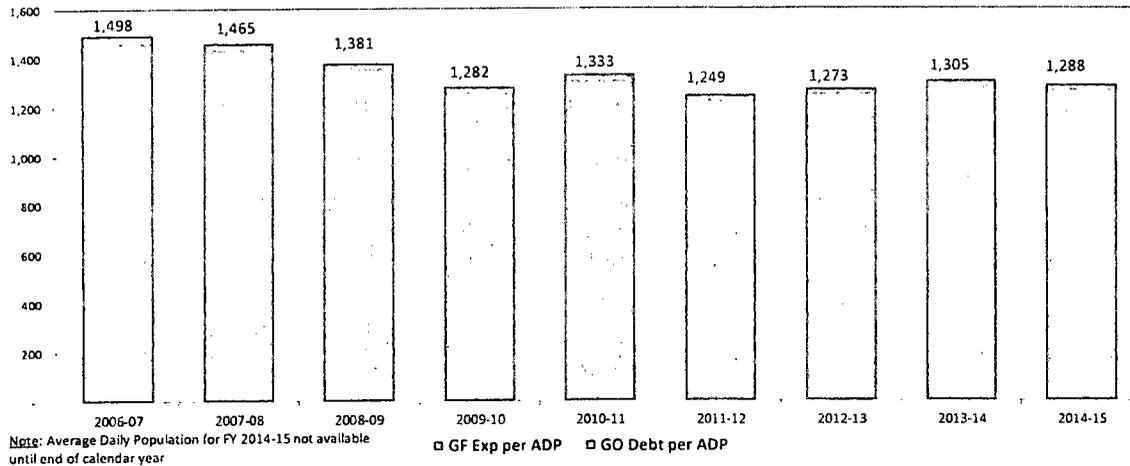
The total proposed Resort Tax Fund transfer to the General Fund for FY 2016/17 is approximately \$37.6 million.

### ENVIRONMENTAL SCAN

The 2016 Environmental Scan conducted as part of the strategic planning process showed that the average daily population in the city has grown 40.9 percent from 2005 to 2015. Much of this increase consists of additional tourists (157 percent), day trippers (85 percent), and seasonal residents (60 percent). The chart below shows the General Fund budget and General Obligation Bond Debt Service budget divided by the average daily population from 2007 to 2015. The

following chart shows that the average daily population has grown faster than the budget and that the FY 2014/15 amount is 14 percent below the FY 2006/07 amount.

**General Fund and G.O. Debt Budget by Average Daily Population 2007 - 2015**



**TO ADDRESS PRIORITIES IDENTIFIED BY THE COMMUNITY.**

In 2016, the City of Miami Beach conducted its sixth set of comprehensive statistically valid community satisfaction surveys. The Community Survey was designed to receive both resident and business input on quality of life, city services, and taxes; and to identify key drivers for improvement.

The 2016 survey continued to build on many of the questions asked in previous surveys for historical trend comparison. The additional questions posed in the 2016 survey represented the City's efforts to enhance resiliency and sustainability, and included a focus on communication and programming efforts. While residents and business owners provided honest feedback in their ratings by identifying areas for improvement, over 73 percent of residents would recommend the City of Miami Beach as a place to live, and over 72 percent of business owners would recommend the City of Miami Beach to others as a place to run a business.

Overall results from the 2016 Community Survey reflect the areas of concern the City is already conscientiously addressing, with large projects such as alternative forms of public transit, cleanliness in public areas, and addressing the homelessness. Emerging trends in the desires of the Community however, reflect long-term strategies the City has begun to fund in the FY 2016/17 Budget, including resiliency and sustainability efforts, increase in recreation programming, and continued strides in public safety.

These results indicate general feedback and input from our residents and businesses on their level of satisfaction with the services we provide, as well as refined priority areas for the organization to focus on, and actionable recommendations for improvements to our services.

Detailed survey results are available on the City's website and the FY 2016/17 Citywide Work Plan can be found in [Attachment D](#).

## **PUBLIC SAFETY**

### **Accountability**

The Body-Worn Camera program in the Police Department was initiated in FY 2014/15 with the acquisition of 100 cameras to improve transparency and accountability by recording police officers' interactions with the public. The FY 2015/16 Budget included funding for an additional 50 body-worn cameras and the FY 2016/17 Budget includes an additional \$276,000 for this initiative. Body-worn cameras are an important tool that will be an integrated part of the City's problem-solving and community-engagement strategy, helping to increase both trust and communication between the police and the community.

### **Enhancing Safety & Emergency Preparedness**

The FY 2016/17 Budget includes funding for additional Police Officers including creating a new dedicated Entertainment District unit, three officers dedicated to Mid Beach and two officers dedicated to North Beach. The new Entertainment District unit within the Police Department will be comprised of twelve new police officers and 24/7 coverage within the entertainment area which includes Ocean Drive, Washington Avenue, Collins Avenue and any adjacent areas as required. This unit will also have dedicated homeless outreach responsibilities. Additionally, the FY 2016/17 budget includes a School Liaison position to provide oversight of the City's School Resource Officer Program through the Police Department.

The FY 2016/17 Budget also includes funding for a new response unit within the Fire Department for the purpose of staffing an additional Rescue Unit at Fire Station 4 which includes staffing for the Fire Boat.

According to the results of the 2016 Community Survey, residents rated the job the city is doing to address the homeless as excellent or good at only 25 percent. The FY 2016/17 Budget includes funding for a Work Training Program in the Office of Housing and Community Services for to provide short-term employment for homeless persons placed in shelters as a transition to seeking permanent, independent employment. While gaining reintegration experience into the workplace (thereby discouraging a return to homelessness), the assisted clients will know the locations, priorities and issues relevant to those homeless remaining on the streets which will enable City staff to engage additional homeless and help elevate them out of homelessness.

As a result of the recommendation from the Ocean Drive Task Force, the FY 2016/17 Budget includes funding for additional Park Rangers in the Department of Parks and Recreation at Lummus Park to ensure coverage seven days a week from 8 am to midnight.

## **PREMIER NEIGHBORHOODS**

### **Beauty of Neighborhoods**

Enhancing the beauty and vibrancy of urban and residential neighborhoods is a Key Intended Outcome in the City's strategic plan. The FY 2016/17 Budget includes funding for two Greenspace Management Tree Trimmers and associated equipment for Right-Of-Way Tree Maintenance throughout the City of Miami Beach.

### **Code Enforcement**

The FY 2016/17 Budget includes funding to enhance a more proactive code compliance environment by adding three Code Compliance Officers focused on proactive enforcement and investigation of illegal Short-Term Rentals.

### **Cultural and Recreational Activities**

Several enhancements are included in the FY 2016/17 Budget that support the City's KIO for enhancing cultural and recreational activities: additional inclusionary aides to meet the demand for special need children to be enrolled in summer camps and funding to provide a venue for seniors while the Convention Center undergoes renovation.

Additionally, funding from a surplus in Resort Tax revenue in FY 2015/16 will fund \$1.25 million of special events to be held in 2017 including: the Miami Beach Air & Sea Show, the World Out Games, the Major League Baseball All-Star Game and the North Beach Tennis Event. Funding is also included in the FY 2016/17 Budget for the popular Ciclovía community event.

### **Cleanliness**

Cleanliness of our City continues to be a priority for our residents and businesses. The City uses a quantitative index to assess the impact of these efforts and results have shown significant overall improvement in the last eleven years. In FY 2014/15, 84.6 percent of public areas citywide were rated as clean or very clean compared to 65.2 percent in FY 2005/06.

The City's strategic plan includes key intended outcomes (KIOs) to improve cleanliness in high traffic areas and city beaches, and to maximize deployment of trash cans citywide. The FY 2016/17 budget includes funding to expand the "can on every corner" initiative by adding 100 more trash cans across the City. During FY 2014/15, the City Commission approved enhancing parking lot cleanliness by adding a roving crew to address illegal dumping, litter, and other deficiencies.

The FY 2016/17 Budget also includes funding to expand the hours of cleaning services for the UNIDAD Senior Center restrooms which are also open to the public to ensure cleanliness of restrooms.

### **Pedestrian Safety**

The 2016 Community Survey showed a decrease in the adequacy of street lighting from 78 percent in 2009 to 62 percent in 2016. In addition, elevating walkability and pedestrian safety is a key intended outcome in the City's strategic plan. The FY 2016/17 Capital Budget includes Renewal & Replacement funding the Street Lighting program for neighborhoods which will increase pedestrian safety by implementing Lighting and Crime Prevention Through Environmental (CPTED) improvements throughout the city.

## **INFRASTRUCTURE**

### **Storm Drainage**

The 2016 Community Survey continued to identify storm drainage as a key issue for residents. Resident reflected an increase in satisfaction with stormwater pump installations with 47 percent rating storm drainage improvements as excellent or good compared to 2009 (44 percent) and 2014 (25 percent). During FY 2013/14, two new committees were formed to address the City's current and future drainage issues, the Mayor's Blue Ribbon Panel on Flooding and Sea Rise and the Flooding Mitigation Committee. This coupled with nearly nine out of ten residents (87 percent) claimed they would support the City spending tax dollars to address rising sea levels, ensures the City will continue its efforts to support stormwater improvements over the next fiscal year.

The City's strategic plan includes a KIO to ensure reliable stormwater management and resiliency against flooding through short and long-term solutions addressing sea-level rise. The FY 2014/15 Budget included funding for several positions to implement dozens of planned stormwater projects over the next five years to help convert the city's drainage system from a gravity-based system to a pumped system. The FY 2015/16 Budget included two positions in the Public Works department to enhance preventive maintenance to the stormwater infrastructure system that would focus on maintenance of the storm sewer mains. The FY 2016/17 includes a position that will focus on expediting projects through design engineering and oversight.

### **Traffic Flow**

In the 2016 Community Survey, traffic continued to rate as a primary concern for residents with only 8.4 percent rated traffic flow as excellent or good. Although ratings for traffic flow remain unfavorable, both residents and businesses have expressed interest in alternate modes of transportation, primarily public transit. To accommodate this request, increasing mobility through trolleys, local bus circulators, and enhancing safety of pedestrian and bike lanes has been a priority. Nearly half of residents indicated they would consider taking the local bus circulator, trolley or light rail as an alternative to taking a car, 37.9 percent, 44.0 percent, and 45.2 percent respectively. During FY 2014/15, the City Commission voted to expand the City's trolley system from the existing North Beach Loop to include a Mid Beach Loop, a South Beach Loop, and a Collins Link. The FY 2016/17 Capital Budget also earmarks \$36 million in funding for the proposed Light Rail/Modern Street Car project.

The FY 2016/17 Capital Budget further expands the City's initiative to promote a bicycle safety campaign to help reduce accidents in the community by including funding to paint bicycle lanes green and create protected lanes to help separate bike and auto traffic on busy streets.

The FY 2016/17 Capital Budget includes additional funding for the deployment of an interim Intelligent Transportation System (ITS) and Smart Parking solution major special events and high impact periods. The long-term ITS solution is projected to cost approximately \$14.6 million, of which \$6.5 million in funding has been identified.

The FY 2015/16 Budget included an additional motor unit in Police, which resulted in a 50 percent increase in staffing to address traffic issues, improve enforcement, and provide additional visibility and an expanded loading zone enforcement program in Parking to reduce obstruction of traffic (double parking) on major thoroughfares. The scope of the program expands enforcement from the entertainment district to all areas of the city.

### **Build and Maintain Priority Infrastructure**

The 2016 Community Survey continued to indicate the concern for sidewalk improvements. Only 38 percent of residents rated the condition of sidewalks as excellent or good. The FY 2016/17 Capital Budget includes funding of \$1 million for Pavement and Sidewalk improvements.

The FY 2016/17 Capital Budget includes \$2.4 million in Pay-As-You-Go funding for capital projects. Projects funded in this category will help address pressing needs such as: neighborhood projects; street lighting and irrigation improvements; park projects; and other projects that enhance public safety.

Additionally, funding is included for the Storage Tank Maintenance Program in the Office of Emergency Management in order to ensure environmental compliance of standards as established by the Miami Dade Regulatory Environmental Division and the Department of Environmental Resources Management.

## **EDUCATION EXCELLENCE**

### **Achieve Educational Excellence**

The FY 2016/17 budget includes funding for several initiatives to support K-12 Excellence including the second year of funding for the Voluntary Pre-Kindergarten program, expansion of the Miami Beach Nurse Enhancement Initiative providing behavioral health services to Fienberg Fisher K-8 Center, South Pointe Elementary, Nautilus Middle School, Biscayne Elementary, and Miami Beach Senior High School, and expansion of dual enrollment options at Nautilus Middle School and Miami Beach Senior High School, through a partnership with City of Miami Beach, Miami-Dade College and Miami-Dade County Public Schools.

## **MANAGEMENT & SERVICE DELIVERY**

### **Financial Transparency**

During FY 2014/15, the City launched an interactive financial transparency portal, which provides the public with unprecedented access to fiscal information. The portal provides online access to the budget and displays multiple views of current and historic revenue and expenses down to the fund, department, and object code level. This powerful visualization software transforms volumes of raw data into actionable insight and information, enabling better analysis and understanding of the City's budget and how taxpayer money is allocated. To access the platform, visit: <https://miamibeachfl.opengov.com/transparency>

The FY2016/17 budget also includes a \$3 million set-aside to offset an estimated \$6 million Pension Mortality Payment expected in FY 2017/18.

### **Streamline Delivery of Services**

Several administrative enhancements that support the KIO in the strategic plan to streamline the delivery of services through all departments are included in the FY 2016/17 Budget such as:

- Create network path continuity in the physical paths routing the circuits that connect the City of Miami Beach to the Terremark Network Access Point (NAP) datacenter where the City's servers reside through the IT Department.
- Streamline the purpose of scanning, indexing and archiving all Land Use, Historic Preservation & Zoning Map documents/information, used to update the Historic Preservation webpage by adding a position in the Planning Department that is intended to be filled by a participant of the Best Buddies program.
- Purchase software that provides support for the compliance efforts related to the local hire ordinance for the Procurement Department.

In FY 2014/15, the City began the Munis/Energov technology project to replace its existing Enterprise Resource Planning System (ERP) and permitting and licensing system over the next three years. This key project includes funding for a full business process review (BPR) of all functional areas of the new systems prior to the commencement of implementation activities. The goal of the BPR is two-fold: (1) make business operations more efficient and effective; (2) and more effectively utilize technological investments. In this manner, the new systems will be aligned with improved processes offering the greatest opportunity to improve the City's business operations. Many positive process changes are anticipated as the Munis/Energov project progresses during FY 2016/17. The FY 2016/17 Budget also includes a dedicated position to support the project in the IT Department.

Since FY 2005/06, the annual budget has included funding specifically for Information & Communications Technology Projects. Each year, departments propose projects which are then reviewed and prioritized by the IT Steering Committee, which is comprised of the Assistant City Managers, the Chief Financial Officer, the Fire and Police Chiefs, the IT Director, and the Budget Director.

Funding for the FY 2015/16 proposed projects totals \$534,000 and is funded by a transfer of \$395,000 from the General Fund and a transfer of \$139,000 from the Information & Communications Technology Fund Balance. Below is a summary of the proposed projects.

- Surveillance Camera Storage Solution (\$169,000): This project would purchase additional storage for the Police Department's expanding surveillance camera program.
- Control Room Storage Upgrades (\$120,000): The project will purchase an additional 100 TB of storage capacity for the Communications department to store Commission and Committee meetings. This will also allow the Communications department to edit media in real-time.
- Miami Beach Rising Above Portal (\$120,000): This project will purchase a portal for the Miami Beach Rising Above project that will focus on bringing attention to citywide resiliency, adaption and climate mitigation strategies and initiatives.
- Parks and Recreation Software (\$75,000): This project will allow the Department of Parks and Recreation Department to procure a software solution for the registration and scheduling of programs as well as keep track of point of sale transactions and inventory.
- Audit Management Software (\$39,000): This project would address the City's Internal Audit department's need to automate the internal audit process. The Audit Management software includes risk assessment, scheduling, planning, execution, review, report generation, trend analysis, and audit committee reporting and storage. An additional feature of the software is the ability to automate follow up of all findings.
- Power DMS (\$11,000): This project will allow for the purchase of document management software for the Code Compliance department which will provide an all-inclusive solution for the electronic maintenance and administration of Standard Operating Procedures (SOPs), certification and other document-based elements. The web-based software will also allow administrators to effectively distribute policies, train staff and manage other accreditation related issues.

## **ANALYSIS OF PROPERTY VALUES IN MIAMI BEACH**

On July 1, 2016, the City received the 2016 Certification of Taxable Value from the Property Appraiser's Office stating that the taxable value for the City of Miami Beach is \$34.6 billion including \$1.1 billion in new construction. The certified 2016 value represents an increase of \$3.9

billion or 13.03 percent more than the July 1, 2015, Certification of Taxable Value of \$30.6 billion.

As shown in the following table, the comparative assessed values for the Miami Beach Redevelopment Agency City Center redevelopment district increased from \$4.8 billion to \$5.6 billion an increase of \$791 million or a 16.4 percent increase over 2015 certified values. Citywide values excluding City Center increased from \$25.9 billion to \$29.0 billion, an increase of \$3.2 billion or 12.4 percent. Values outside the City Center area determine General Fund revenues.

	Jan. 1 2015 Value (in billions)			% Chg.	Jan. 1, 2016 Value (in billions)	Change from 2015 Value (Budget)	
	As of July 1, 2015 (For 2015/16 Budget)	Revised Value (For 2015/16 Projection)	Change in 2015 Values		As of July 1, 2016 (For 2016/17 Budget)	\$ (in billions)	% Chg
Total Citywide	\$ 30.6978	\$ 29.9200	(0.7778)	-2.5%	\$ 34.6977	\$ 3.9999	13.0%
RDA - City Ctr	\$ 4.8216	\$ 4.4806	\$(0.3410)	-7.1%	\$ 5.6127	\$ 0.7911	16.4%
Citywide Net of City Center	\$ 25.8762	\$ 25.4394	\$(0.4368)	-1.7%	\$ 29.0850	\$ 3.2088	12.4%

### Determining the Operating Millage Levy

The first building block in developing a municipal budget is the establishment of the value of one mill of taxation, wherein the mill is defined as \$1.00 of ad valorem tax for each \$1,000 of property value. For the City of Miami Beach, the value for each mill is determined by the 2016 Certification of Taxable Value and has been set at \$34.7 million. Florida Statutes permit a discount of up to five percent for early payment discounts, delinquencies, etc. Therefore, the 95 percent value of the mill is \$32.9 million. Net of Center City RDA tax increment available to the General Fund, the value of one mill at 95 percent is \$28.2 million.

### Impacts of Changes in Property Values

For FY 2016/17, the proposed operating millage rate for general City operations is 5.7092, which is equivalent to FY 2015/16. Based on the July 1, 2016, Certification of Taxable Value, 5.7092 mills would generate approximately \$160,779,000 in general tax revenues, an increase of \$17,618,000 over FY 2015/16 budgeted property tax revenues Citywide (General Fund and City Center RDA).

Further, the January 1, 2015, tax roll Citywide declined by \$777.9 million between the July 1, 2015 valuation and the July 1, 2016 valuation due to appeals, adjustments, etc., which is part of the reason that the FY 2016/17 "rolled-back rate" is significantly less than the FY 2015/16

current millage rate. The value of the area outside of City Center RDA declined by almost \$436.9 million.

**State Legislated Operating Millage Requirements**

Pursuant to recently enacted State legislation, the City may elect to approve millage rates above the roll-back rate up to the constitutional cap of 10 mills subject to the following votes by the Commission or referendum:

- **Option I:** A majority of the approval of the Commission Millage is required to approve a millage up to 6.3643 (equivalent to 3.75 percent increase in property tax revenues). The 1.0375 percent increase is the state per capita personal income gain for the prior calendar year.
- **Option II:** A two-thirds approval (5 of 7 votes) of the Commission is required to approve a millage up to 7.0007 (equivalent to a 10 percent increase in the ad valorem revenues above Option I).
- **Option III:** Option III: A unanimous approval of the Commission or referendum is required to approve a millage above 7.007 up to the 10 mill cap

The proposed operating millage rate of 5.7092 therefore requires a majority approval (4 of 7 votes) of the Commission.

**Determining the Voted Debt Service Millage Levy**

The general obligation debt service payment for FY 2016/17 is approximately \$5.9 million. Based on the July 1, 2016 Certified Taxable Value from the Property Appraiser, these bonds would require the levy of a voted debt service millage of 0.1796 mills. This represents a decrease of 0.0235 mills.

**Combining the Operating and Voted Debt Service Millage Levy**

At the July 13, 2016, Commission meeting, the Commission set the combined millage to 5.8888, a reduction of 0.0235 mills compared to FY 2015/16. Illustrated below is a comparison of the combined millage rates and ad valorem revenues to the City of Miami Beach for FY 2015/16 and FY 2016/17 (preliminary) including RDA.

City of Miami Beach Millage Rates	FY 15/16	FY 16/17	Inc/(Dec)	From FY15/16
Operating Millage	5.7092	5.7092	0.0000	0.0%
Debt Service	0.2031	0.1796	-0.0235	-11.6%
<b>Total</b>	<b>5.9123</b>	<b>5.8888</b>	<b>-0.0235</b>	<b>-0.4%</b>

If these recommended millage rates are tentatively adopted, then the City of Miami Beach's total operating millage will decrease to the lowest rate in at least 54 years for which we have found records.

### Impact on Homesteaded Properties

Amendment 10 to the State Constitution took effect on January 1, 1995 and limited the increase in assessed value of homesteaded property to the percentage increase in the consumer price index (CPI) or three percent (3 percent), whichever is less. For 2015, the CPI has been determined to be 0.7 percent and therefore, the increase is capped at 0.7 percent for increased values as of January 1, 2016.

Overall, based on the homesteaded properties in the January 1, 2015 homestead values as of July 1, 2015 valuation, the median value of homesteaded property in Miami Beach for 2014 was \$155,690, and the average \$383,781. Applying the increase to the market value of all existing homesteaded properties from the 2015 tax roll, and the 0.7 percent CPI adjustment, the impact of the millage rate adjustment to homesteaded properties would be as shown in the following table.

Homesteaded Properties				
	FY 2015/16		FY 2016/17	
			with 0.7% CPI	
	Median	Average	Median	Average
	\$ 155,690	\$ 383,782	\$ 156,780	\$ 386,468
<b>City of Miami Beach</b>				
Operating	\$ 889	\$ 2,191	\$ 895	\$ 2,206
Voted Debt	32	78	28	69
<b>Total Miami Beach</b>	<b>\$ 921</b>	<b>\$ 2,269</b>	<b>\$ 923</b>	<b>\$ 2,275</b>
<b>\$ Change in Taxes</b>				
Operating			\$ 6	\$ 15
Voted Debt			(4)	(9)
<b>Total Miami Beach</b>			<b>\$ 2</b>	<b>\$ 6</b>

\* Source: Miami-Dade County Property Appraiser's - 2015-average-median-homestead-residential-values file

### Impact on Non-Homesteaded Properties

The annual increase in market value of a non-homestead property is capped at 10 percent (does not apply to school millages). The city-wide average increase in property values is 13.03 percent. The property value of individual properties may increase up to, but not more than 10 percent (excluding the school millage portion of the property tax bill). However, an individual property owner may see a higher than 10 percent increase if there is a change in ownership of a capped property resulting in a reset of the cap. Another potential factor, if applicable, would be the value of new construction which could contribute to a property value increase of higher than 10 percent.

### Overlapping Jurisdictional Operating and Debt Service Millages

City of Miami Beach property owners must also pay property taxes to Miami-Dade County, the Miami-Dade County School Board, the Children's Trust, the South Florida Water Management

District, Okeechobee Basin, Everglades Project, and the Florida Inland Navigational District. These taxing authorities represent 70 percent of a Miami Beach property owner's tax bill.

The countywide tax rate for Miami-Dade County millage remained flat at 4.6669; the library tax rate is flat at 0.2840 mills; and the debt service millage is decreased by 0.05 to 0.4000 mills.

The tax rate for the Miami-Dade School District decreased from 7.6120 to 7.3220 mills. The Children's Trust millage is maintained at 0.5000 mills. As a whole, the millage rates for the South Florida Water Management District, Okeechobee Basin, Everglades Project, and Florida Inland Navigational District decreased from 0.3896 mills to 0.3627 mills.

With the proposed rates for FY 2016/17, the Miami Beach portion of the tax bill is approximately 30 percent of the total bill. Of note, the County millage is 1.0351 mills less than their millage in FY 2006/07, as compared to the City's millage which is 1.7842 mills less than the City millage in FY 2006/07. Further, the School Board millage is only 0.7830 below the FY 2006/07 millage rate. The significant difference in the total overlapping millage rate is a direct result of the City's effort to keep the millage rates as low as possible. A summary of the tax rate changes is provided in the following table.

OVERLAPPING TAX MILLAGE	FY 06/07	FY 15/16	FY 16/17	Variance from FY 15/16	Variance from FY 06/07
<b>City of Miami Beach</b>					
Operating Millage	7.3740	5.7092	5.7092	0.0000	-1.6648
Voted Debt Service	0.2990	0.2031	0.1796	-0.0235	-0.1194
<b>Total</b>	<b>7.6730</b>	<b>5.9123</b>	<b>5.8888</b>	<b>-0.0235</b>	<b>-1.7842</b>
<b>Miami Dade County</b>					
Countywide	5.6150	4.6669	4.6669	0.0000	-0.9481
Library	0.4860	0.2840	0.2840	0.0000	-0.2020
Debt Service	0.2850	0.4500	0.4000	-0.0500	0.1150
<b>Subtotal</b>	<b>6.3860</b>	<b>5.4009</b>	<b>5.3509</b>	<b>-0.0500</b>	<b>-1.0351</b>
<b>School Board</b>	<b>8.1050</b>	<b>7.6120</b>	<b>7.3220</b>	<b>-0.2900</b>	<b>-0.7830</b>
Children's Trust	0.4220	0.5000	0.5000	0.0000	0.0780
Other	0.7360	0.3896	0.3627	-0.0269	-0.3733
<b>Total</b>	<b>23.3220</b>	<b>19.8148</b>	<b>19.4244</b>	<b>-0.3904</b>	<b>-3.8976</b>

### Impact of Combined Tax Rates of Overlapping Jurisdictions on Homesteaded Properties

The median and average January 1, 2015 taxable values of \$155,690 and \$383,782, respectively, will increase by 0.7 percent CPI in FY 2016/17 due to the Save Our Homes Cap which only allows taxable values to increase by 3.0 percent or CPI, whichever is lower.

The following table provides examples of changes in property taxes for homesteaded properties using the proposed tax rates and potential changes from 2016 values. Applying the proposed combined millage rates results in a decrease of \$41 for the median taxable home value and a \$98 decrease for the average taxable home value.

Impact on Homesteaded Properties Assuming Changes in Taxable Value from January 1, 2016				
	FY 2015/16		FY 2016/17 with 0.7% CPI	
	Median	Average	Median	Average
<b>2016 Preliminary Taxable Value</b>	<b>\$ 155,690</b>	<b>\$ 383,782</b>	<b>\$ 156,780</b>	<b>\$ 386,468</b>
City of Miami Beach				
Operating	\$ 869	\$ 2,191	\$ 895	\$ 2,206
Voted Debt	32	78	28	69
<b>Total Miami Beach</b>	<b>\$ 921</b>	<b>\$ 2,269</b>	<b>\$ 923</b>	<b>\$ 2,275</b>
Miami Dade County	841	2,073	839	2,068
Schools	1,185	2,921	1,148	2,830
Other	139	341	135	333
<b>Total</b>	<b>\$ 3,086</b>	<b>\$ 7,604</b>	<b>\$ 3,045</b>	<b>\$ 7,506</b>
<b>Change in Taxes</b>				
City of Miami Beach				
Operating			\$ 6	\$ 15
Voted Debt			(4)	(9)
<b>Total Miami Beach</b>			<b>\$ 2</b>	<b>\$ 6</b>
Miami Dade County			(2)	(5)
Schools			(37)	(91)
Other			(4)	(8)
<b>Total</b>			<b>\$ (41)</b>	<b>\$ (98)</b>

Median properties would pay approximately \$3,045 for all taxing jurisdictions combined, while the average taxes generated would be approximately \$7,506 per homesteaded property. Of these taxing jurisdictions, the highest component is the Miami-Dade School Board, at \$1,148 for a median value property, and \$2,830 for an average valued property.

As with the City of Miami Beach millage rates, impacts of the combined jurisdictional millage rates for non-homesteaded properties are based on the individual property values.

**CAPITAL BUDGET**

The City's annual capital budget contains capital project commitments appropriated for Fiscal Year (FY) 2016/17 Capital Budget. Preparation of the Capital Budget occurred simultaneously with the development of the FY 2016/17 – FY 2020/21 Capital Improvement Program (CIP) and FY 2016/17 Operating Budget.

The Capital Budget for FY 2016/17 totals \$86.6 million and will be appropriated on October 1, 2016. Projects will address many needs in different areas of the City including: neighborhood enhancements such as landscaping, sidewalk restoration; traffic calming; roadway and bridge resurfacing and reconstruction; water, sewer, and drainage system improvements; park construction, renovation and upgrades; renovation of seawalls; parking lot and garage renovation, construction/renovation of public facilities; and vehicle replacement. For a detailed listing of all capital projects, please refer to the Proposed FY 2016/17 – 2020/21 Capital Improvement Plan & FY 2016/17 Capital Budget document.

In FY 2005/06, the City established a financial goal of funding at least 5 percent of the General Fund operating budget as transfers for capital projects and capital projects contingency. The

purpose of this goal was multi-faceted:

1. To provide flexibility in the operating budget that would allow the budget to be reduced without impacting services during difficult economic times;
2. To ensure that the City funded needed upkeep on our General Fund facilities, and right-of-way landscaping, lighting, etc.
3. To provide a mechanism to address additional scope of small new projects prioritized by the community and the Commission instead of having to delay these for a larger General Obligation Bond issue; and
4. To provide contingency funding so that projects where bids were higher than budgeted did not have to be delayed, especially during a heated construction market where delays often lead to further increases in costs.

### **ENTERPRISE FUNDS**

Enterprise Funds are comprised of Sanitation, Water, Sewer, Stormwater, Parking, and Convention Center Departments. The FY 2016/17 Enterprise Funds Budget is \$209.3 million. This represents a decrease of \$2.8 million (1 percent) from the FY 2015/16 budget of \$212.1 million, primarily due to:

- A significant reduction (\$16.7 million) in the Parking budget due to lower than anticipated revenue collections in FY 2015/16. This may be as a result of increases in parking rates which took effect in FY 2015/16, as well as the growing popularity of a variety of ride sharing companies operating in the City.
- Sewer reflects an increase in expenditures of \$7.1 million, primarily due to increased sewer treatment costs and DERM fees. The budget also includes a proposed rate increase, which would generate \$5.7 million in additional revenues.
- Stormwater reflects an increase in expenditures of \$7.3 million, primarily due to a \$6 million increase in debt service costs, as a result of the FY2017 stormwater bond.

### **INTERNAL SERVICE FUNDS**

Internal Service Funds are comprised of the Central Services, Fleet Management, Information Technology, Risk Management, Medical & Dental and Property Management Divisions. The FY 2016/17 Internal Service Fund budget is \$83.9 million, or 4.4 percent, more than FY 2015/16. Internal Service costs are completely allocated to the General Fund and Enterprise Fund departments, Special Revenue Funds, and the Risk Management Fund reimburses the General Fund for the cost of legal services.

### **RESORT TAX FUND**

The FY 2016/17 Resort Tax budget is \$86.7 million, an increase of \$8.0 million or 10.3 percent

from FY 2015/16. This increase reflects the continued increase in resort tax revenues and the implementation of an additional 1 percent resort tax to pay for the Convention Center Renovation project. Highlights are listed below:

- New enhancement of \$255,000 for Code Compliance to add three additional positions for the purpose of coordinating, supervising and oversight of a Short-term Rental Investigation Team to increase proactive enforcement and investigation of illegal Short-Term Rentals.
- New enhancement of \$1,093,000 for Police to create an Entertainment District Unit that will deploy 12 officers for 24 hour/7 day week coverage to enhance and proactively address issues unique to the entertainment district and will also have dedicated homeless outreach responsibilities. Officers will be deployed in areas of focus to include; Ocean Drive, Washington Avenue, Collins Avenue, and any adjacent areas as required.
- \$37,609,000 (a \$1 million increase) is provided to the General Fund to support new and continuing tourism eligible expenditures such as more proactive code enforcement, cleanliness index, park ranger program, homelessness at Lummus Park, hurricane and disaster preparation equipment, increased support for the Miami Beach Botanical Garden and the City's cultural facilities, public safety programs such as ocean rescue, police services on Lincoln Road, Ocean Drive/Lummus Park, Collins Avenue, Washington Avenue, ATV officers, Boardwalk security, special traffic enforcement and special event staffing; and fire rescue units in tourist and visitor areas. The funding also supports code compliance services to respond to evening entertainment areas and provides for a portion of the operational costs of the Tourism and Cultural Development.
- Includes \$2.8 million for enhancing the outcomes from major events such as Memorial Day, including management and Goodwill Ambassadors.
- The contribution to the Miami Beach Visitor and Convention Authority will increase from \$2.6 million to \$2.8 million based on the legislated funding formula.
- Maintains \$350,000 is provided to continue the local Miami Beach marketing campaign, to be matched with funds from the Greater Miami Convention and Visitors Bureau, the Miami Beach Visitor and Convention Authority, and the Cultural Arts Council.
- Maintains \$300,000 for enhanced holiday decorations in the tourism areas.
- \$200,000 contribution to help offset expenses of the Miami Beach Bowl or equivalent event.
- Maintains \$100,000 for enhancing the 4<sup>th</sup> of July event.
- The third year of a 15 year annual contribution of \$1 million to Mount Sinai Medical Center to fund the design and construction of a new Emergency Room facility.

- The contribution to the Greater Miami Convention and Visitors Bureau (GMCVB) increased from \$5.4 million to \$6.5 based on a new performance-based contract.
- Increased the transfer to Sanitation from \$542,000 to \$4,213,000 (a \$3.7 million increase) which was previously funded through the former South Pointe RDA.
- Includes the estimated debt costs of \$13 million associated with the Resort Tax revenue bonds for the redevelopment of the Miami Beach Convention Center.

## CONCLUSION

Through rigorous review and good leadership, the Proposed Work Plan and Budget for FY 2016/17 is balanced and enables the City of Miami Beach to continue delivering outstanding, enhanced services to our residents, businesses and visitors and continuing structural enhancements to ensure the long-term sustainability of the City.

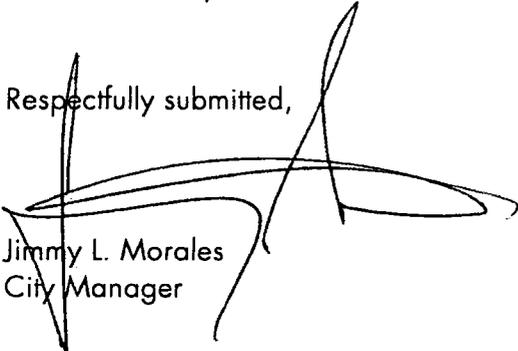
The proposed combined millage rate of 5.8888, which is 0.0235 mills less than FY15/16, is the lowest in the history of the City of Miami Beach, and certainly in the last 54 years for which we have found records. The FY 2016/17 Budget includes efficiencies that further streamline government operations and service level enhancements that address high priority needs of the City.

## ACKNOWLEDGEMENTS

I would like to thank Mayor Philip Levine and the Members of the Miami Beach City Commission for your continued guidance, support and leadership with the budget process and in helping to accomplish so much on behalf of our residents and for the entire Miami Beach community.

I would also like to thank all staff from throughout the City who have worked hard over the last year to respond to changes in priorities from the City Commission. I would particularly like to thank my Assistant City Managers and all Department and Division Directors. I appreciate all of us working together towards developing a balanced budget that will help improve our community. In particular, I would like to recognize and thank Cintya Ramos, Budget Director; Tameka Otto Stewart, Budget Officer; Richard Ajami, Natasha Diaz, and Lauren Wynn, Senior Budget Analysts; Damaris Lozano, Budget Analyst; Katherine Gonzalez, Senior Management Consultant; and Francis Frances, Executive Office Associate.

Respectfully submitted,

  
Jimmy L. Morales  
City Manager

**ATTACHMENT B  
PROPOSED FY 2016/17 EFFICIENCIES**

Program/Function	Fund	Potential Efficiency/Reduction	Recommended Efficiency/Reduction	Potential Impact
<b>BUILDING</b>				
1 Eliminate one (1) CAP Structural Plans Examiner	General	\$250,000		Core Service Impact
2 Eliminate one and one-half contracted Permit Clerks	General	\$51,000		Core Service Impact
3 Reduce funding for the replacement of various workstations and office furniture within the department	General	\$6,000	\$6,000	Minimal Service Impact
<b>Total</b>		<b>\$307,000</b>	<b>\$6,000</b>	
<b>CAPITAL IMPROVEMENT PROJECTS (CIP)</b>				
4 CIP Project Management Staff - Construction Manager	General	\$58,000		Minimal Service Impact
5 Administrative Support Staff - Office Associate IV - Provide administrative support to the Department, process payments, process purchase orders, scan documents, receptionist responsibilities, etc.	General	\$41,000		Minimal Service Impact
<b>Total</b>		<b>\$99,000</b>	<b>\$0</b>	
<b>CITY ATTORNEY</b>				
6 Professional Services-Reduce FY17 request - additional in-house work will need to be done	General	\$40,000		Core Service Impact
7 Legal Fees Public - Decrease due to reduced need of outside council after Union negotiations are completed	General	\$40,000		Core Service Impact
8 Supplies other - purchasing of new file cabinets and other miscellaneous office furniture throughout the office which needs to be updated or replaced	General	\$18,000		Minimal Service Impact
9 Renovations - Renovation of the City Attorney's office areas for optimization of space plan	General	\$18,000		Minimal Service Impact
<b>Total</b>		<b>\$116,000</b>	<b>\$0</b>	
<b>CITY CLERK</b>				
10 Full-Time to Part-Time Reduction: Reduce a full-time Code Violations Clerk to a part-time status. Having the appropriate staff to support the Office of the Special Master is essential in order for the Office to provide prompt and comprehensive services to the Special Master, the public, and City Departments (Code, Fire, Building, Parking, Historic Preservation Board and Police (Red Light Camera Violations)). The reduction would increase the turnaround time required to resolve Code Violations, and would create additional burden on the Office of the City Clerk's staff that would have to assume the additional work. In addition, the number of Special Master hearings must be reduced from four to three times a month. Special Master hearings are held four times a month including both day and evening hearings. By undertaking these reductions, compliance with the Code within a reasonable time frame may be impacted, as hearings and compliance will be set further into the future.	General	\$29,000		Core Service Impact
11 Make one of the Central Services Technician to a (20 hour per week) part-time employee. Having the staff to support the Mail Room Functions is essential in order to ensure that letters and packages are promptly sent and delivered in and out of the workplace. By reducing this position to a part-time status it will impact every City Department, as everyone sends and receives mail. The timeliness of getting mail to clients and residents is crucial. The reduction would increase the intervals between mail distribution and pickup. Large outgoing mailings, especially those requiring collating letters or brochures and stuffing and stamping the envelopes may have to be outsourced. The turnaround time required for print jobs would also be impacted, as the staff that is currently assigned to the print shop would be utilized to undertake the essential functions of the mailroom.	Internal	\$25,000		Core Service Impact
12 The following miscellaneous expenses may be reduced. 1) Travel at a cost of \$2K; 2) Training & awards at \$2K, and 3) Subscriptions at a cost of \$1K. These reductions will impact the education and training received by employees of the Office of the City Clerk and possibly impact services.	General	\$5,000	\$5,000	Moderate Service Impact
<b>Total</b>		<b>\$59,000</b>	<b>\$5,000</b>	
<b>CITY MANAGER</b>				
13 Eliminate 2 Part-time Rapid Response Team positions	General	\$48,000	\$48,000	Moderate Service Impact
14 Reduce Rapid Response Team supply budget	General	\$15,000	\$15,000	Moderate Service Impact
<b>Total</b>		<b>\$63,000</b>	<b>\$63,000</b>	
<b>CODE COMPLIANCE</b>				
15 Move the expense of two existing Code Compliance Officer positions dedicated to handling short-term rental investigations from General Fund to Resort Tax (Salary, Uniforms, Social Security)	General	\$146,000	\$146,000	Minimal Service Impact
16 Reduce funding for Lot Clearance Services	General	\$12,000	\$12,000	Minimal Service Impact
17 Reduce funding for Departmental Accreditation	General	\$2,000	\$2,000	Minimal Service Impact
<b>Total</b>		<b>\$160,000</b>	<b>\$160,000</b>	
<b>COMMUNICATIONS</b>				
18 Reduce the amount of professional services or the number of temporary employees. These employees typically include the sounds engineer, photographers and on-air staff for original programming on MBTV.	General	\$30,000		Core Service Impact
19 Reduce travel for staff which would limit the option for travel for out of town training, etc.	General	\$10,000	\$10,000	Minimal Service Impact
20 Reduce Office Supplies budget	General	\$4,000	\$4,000	Minimal Service Impact
<b>Total</b>		<b>\$44,000</b>	<b>\$14,000</b>	
<b>EMERGENCY MANAGEMENT</b>				
21 Eliminate Security Guards located in the City Hall Campus	General	\$150,000		Moderate Service Impact
22 Eliminate one Emergency Management Specialist position	General	\$76,000		Moderate Service Impact
23 Eliminate Security Assessment & Crime Prevention Design program	General	\$56,000		Moderate Service Impact
<b>Total</b>		<b>\$282,000</b>	<b>\$0</b>	
<b>FINANCE</b>				
24 Reduce professional services expenses	General	\$80,000	\$80,000	Minimal Service Impact
25 Reduce postage expenses	General	\$20,000		Core Service Impact
<b>Total</b>		<b>\$100,000</b>	<b>\$80,000</b>	

**ATTACHMENT B  
PROPOSED FY 2016/17 EFFICIENCIES**

Program/Function	Fund	Potential Efficiency/Reduction	Recommended Efficiency/Reduction	Potential Impact
<b>FIRE</b>				
26 Not Fill 10 Part-Time Lifeguard Positions in Ocean Rescue	General	\$175,000		Core Service Impact
27 Not Fill 2 Firefighter I positions	General	\$170,000		Core Service Impact
28 Eliminate Grant requests with required matching funds	General	\$133,000		Core Service Impact
29 Eliminate 1 FPA Position in Fire Prevention	General	\$113,000		Core Service Impact
30 Reduce Uniform expenses	General	\$97,000		Moderate Service Impact
31 Eliminate Administrative Assistant I in Fire Prevention	General	\$80,000		Core Service Impact
32 Reduce Other Operating expenses	General	\$74,000	\$74,000	Moderate Service Impact
33 Eliminate 1 Inspector Position in Fire Prevention	General	\$65,000		Core Service Impact
34 Reduce Conferences / Travel expenses	General	\$55,000	\$55,000	Minimal Service Impact
35 Eliminate Quarter Master Position	General	\$54,000		Core Service Impact
36 Reduce Training/Award expenses	General	\$38,000		Moderate Service Impact
37 Remove Temporary Labor Funding	General	\$35,000	\$35,000	Moderate Service Impact
38 Reduce In-house Background Testing	General	\$27,000		Moderate Service Impact
39 Reduce Contracted Services expenses	General	\$20,000	\$20,000	Moderate Service Impact
40 Reduce Office Supplies expenses	General	\$16,000	\$16,000	Moderate Service Impact
41 Reduce Subscription expenses	General	\$6,000	\$6,000	Minimal Service Impact
42 Reduce Promotion expenses ( Pub Ed: Hats, books, pencils etc. )	General	\$5,000		Moderate Service Impact
43 Reduce Furniture expenses	General	\$5,000	\$5,000	Minimal Service Impact
44 Reduce Dues & Membership expenses	General	\$4,000	\$4,000	Moderate Service Impact
	<b>Total</b>	<b>\$1,172,000</b>	<b>\$215,000</b>	
<b>FLEET MANAGEMENT</b>				
45 Reduce automobile car washing services	Internal	\$15,000	\$15,000	Moderate Service Impact
46 Reduce Vehicle and Heavy Equipment Towing Services	Internal	\$7,000		Core Service Impact
47 Reduce Contract Maintenance	Internal	\$135,000		Moderate Service Impact
48 Reduce Contracted Services-repairs and maintenance	Internal	\$11,000		Moderate Service Impact
	<b>Total</b>	<b>\$168,000</b>	<b>\$15,000</b>	
<b>HOUSING &amp; COMMUNITY SERVICES</b>				
49 Elimination of HOME Coordinator	General	\$41,000		Moderate Service Impact
50 Elimination of 5 shelter beds at Lotus House	General	\$16,000		Minimal Service Impact
51 Elimination of Police overtime	General	\$10,000		Minimal Service Impact
52 Reduce homeless relocation	General	\$10,000		Moderate Service Impact
53 Reduce homeless rent assistance for shelter transitions	General	\$9,000		Moderate Service Impact
54 Elimination of homeless client storage	General	\$2,000		Minimal Service Impact
	<b>Total</b>	<b>\$88,000</b>	<b>\$0</b>	
<b>HUMAN RESOURCES &amp; LABOR RELATIONS</b>				
55 Professional Services	General	\$20,000	\$20,000	Minimal Service Impact
56 Professional Services	General	\$20,000	\$20,000	Minimal Service Impact
57 Temporary Labor	General	\$13,000	\$13,000	Minimal Service Impact
58 Training & Awards	General	\$3,000	\$3,000	Minimal Service Impact
59 Training & Awards	General	\$2,000	\$2,000	Minimal Service Impact
	<b>Total</b>	<b>\$58,000</b>	<b>\$58,000</b>	
<b>HUMAN RESOURCES - RISK MANAGEMENT</b>				
60 Professional Services	Internal	\$34,000		Core Service Impact
	<b>Total</b>	<b>\$34,000</b>	<b>\$0</b>	
<b>INFORMATION TECHNOLOGY</b>				
61 IT can research the possibility of developing applications that run on the iPad deployed for Energov project in order to make the Panasonic Toughbooks obsolete for Building and Code thereby eliminating the need to replace the Building and Code units that are due to be replaced in FY 16/17.	Internal	\$200,000		Moderate Service Impact
62 IT can research the possibility of converging storage technologies versus the trending predicted growth of storage requirements to reduce the amount of Storage Area Network growth that is purchased in FY 16/17 to maintain the industry best practice buffer capacity between storage demands and storage supply.	Internal	\$160,000	\$160,000	Core Service Impact
	<b>Total</b>	<b>\$360,000</b>	<b>\$160,000</b>	
<b>OFFICE OF BUDGET &amp; PERFORMANCE IMPROVEMENT</b>				
63 Reduce Professional Fees for outside Audit Contractors	General	\$20,000		Moderate Service Impact
64 Training and Awards	General	\$10,000	\$10,000	Minimal Service Impact
65 Prof Services	General	\$4,000	\$4,000	Minimal Service Impact
66 Travel	General	\$4,000	\$4,000	Minimal Service Impact
67 Advertising	General	\$2,000	\$2,000	Minimal Service Impact
68 Other Operating	General	\$2,000	\$2,000	Minimal Service Impact
69 Dues and Membership	General	\$2,000	\$2,000	Minimal Service Impact
	<b>Total</b>	<b>\$44,000</b>	<b>\$24,000</b>	
<b>ORGANIZATIONAL DEVELOPMENT &amp; PERFORMANCE INITIATIVES</b>				
70 New Hire Orientation	General	\$5,000		Core Service Impact
71 Additional Adobe Licenses	General	\$3,000		Core Service Impact
72 Employee Suggestion Program	General	\$2,000		Core Service Impact
73 Supplies Other - Equipment	General	\$2,000	\$2,000	Minimal Service Impact
74 Supplies Office - Projector	General	\$1,000	\$1,000	Minimal Service Impact
75 Dues & Memberships New	General	\$1,000	\$1,000	Minimal Service Impact
76 Telephone	General	\$1,000	\$1,000	Minimal Service Impact
	<b>Total</b>	<b>\$15,000</b>	<b>\$5,000</b>	

**ATTACHMENT B  
PROPOSED FY 2016/17 EFFICIENCIES**

Program/Function	Fund	Potential Efficiency/Reduction	Recommended Efficiency/Reduction	Potential Impact
<b>PARKING</b>				
77 Garage Washdown	Enterprise	\$335,000	\$26,000	Moderate Service Impact
78 Highgrade Concrete treatment	Enterprise	\$164,000	\$164,000	Minimal Service Impact
79 FLZ - Police overtime	Enterprise	\$150,000		Core Service Impact
80 Painting (12th Street and 13th Street Garages - \$200K budget) - reduce to 1 garage	Enterprise	\$100,000		Moderate Service Impact
81 PC Replacements	Enterprise	\$75,000		Core Service Impact
82 Advertising	Enterprise	\$70,000		Minimal Service Impact
83 Cost of development and processing of permits that have not transitioned to paperless system i.e. house of worship, hotel hang tags, etc.	Enterprise	\$68,000		Minimal Service Impact
84 Holiday Lighting	Enterprise	\$55,000	\$55,000	Minimal Service Impact
85 Garage Police Off-Duty (Memorial Day and New Year's Eve)	Enterprise	\$50,000		Core Service Impact
86 Extend Pay by Phone	Enterprise	\$26,000		Minimal Service Impact
	<b>Total</b>	<b>\$1,093,000</b>	<b>\$245,000</b>	
<b>PARKS &amp; RECREATION</b>				
87 Reduction in Parks Ground Maintenance City-Wide	General	\$205,000		Moderate Service Impact
88 Reduction of Overtime	General	\$93,000	\$93,000	Moderate Service Impact
89 Reduction in Overall Parks and Recreation Property Management Budget	General	\$75,000		Core Service Impact
90 Elimination of Park Facilities Furniture & Fixtures Replacement	General	\$47,000	\$47,000	Minimal Service Impact
91 Elimination of 1 of 2 Streetscape Maintenance Operators	General	\$33,000		Moderate Service Impact
92 Reduction in Sand, Fertilizer, Chemicals and Grounds/Landscaping	General	\$32,000		Core Service Impact
93 Reduction in Sand, Fertilizer and Chemicals	General	\$27,000		Core Service Impact
94 Reduction in Park Facilities Paint and Janitorial Supplies (Budget will remain same as FY16)	General	\$23,000		Core Service Impact
95 Reduction in Replacement of Plant Materials (Budget will remain same as FY16)	General	\$20,000	\$20,000	Minimal Service Impact
96 Reduction in Special Event Rentals (Ex. Inflatables and Carnival Rides)	General	\$15,000		Core Service Impact
97 Reduction in Year-round Youth Programming Expenses	General	\$15,000		Core Service Impact
98 Conversion of a FT Golf Course Equipment Operator to part-time	General	\$15,000		Moderate Service Impact
99 Elimination of Ice Rink Ammonia Refrigeration Plant Repairs	General	\$12,000		Moderate Service Impact
100 Elimination of North Shore Park Senior Scenes Budget Increase (Budget will remain same as FY16)	General	\$9,000		Moderate Service Impact
101 Reduction in Staff Conferences (1 STMC, 1 NARCE, and 3 FRPA)	General	\$8,000	\$8,000	Minimal Service Impact
102 Reduction in Office Supplies (Park Facilities and Administration)	General	\$8,000	\$8,000	Minimal Service Impact
103 Reduction in New Program Instructors	General	\$7,000		Minimal Service Impact
104 Reduction in General Repairs and Maintenance	General	\$6,000		Moderate Service Impact
105 Reduction in Park Ranger Uniforms	General	\$5,000		Minimal Service Impact
106 Reduction in Advertising	General	\$5,000	\$5,000	Minimal Service Impact
107 Reduction in Director Conferences (1 Out of State Conference)	General	\$3,000	\$3,000	Minimal Service Impact
108 Reduction in Tree Pruning	General	\$3,000		Moderate Service Impact
109 Reduction in Golf Course Repairs & Maintenance	General	\$3,000		Moderate Service Impact
110 Reduction in General Repairs and Maintenance	General	\$3,000		Moderate Service Impact
111 Elimination of Staff Trainings and Certifications	General	\$2,000		Minimal Service Impact
	<b>Total</b>	<b>\$674,000</b>	<b>\$184,000</b>	
<b>PLANNING</b>				
112 Professional Services	General	\$40,000	\$40,000	Core Service Impact
113 E-Recording	General	\$15,000		Core Service Impact
114 Advertising	General	\$10,000		Core Service Impact
115 Postage	General	\$7,000		Core Service Impact
116 Travel	General	\$5,000	\$5,000	Minimal Service Impact
117 Supplies	General	\$5,000		Core Service Impact
118 Printing	General	\$3,000		Core Service Impact
119 Dues & Memberships	General	\$3,000	\$3,000	Minimal Service Impact
	<b>Total</b>	<b>\$88,000</b>	<b>\$48,000</b>	
<b>POLICE</b>				
120 10 Police Officer vacancies	General	\$1,270,000		Core Service Impact
121 Security Guards that provide services to various locations throughout the city. These locations include Recreation Corridor, Alaska Bay, Boardwalk - North & South & City Hall.	General	\$411,000		Core Service Impact
122 Eliminate 6 Full Time Public Safety positions	General	\$286,000		Core Service Impact
123 School Liaison Officers (5) @ \$1,706.00 bi-weekly*17 pay periods	General	\$154,000		Core Service Impact
	<b>Total</b>	<b>\$2,121,000</b>	<b>\$0</b>	
<b>PROCUREMENT</b>				
124 Salaries & Wages (Convert Procurement Officer III position into Procurement Contract Analyst I)	General	\$45,000	\$17,000	Minimal Service Impact
125 Professional Services	General	\$14,000	\$14,000	Core Service Impact
126 Telephone	General	\$2,000	\$2,000	Minimal Service Impact
127 Supplies-Other	General	\$2,000	\$2,000	Moderate Service Impact
128 Furniture & Fixtures	General	\$1,000	\$1,000	Minimal Service Impact
	<b>Total</b>	<b>\$64,000</b>	<b>\$36,000</b>	
<b>PROPERTY MANAGEMENT</b>				
130 Elimination of Access Control Consultant	General	\$25,000		Moderate Service Impact
131 Elimination of Infrared Aerial Roof Moisture Scan	General	\$75,000		Moderate Service Impact
132 Elimination of Temporary Labor	General	\$30,000		Moderate Service Impact
133 Reduction in Overtime	General	\$53,500		Moderate Service Impact
	<b>Total</b>	<b>\$183,500</b>	<b>\$0</b>	
<b>PUBLIC WORKS</b>				
134 Wire, Fixture, Street Lighting, & Electrical reduction	General	\$100,000		Core Service Impact
135 Contract Maintenance (FY 16/17 Increase)	General	\$99,000		Core Service Impact
136 Resurfacing of Streets & Electrical Wiring	General	\$79,000		Core Service Impact
137 Professional Consulting Services	General	\$25,000	\$25,000	Moderate Service Impact
138 Reduce E-builder licenses by 4	General	\$6,000	\$6,000	Minimal Service Impact
	<b>Total</b>	<b>\$309,000</b>	<b>\$31,000</b>	

**ATTACHMENT B  
PROPOSED FY 2016/17 EFFICIENCIES**

Program/Function	Fund	Potential Efficiency/Reduction	Recommended Efficiency/Reduction	Potential Impact
<b>PUBLIC WORKS - SEWER</b>				
139 Electrical Services	Enterprise	\$150,000		Core Service Impact
140 Generator Services and Load Bank Testing	Enterprise	\$145,000		Core Service Impact
141 Emergency Repairs reduction from \$250K to \$210K	Enterprise	\$40,000	\$40,000	Minimal Service Impact
<b>Total</b>		<b>\$335,000</b>	<b>\$40,000</b>	
<b>PUBLIC WORKS - STORMWATER</b>				
142 Contract services - reduce \$100K to eliminate pump rebuilds	Enterprise	\$100,000		Core Service Impact
143 Rent Building and Equipment reduce from \$192K to \$142K (eliminate Jersey Dam)	Enterprise	\$50,000		Minimal Service Impact
144 Other- reduce tide flex \$20K, reduce castings \$20K	Enterprise	\$40,000		Core Service Impact
145 Eliminate \$35K for portable pump	Enterprise	\$35,000		Core Service Impact
146 Environmental Specialist moved to Environmental Department	Enterprise	\$99,000		Minimal Service Impact
<b>Total</b>		<b>\$324,000</b>	<b>\$0</b>	
<b>PUBLIC WORKS - WATER</b>				
146 Pipes, valves, saddles, and repair clamps reduction	Enterprise	\$135,000		Core Service Impact
147 Rexall Warranty on Variable Frequency Drives	Enterprise	\$50,000	\$50,000	Minimal Service Impact
148 Water Storage Tank Rehab	Enterprise	\$50,000		Core Service Impact
149 Contingency	Enterprise	\$71,000		Core Service Impact
<b>Total</b>		<b>\$306,000</b>	<b>\$50,000</b>	
<b>TOURISM, CULTURE, &amp; ECONOMIC DEVELOPMENT</b>				
150 Vacant Field Monitor Position. TCED, currently, has two Field Monitors budgeted. The result of being budgeted for one would impact the routine monitoring of film, photography, special events production activities as well as beach concessions and Market contracts.	General	\$41,000		Core Service Impact
151 Art Education Program (30% reduction, CAC Division would still fund \$75K per Fiscal Year)	General	\$30,000	\$30,000	Moderate Service Impact
152 Arts in the Park Program (About 9% Reduction of SoundScape Cinema Series and live performances in the Parks)	General	\$5,000	\$5,000	Minimal Service Impact
<b>Total</b>		<b>\$76,000</b>	<b>\$35,000</b>	
<b>SANITATION</b>				
153 Additional services will be reduced and only basic service will remain. Additional attendants & extended hours would be removed from facilities. This initiative was added to provide better service. The reduction in this service would result in a decrease in cleanliness and customer dissatisfaction. This service was added in fiscal year 2015.	Enterprise	\$367,000		Moderate Service Impact
154 Big Belly pilot program would be removed from service	Enterprise	\$37,000		Minimal Service Impact
155 Residential Bulk Waste	Enterprise	\$8,000		Minimal Service Impact
<b>Total</b>		<b>\$412,000</b>	<b>\$0</b>	
<b>TRANSPORTATION</b>				
156 Shortening operating service hours on weekdays by 0.5 hours and on Saturdays by 2 hours for citywide trolley system (Alton West Trolley, North Beach Loop, Mid Beach Loop, Collins Link, and South Beach Trolley). The new operating schedule would be Monday - Friday 6:30AM - Midnight and Saturday and Sunday 8AM - Midnight. Original budgeted service hours for the citywide trolley system (per CSL) are from 6AM - Midnight Monday through Saturday and 8AM - Midnight on Sundays.	Special Revenue	\$381,000		Moderate Service Impact
157 Deferring Traffic Studies	Special Revenue	\$46,000		Minimal Service Impact
<b>Total</b>		<b>\$427,000</b>	<b>\$0</b>	

Fund	Potential Efficiency/Reduction	Recommended Efficiency/Reduction
General Fund	\$6,097,500	\$964,000
Internal Service impact (% could change based on allocations; 82% assumption)	\$482,000	\$144,000
	<b>\$6,579,500</b>	<b>\$1,108,000</b>
Internal Service	\$587,000	\$175,000
Enterprise	\$2,470,000	\$335,000
Special Revenue	\$427,000	\$0

ATTACHMENT C  
PROPOSED FY 2016/17 ENHANCEMENTS

Department	Fund	Requested Enhancement	Recommended Enhancement	Year 2 Impact	Total	
					FT	PT
<b>Citywide</b>						
1 Pension Mortality Payment Set Aside	General	\$3,000,000	\$3,000,000	\$0	0.0	0.0
2 Risk Management Fund Deficit Allowance	General	\$1,000,000		\$0	0.0	0.0
	<b>Total</b>	<b>\$4,000,000</b>	<b>\$3,000,000</b>	<b>\$0</b>	<b>0.0</b>	<b>0.0</b>
<b>City Manager</b>						
3 Open Data	General	\$647,000		\$597,000	3.0	0.0
	<b>Total</b>	<b>\$647,000</b>	<b>\$0</b>	<b>\$597,000</b>	<b>3.0</b>	<b>0.0</b>
<b>Code Compliance</b>						
4 Code Compliance Officers (2) - Short Term Rentals	Resort	\$161,000	\$161,000	\$132,000	2.0	0.0
5 Code Compliance Administrator - Short Term Rentals	Resort	\$94,000	\$94,000	\$83,000	1.0	0.0
	<b>Total</b>	<b>\$255,000</b>	<b>\$255,000</b>	<b>\$215,000</b>	<b>3.0</b>	<b>0.0</b>
<b>Communications</b>						
6 Part-time position to operate control room to televise additional public meetings	General	\$12,000		\$12,000	0.0	1.0
	<b>Total</b>	<b>\$12,000</b>	<b>\$0</b>	<b>\$12,000</b>	<b>0.0</b>	<b>1.0</b>
<b>Environmental</b>						
7 Environment & Sustainability - Assistant Director	General	\$108,000		\$152,000	1.0	0.0
8 Sustainability Division - Environmental Specialist	General	\$99,000		\$118,000	1.0	0.0
9 Sustainability Division - Environmental Specialist	General	\$87,000		\$127,000	1.0	0.0
10 Environmental Resources - Project Manager	General	\$79,000		\$110,000	1.0	0.0
11 Sustainability - Energy Analyst	General	\$74,000		\$103,000	1.0	0.0
12 Urban Forestry Management Plan	General	\$60,000		\$0	0.0	0.0
13 Urban Forestry - Permit Clerk I	General	\$51,000		\$67,000	1.0	0.0
	<b>Total</b>	<b>\$558,000</b>	<b>\$0</b>	<b>\$677,000</b>	<b>6.0</b>	<b>0.0</b>
<b>Emergency Management/9-1-1</b>						
14 Security Master Plan - Citywide	General	\$1,500,000		\$0	0.0	0.0
15 Staff Augmentation	General	\$588,000		\$588,000	0.0	0.0
16 Security Guard Protection Program (City Hall, Homeless Outreach/ Parking 24 hrs. (3 guards/ Building City Hall/ Police: City Hall Night Guard / Floater Back Up)	General	\$582,000		\$582,000	0.0	0.0
17 Radio maintenance project (P25 radios to extend current radio stock)	General	\$558,000		\$0	0.0	0.0
18 Dispatchers - 7 New Positions	General	\$416,000		\$482,000	7.0	0.0
19 Physical Security Enhancement - City Hall	General	\$234,000		\$0	0.0	0.0
20 Public Safety Communications Unit - 4 Dispatchers (to support new Police/Fire enhancements)	General	\$230,000		\$268,000	4.0	0.0
21 Powerphone Total Response	General	\$137,000		\$0	0.0	0.0
22 Storage Tank Maintenance Program	General	\$135,000	\$135,000	\$135,000	0.0	0.0
23 Information Technology Specialist I (1508)	General	\$61,000		\$73,000	1.0	0.0
24 Identification and Access Control System	General	\$36,000		\$0	0.0	0.0
	<b>Total</b>	<b>\$4,477,000</b>	<b>\$135,000</b>	<b>\$2,128,000</b>	<b>12.0</b>	<b>0.0</b>
<b>Fire</b>						
25 Rescue 44 (7 Lieutenants / 6 firefighters; also staffs Fire Boat)	General	\$1,371,000	\$1,371,000	\$1,537,000	13.0	0.0
	<b>Total</b>	<b>\$1,371,000</b>	<b>\$1,371,000</b>	<b>\$1,537,000</b>	<b>13.0</b>	<b>0.0</b>
<b>Housing &amp; Community Services</b>						
26 Homeless Overnight and Recovery Center	General	\$557,000		\$572,000	3.0	3.0
27 Work Training Program	General	\$60,000	\$60,000	\$60,000	0.0	0.0
	<b>Total</b>	<b>\$617,000</b>	<b>\$60,000</b>	<b>\$632,000</b>	<b>3.0</b>	<b>3.0</b>
<b>Information Technology</b>						
28 Succession Plan- Senior Systems Analyst	Internal	\$71,000		\$84,000	1.0	0.0
29 Munis Administrator- Senior Systems Analyst	Internal	\$71,000	\$71,000	\$84,000	1.0	0.0
30 Network Path Diversity	Internal	\$70,000	\$70,000	\$70,000	0.0	0.0
	<b>Total</b>	<b>\$212,000</b>	<b>\$141,000</b>	<b>\$238,000</b>	<b>2.0</b>	<b>0.0</b>
<b>Organizational Development &amp; Performance Improvement</b>						
31 Voluntary Pre-Kindergarten Program	Special Revenue	\$141,000	\$141,000	\$0	0.0	0.0
32 Doctoral (Ph.D.) Interns	General	\$73,000		\$0	0.0	0.0
33 CMB Nurse Enhancement Initiative at 5 schools	General	\$54,000	\$54,000	\$0	0.0	0.0
34 Office Associate V	General	\$23,000		\$35,000	1.0	0.0
35 Dual Enrollment Expansion	Special Revenue	\$13,000	\$13,000	\$0	0.0	0.0
	<b>Total</b>	<b>\$304,000</b>	<b>\$208,000</b>	<b>\$35,000</b>	<b>1.0</b>	<b>0.0</b>
<b>Parking</b>						
36 Parking Administration Reception	Enterprise	\$48,000	\$48,000	\$58,000	1.0	0.0
	<b>Total</b>	<b>\$48,000</b>	<b>\$48,000</b>	<b>\$58,000</b>	<b>1.0</b>	<b>0.0</b>
<b>Parks &amp; Recreation</b>						
37 Park Ranger Program Expansion - 3 Full-time Park Ranger II, 9 Full-time Park Ranger I and 5 Part-time Park Ranger I	General	\$973,000		\$1,086,000	17.0	0.0
38 Park Rangers for Lummus Park (ODTF Request) 6 Full-time Park Rangers & 2 Part-time Park Rangers	General	\$509,000	\$509,000	\$544,000	8.0	0.0
39 Venue for Senior Parties	General	\$100,000	\$100,000	\$0	0.0	0.0
40 Activation of Lummus Park (ODTF Request)	General	\$100,000		\$0	0.0	0.0
41 Vehicles for Current Park Ranger Program	General	\$100,000		\$0	0.0	0.0
42 UNIDAD Restroom Cleaning Services Expansion	General	\$95,000	\$95,000	\$95,000	0.0	0.0
43 Crespi Park Playground Shade Structure	General	\$25,000		\$0	0.0	0.0
44 Additional Seasonal Inclusionary Aides	General	\$80,000	\$80,000	\$80,000	0.0	10.0
45 Parks and Recreation Vehicles	General	\$95,000		\$0	0.0	0.0
46 Option 1 - Park Rangers for Maurice Gibb Memorial Park (Dock Master)	General	\$129,000		\$143,000	1.0	2.0
47 Option 2 - Park Rangers for Maurice Gibb Memorial Park (Dock Master)	General	\$42,000		\$50,000	0.0	1.0
	<b>Total</b>	<b>\$2,248,000</b>	<b>\$784,000</b>	<b>\$1,998,000</b>	<b>26.0</b>	<b>13.0</b>
<b>Planning</b>						
48 Office Associate III (Best Buddies)	General	\$50,000	\$50,000	\$58,000	1.0	0.0
	<b>Total</b>	<b>\$50,000</b>	<b>\$50,000</b>	<b>\$58,000</b>	<b>1.0</b>	<b>0.0</b>

ATTACHMENT C  
PROPOSED FY 2016/17 ENHANCEMENTS

Department	Fund	Requested Enhancement	Recommended Enhancement	Year 2 Impact	Total	
					FT	PT
<b>Police</b>						
49 12 Police Officers for new Entertainment District	Resort	\$1,093,000	\$1,093,000	\$1,117,000	12.0	0.0
50 Bearcat Armored Vehicle - 1	General	\$220,000		\$0	0.0	0.0
51 2 City Hall Security Guards	General	\$236,000		\$176,000	2.0	0.0
52 3 Police Officers - Mid Beach	General	\$212,000	\$212,000	\$263,000	3.0	0.0
53 Crime Prevention Analytical Software	General	\$160,000		\$0	0.0	0.0
54 2 Police Officers - North Beach	General	\$143,000	\$143,000	\$176,000	2.0	0.0
55 Unmanned Aerial Vehicle - 1	General	\$100,000		\$0	0.0	0.0
56 ATV's - 8	General	\$92,000		\$0	0.0	0.0
57 ATV's - Six to support approved Police enhancements	Resort	\$67,000	\$67,000	\$0	0.0	0.0
58 Recruit Hiring Initiative	General	\$65,000		\$0	0.0	0.0
59 Leased Vehicles - 7	General	\$58,000		\$58,000	0.0	0.0
60 Golf Cart - 4	General	\$46,000		\$0	0.0	0.0
61 School Liaison Officer	General	\$45,000	\$45,000	\$54,000	1.0	0.0
62 Mules (Gator) - 2	General	\$21,000		\$0	0.0	0.0
<b>Total</b>		<b>\$2,558,000</b>	<b>\$1,560,000</b>	<b>\$1,844,000</b>	<b>20.0</b>	<b>0.0</b>
<b>Procurement</b>						
63 Electronic Tracking System	General	\$45,000	\$45,000	\$45,000	0.0	0.0
<b>Total</b>		<b>\$45,000</b>	<b>\$45,000</b>	<b>\$45,000</b>	<b>0.0</b>	<b>0.0</b>
<b>Property Management</b>						
64 Lincoln Road Revitalization Enhancements	RDA	\$380,000		\$380,000	0.0	0.0
65 City Hall 3rd Floor Pedestrian Bridge Weatherproofing	Internal	\$200,000		\$0	0.0	0.0
66 Integrated Maintenance Consulting Services	Internal	\$80,000		\$0	0.0	0.0
<b>Total</b>		<b>\$660,000</b>	<b>\$0</b>	<b>\$380,000</b>	<b>0.0</b>	<b>0.0</b>
<b>Public Works</b>						
67 Maintenance of Trees in Right-of-Way throughout the City of Miami Beach	General	\$1,300,000		\$1,300,000	0.0	0.0
68 Two (2) Greenspace Mgt. Tree Trimmers and one bucket truck for Rights-of-Way Tree Maintenance throughout the City of Miami Beach	General	\$200,000	\$187,000	\$113,000	2.0	0.0
69 Civil Engineer I (1 FTE)	General	\$102,000		\$92,000	1.0	0.0
70 Water Truck with tank, water cannon on the sidewinder, and Honda gas water pump	General	\$93,000		\$0	0.0	0.0
71 Spray and Neutering of Cats	General	\$41,000		\$41,000	0.0	0.0
72 Trimble R 10 GPS Rover System	General	\$30,000		\$0	0.0	0.0
73 Unmanned Aerial Systems Implementation Overview	General	\$26,000		\$0	0.0	0.0
<b>Public Works - Sewer</b>						
74 PLC Replacement for All Sewer Pump Stations (14 Total)	Enterprise	\$600,000		\$0	0.0	0.0
75 Replacement Generator for control room with transfer switch	Enterprise	\$500,000		\$0	0.0	0.0
76 Flow Meters Replaced in Sewer Pump Stations	Enterprise	\$250,000		\$0	0.0	0.0
77 SCADA Controls Instrumentation & Flow Meters	Enterprise	\$160,000		\$160,000	0.0	0.0
78 Rexel Assurance Warranty on VFD's and PLC Services	Enterprise	\$100,000		\$0	0.0	0.0
79 Civil Engineer I (1/3 between water / sewer / storm)	Enterprise	\$26,000	\$26,000	\$31,000	0.3	0.0
<b>Public Works - Stormwater</b>						
80 Civil Engineer I (1/3 split between water / sewer / storm)	Enterprise	\$26,000	\$26,000	\$31,000	0.3	0.0
81 Ground Penetrating Radar (GPR) Triple Frequency	Enterprise	\$25,000		\$0	0.0	0.0
<b>Public Works - Water</b>						
82 Program Logic Controllers (PLC) Replacement Program - Water	Enterprise	\$250,000		\$0	0.0	0.0
83 Water Meters	Enterprise	\$225,000	\$225,000	\$0	0.0	0.0
84 Civil Engineer I (1/3 between water / sewer / storm)	Enterprise	\$26,000	\$26,000	\$31,000	0.3	0.0
<b>Total</b>		<b>\$3,980,000</b>	<b>\$490,000</b>	<b>\$1,799,000</b>	<b>4.0</b>	<b>0.0</b>
<b>Sanitation</b>						
85 Can On Every Corner	Enterprise	\$145,000	\$145,000	\$0	0.0	0.0
<b>Total</b>		<b>\$145,000</b>	<b>\$145,000</b>	<b>\$0</b>	<b>0.0</b>	<b>0.0</b>
<b>TCED</b>						
86 Miami Beach Air & Sea Show	Resort	\$650,000	FY16 Year-End Surplus	\$0	0.0	0.0
87 Bass Museum Budget Increase	General	\$560,000		\$560,000	0.0	0.0
88 World OutGames	Resort	\$300,000	FY16 Year-End Surplus	\$0	0.0	0.0
89 Bass Museum Space Renovations	General	\$150,000		\$0	0.0	0.0
90 Major League Baseball All-Star Game - FanFest	Resort	\$100,000	FY16 Year-End Surplus	\$0	0.0	0.0
91 ITF Seniors World Team and Individual Tennis Event @ North Beach	Resort	\$50,000	FY16 Year-End Surplus	\$50,000	0.0	0.0
<b>Total</b>		<b>\$1,810,000</b>	<b>\$0</b>	<b>\$610,000</b>	<b>0.0</b>	<b>0.0</b>
<b>Transportation</b>						
92 Ciclovía	Special Revenue	\$320,000	\$120,000	\$320,000	0.0	0.0
93 Transportation Fund (0-.25% of General Fund revenues)	General	\$396,000		\$396,000	0.0	0.0
<b>Total</b>		<b>\$716,000</b>	<b>\$120,000</b>	<b>\$716,000</b>	<b>0.0</b>	<b>0.0</b>

Fund	Requested Enhancement	Proposed Enhancement
General Fund	\$18,471,000	\$6,086,000
Internal Service Impact (assumes 82% allocation)	\$404,000	\$116,000
	<b>\$18,875,000</b>	<b>\$6,202,000</b>
Internal Service	\$492,000	\$141,000
Resort	\$2,515,000	\$1,415,000
RDA	\$380,000	\$0
Enterprise	\$2,381,000	\$496,000
Special Revenue	\$474,000	\$274,000

# Attachment D -- City of Miami Beach Financial Support for Cultural Institutions

	Miami City Ballet	New World Symphony	Bass Museum	Byron CartMile/O' Cinema	Colony	Year	Notes
<b>City Contributions</b>							
Property Development	\$2.50 MM					1999	
1994-2000 \$8MM Expansion Proj.			\$3.60 MM	\$1.70 MM		2000	*Most of the City's Capital Contribution information was gathered from Eden's Project Accounting
Purchase Price						2001	* see Reso 94-21319
Renovation						2005	
Phase II						2005	
Renovation			\$0.02 MM	\$5.50 MM	\$8.88 MM	2005	
Bass-State-Major-Cultural			\$0.12 MM	\$0.02 MM		2006	
Capital Repairs	\$0.74 MM					2006	
Purchase Price	\$4.50 MM					2006	
Trash Room and ADA						2007	
09/10			\$0.03 MM		\$0.47 MM	2010	
HVAC						2010	
Sound/Audio Equip	\$0.37 MM					2010	
Exterior Lighting Replacemen						2010	
Hydraulic Elevator Replaceme			\$0.04 MM		\$0.07 MM	2011	
Heat Pump Replacement			\$0.01 MM			2011	
HVAC Replacement			\$0.06 MM			2011	
Lobby AC and Condensor Unit			\$0.08 MM			2011	
Stage and House AC Units				\$0.08 MM		2011	
Grant		\$15.00 MM		\$0.08 MM		2011	
Weather Seal & Paint -R&R			\$0.12 MM			2011	
Lighting Retrofit						2012	
Exterior Seal & Paint					\$0.04 MM	2012	
Condensor Coils					\$0.07 MM	2012	
Roof					\$0.04 MM	2013	
Exterior Seal & Paint					\$0.03 MM	2013	
HVAC Rehab			\$0.17 MM	\$0.08 MM		2013	
Interior Space Expansion			\$7.50 MM			2014	
HVAC Controls			\$0.01 MM			2014	
Bass Heat Pump Replacement			\$0.08 MM			2014	
Improvements						2014	
	\$10.49 MM	\$15.95 MM	\$13.61 MM	\$0.14 MM		2014	
Adj. for Inflation 2015	\$8.11 MM	\$15.00 MM	\$11.83 MM	\$9.77 MM	\$12.02 MM	Adjusted to 2015	
<b>Total</b>				\$7.60 MM	\$9.60 MM		



# THE BASS

### Program Expenses

	AMOUNT
Exhibition Expenses	
Exhibitions	\$233,100.00
Security	\$50,000.00
Art Basel Outdoor Exhibition - Security	\$25,000.00
<b>Total</b>	<b>\$308,100.00</b>

	AMOUNT
Education Expenses	
Bass Babies	\$3,600.00
Adult Art Club	\$3,500.00
Art Camp	\$20,000.00
Family Day	\$4,300.00
Weekend Portfolio	\$2,500.00
Education Salaries/Teachers	\$146,000.00
<b>Total</b>	<b>\$179,900.00</b>

### Overhead Expenses

	AMOUNT
Facilities & Security	
Insurance	\$10,000.00
Electricity	\$10,000.00
Security Monitoring	\$2,000.00
Guest Services Associate - Full Time	\$20,000.00
Guest Services Associate - Part Time	\$15,000.00
Building Supervisor II	\$15,000.00
<b>Total</b>	<b>\$72,000.00</b>

TOTAL EXPENSES	TOTALS
Exhibition Expenses	\$308,100.00
Education Expenses	\$179,900.00
Facilities & Security	\$72,000.00
<b>Total</b>	<b>\$560,000.00</b>

### Total Expenses

