

RESOLUTION NO. 2016-29567

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE NORMANDY SHORES LOCAL GOVERNMENT NEIGHBORHOOD IMPROVEMENT DISTRICT ADOPTING THE TENTATIVE OPERATING BUDGET FOR FISCAL YEAR (FY) 2016/17, SUBJECT TO A SECOND PUBLIC HEARING SCHEDULED ON TUESDAY, SEPTEMBER 27, 2016 AT 5:02 P.M.

WHEREAS, for the purpose of providing security services within the Normandy Shores neighborhood area, the Mayor and City Commission adopted Ordinance No. 93-2881 on October 20, 1993, which authorized the creation of the Normandy Shores Local Government Neighborhood Improvement District (District); and

WHEREAS for the purpose of providing security services within the District, a tentative budget has been developed to fund projected FY 2016/17 operating expenses; and

WHEREAS, accordingly, on September 14, 2016, pursuant to Section 200.065 of the Florida Statutes, the City Commission, acting as the Board of Directors of the District, held its first duly noticed public hearing to consider the Tentative Ad Valorem Millage and Tentative Operating Budget (FY 2016/17) for the District.

NOW, THEREFORE, BE IT DULY RESOLVED BY THE BOARD OF DIRECTORS OF THE NORMANDY SHORES LOCAL GOVERNMENT NEIGHBORHOOD IMPROVEMENT DISTRICT that, following a duly noticed public hearing on September 14, 2016, the Board hereby adopts the tentative operating budget for the District for FY 2016/17, as summarized and listed below, subject to a second public hearing scheduled on Tuesday, September 27, 2016 at 5:02 P.M.:

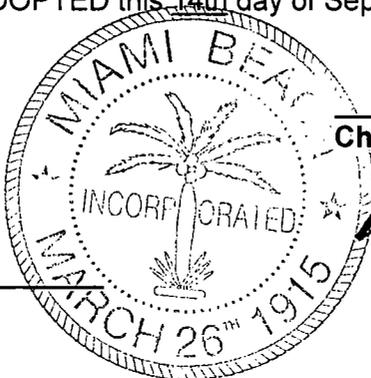
<u>Revenues</u>	
Ad Valorem Tax	\$ 167,000
City's General Fund	<u>90,000</u>
Total	\$ 257,000

<u>Expenses</u>	
Security Service	\$ 171,000
Maintenance	35,000
Video System	21,000
Guardhouse canopy, ballards, lighting	<u>30,000</u>
Total	\$ 257,000

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

ATTEST:

Secretary to the District



Chairperson of the District

APPROVED AS TO
FORM & LANGUAGE
& FOR EXECUTION

City Attorney

8/30/16
Date

MIAMI BEACH

COMMISSION MEMORANDUM

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

5:02 p.m. First Reading Public Hearing

SUBJECT: A RESOLUTION OF THE BOARD OF DIRECTORS OF THE NORMANDY SHORES LOCAL GOVERNMENT NEIGHBORHOOD IMPROVEMENT DISTRICT ADOPTING THE TENTATIVE OPERATING BUDGET FOR FISCAL YEAR (FY) 2016/17 SUBJECT TO A SECOND PUBLIC HEARING SCHEDULED ON TUESDAY, SEPTEMBER 27, 2016 AT 5:02 P.M.

RECOMMENDATION

Adopt the Resolution which establishes the tentative operating budget for the Normandy Shores Local Government Neighborhood Improvement District for FY 2016/17 in the amount of \$257,000, subject to a second public hearing to be held on Tuesday, September 27, 2016.

ANALYSIS

The total operating expenditures to provide the proposed budget to this district is \$257,000 for FY 2016/17. The City of Miami Beach General Fund is required to provide 35% of the total operating expenditures (\$90,000), and the City has funded the 35% for each of the twenty-two years since the District was established. The amount provided by the General Fund for this purpose in FY 2015/16 was \$79,000.

The proposed FY 2016/17 current service level budget is \$257,000. This budget includes line items which were requested and approved by the Normandy District Homeowners' Association on August 22, 2016: \$171,000 for security services, \$35,000 for maintenance services, and \$51,000 for other repairs including replacement of the video system, guardhouse canopy, vehicular bollard installation, and lighting improvements. The budget is \$31,000 (13.7 percent) higher than the FY 2015/16 adopted budget.

To provide the current level of security required by this district, the Administration recommends the proposed ad valorem millage of 1.0093 mills. This tax levy will generate proceeds of \$167,000. The millage is equivalent to the prior year millage and represents an annual increase of \$46.00 to the City average 2016 homesteaded property of \$386,468 taxable value applying a 0.7% CPI increase over FY 2015/16 average property values of \$386,782.

The tentative operating budget for the District is as follows:

Revenues

Ad Valorem Tax	\$167,000
City's General Fund	90,000
Total	\$257,000

Expenditures

Security Service	\$171,000
Maintenance	35,000
Video System	21,000
Guardhouse canopy, bollards, lighting	30,000
Total	\$257,000

The District was established by Ordinance 93-2881, and has the authority "to levy an ad-valorem tax on real and personal property of up to two mills, provided that no parcel of property will be assessed more than \$500 annually for such improvements". During FY 1998/99 the amount of annual funding to be provided by the City and the dependent status of the District were issues discussed by the Finance and Citywide Projects Committee. A determination was reached that the City would fund 35% of the annual cost of the operation of the community gate guard. This cost will eventually be funded from the golf course operation of the Normandy Shores Golf Course. It was further agreed that the City would continue to supplement the District at current levels until the Golf Course assumes this cost. On August 29, 2002, the Administration met with the Normandy Shores Local Government Neighborhood Improvement District representatives and agreed to eliminate the \$500 cap on the highest valued home in the District. The enabling legislation was adopted by the Commission on September 25, 2002. This ensures that the City's contribution from the General Fund remains at 35% of the operating budget of the District.

BACKGROUND

The Normandy Shores Local Government Neighborhood Improvement District (the District), a dependent taxing district of its principal, the City of Miami Beach, was established in 1994 to provide continual 24-hour security to this gated community; FY 2016/17 represents its twenty-third year of operation.

The District was established by Ordinance 93-2881, and has the authority "to levy an ad-valorem tax on real and personal property of up to two mills, provided that no parcel of property will be assessed more than \$500 annually for such improvements". During FY 1998/99 the amount of annual funding to be provided by the City and the dependent status of the District were issues discussed by the Finance and Citywide Projects Committee. A determination was reached that the City would fund 35% of the annual cost of the operation of the community gate guard. This cost will eventually be funded from the golf course operation of the Normandy Shores Golf Course. It was further agreed that the City would continue to supplement the District at current levels until the Golf Course assumes this cost. On August 29, 2002, the Administration met with the Normandy Shores Local Government Neighborhood Improvement District representatives and agreed to eliminate the \$500 cap on the highest valued home in the District. The enabling legislation was adopted by the Commission on September 25, 2002. This ensures that the City's contribution from the General Fund remains at 35% of the operating budget of the District.

PROCEDURE

The operating millage and budget for this dependent special taxing district must be adopted in accordance with Florida Statutes. This procedure requires that this Resolution be considered immediately after the tentative millage for Normandy Shores District has been adopted (See accompanying District Millage Agenda Item for details).

CONCLUSION

The City Commission, acting in its capacity as the Board of Directors of the Normandy Shores Local Government Neighborhood Improvement District, should adopt the attached Resolution which establishes a tentative operating budget and schedules the second and final public hearing.

FINANCIAL INFORMATION

The \$90,000 impact to the General Fund from the FY 2016/17 proposed budget is \$11,000 (13.9%) more than the FY 2015/16 adopted budget impact of \$79,000.

Amount 1	\$90,000	Account 1	General Fund
Amount 2	\$167,000	Account 2	Normandy Shores District
Total	\$257,000		

Legislative Tracking

Budget & Performance Improvement

ATTACHMENTS:

Description

- Form Approved Resolution