

RESOLUTION NO 2018-30374

**A RESOLUTION OF THE MAYOR AND CITY COMMISSION OF THE CITY OF MIAMI BEACH, FLORIDA, ADOPTING THE THIRD AMENDMENT TO THE GENERAL FUND, ENTERPRISE FUND, INTERNAL SERVICE FUND, AND SPECIAL REVENUE FUND BUDGETS FOR FISCAL YEAR 2017/18.**

**WHEREAS**, the budgets for the General Fund, Enterprise Funds, Internal Service Fund, and Special Revenue Fund for Fiscal Year 2017/18 were approved on September 25, 2017, with the adoption of Resolution No. 2017-30023; and

**WHEREAS**, the First Amendment to the General Fund, Enterprise Fund, Internal Service Fund, and Special Revenue Fund budgets for Fiscal Year 2017/18 was approved on November 13, 2017, with the adoption of Resolution No. 2017-30088; and

**WHEREAS**, the Second Amendment to the General Fund, Enterprise Fund, Internal Service Fund, and Special Revenue Fund budgets for Fiscal Year 2017/18 was approved on April 11, 2018, with the adoption of Resolution No. 2018-30278; and

**WHEREAS**, pursuant to Florida Statutes Section 166.241(4)(c), the City's budget amendment must be adopted in the same manner as its original budget; and

**WHEREAS**, this proposed amendment would appropriate \$1,079,000 in the General Fund, which is a portion of the City's year one reimbursement from the Redevelopment Agency totaling approximately \$6.4 million based on its proportionate share of previous year expenses for administration, community policing, and capital maintenance, for repayment of U.S. Department of Housing and Urban Development (HUD) grant funds to comply with the completed Office of the Inspector General Audit as recommended by the Letter to Commission (580-2017) dated December 5, 2017; and

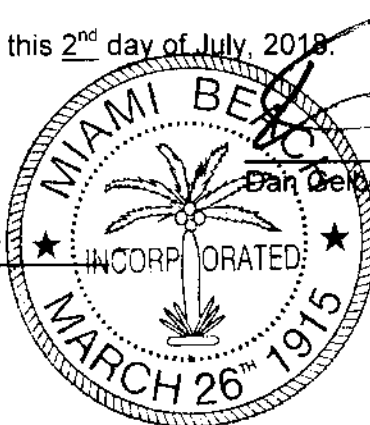
**WHEREAS**, this proposed amendment also de-appropriates \$460,000 collected in the City's Miami City Ballet Special Revenue Fund capital and maintenance sub-accounts, previously approved, through Resolution No. 2018-30278, for unforeseen repairs, maintenance, and improvements that may be necessary to be subsequently proposed as a mid-year capital budget appropriation as a result of a site inspection completed of the facility identifying numerous capital improvements deemed of critical importance.

**NOW, THEREFORE, BE IT DULY RESOLVED BY THE MAYOR AND CITY COMMISSION OF THE CITY OF MIAMI BEACH, FLORIDA**, that following a duly noticed public hearing on July 2, 2018, the City Commission hereby adopts the Third Amendment to the Fiscal Year 2017/18 General Fund, Enterprise Fund, Internal Service Fund, and Special Revenue Fund budgets as set forth in this Resolution and in the attached Exhibit "A."

**PASSED and ADOPTED** this 2<sup>nd</sup> day of July, 2018.

ATTEST:

  
Rafael E. Granado, City Clerk



  
Dan Gelber, Mayor

APPROVED AS TO  
FORM & LANGUAGE  
& FOR EXECUTION

  
Redevelopment Agency  
General Counsel

Date  
6-28-18

## Exhibit "A"

GENERAL FUND	FY 2017/18 Amended Budget	3rd Budget Amendment	FY 2017/18 Revised Budget
<b>REVENUES</b>			
<b>Operating Revenues</b>			
Ad Valorem Taxes	\$ 174,642,000		\$ 174,642,000
Ad Valorem - Capital Renewal & Repl.	\$ 721,000		\$ 721,000
Ad Valorem Taxes - Normandy Shores	\$ 181,000		\$ 181,000
Other Taxes	\$ 22,856,000		\$ 22,856,000
Licenses and Permits	\$ 31,417,000		\$ 31,417,000
Intergovernmental	\$ 11,255,000		\$ 11,255,000
Charges for Services	\$ 12,246,000		\$ 12,246,000
Fines & Forfeits	\$ 1,351,000		\$ 1,351,000
Interest Earnings	\$ 692,000		\$ 692,000
Rents and Leases	\$ 5,947,000		\$ 5,947,000
Miscellaneous	\$ 13,635,000		\$ 13,635,000
Resort Tax Contribution	\$ 34,950,000		\$ 34,950,000
Other Non-Operating Revenue	\$ 21,434,000	1,079,000	\$ 22,513,000
Fund Balance/ Retained Earnings	\$ 3,542,000		\$ 3,542,000
<b>Total General Fund</b>	<b>\$ 334,869,000</b>	<b>\$ 1,079,000</b>	<b>\$ 335,948,000</b>
	FY 2017/18 Amended Budget	3rd Budget Amendment	FY 2017/18 Revised Budget
<b>APPROPRIATIONS</b>			
<b>Department</b>			
Mayor and Commission	\$ 2,310,000		\$ 2,310,000
City Manager	\$ 3,969,000		\$ 3,969,000
Communications	\$ 2,136,000		\$ 2,136,000
Budget & Performance Improvement	\$ 1,765,000		\$ 1,765,000
Internal Audit	\$ 1,037,000		\$ 1,037,000
Org Dev & Performance Initiative	\$ 888,000		\$ 888,000
Finance	\$ 6,073,000		\$ 6,073,000
Procurement	\$ 2,486,000		\$ 2,486,000
Human Resources/Labor Relations	\$ 2,807,000		\$ 2,807,000
City Clerk	\$ 1,760,000		\$ 1,760,000
City Attorney	\$ 5,859,000		\$ 5,859,000
Housing & Comm. Development	\$ 3,345,000	1,079,000	\$ 4,424,000
Building	\$ 15,761,000		\$ 15,761,000
Environment & Sustainability	\$ 1,265,000		\$ 1,265,000
Code Compliance	\$ 6,015,000		\$ 6,015,000
Planning	\$ 4,693,000		\$ 4,693,000
Tourism, Culture, and Econ. Development	\$ 4,532,000		\$ 4,532,000
Parks & Recreation	\$ 36,496,000		\$ 36,496,000
Public Works	\$ 15,773,000		\$ 15,773,000
Capital Improvement Projects	\$ 5,090,000		\$ 5,090,000
Police	\$ 109,082,000		\$ 109,082,000
Fire	\$ 83,414,000		\$ 83,414,000
Emergency Management	\$ 3,181,000		\$ 3,181,000
Citywide Accounts-Other	\$ 10,484,000		\$ 10,484,000
Citywide Accounts-Operating Contingency	\$ 1,250,000		\$ 1,250,000
Citywide Accounts-Normandy Shores	\$ 277,000		\$ 277,000
<b>Subtotal General Fund</b>	<b>\$ 331,748,000</b>	<b>\$ 1,079,000</b>	<b>\$ 332,827,000</b>
<b>TRANSFERS</b>			
Capital Renewal & Replacement	\$ 721,000		\$ 721,000
Pay-As-You-Go Capital Fund	\$ 2,400,000		\$ 2,400,000
<b>Subtotal General Fund Transfers</b>	<b>\$ 3,121,000</b>	<b>\$ -</b>	<b>\$ 3,121,000</b>
<b>Total General Fund</b>	<b>\$ 334,869,000</b>	<b>\$ 1,079,000</b>	<b>\$ 335,948,000</b>

## Exhibit "A"

ENTERPRISE FUNDS	FY 2017/18 Amended Budget	3rd Budget Amendment	FY 2017/18 Revised Budget
<b>REVENUE/APPROPRIATIONS</b>			
Convention Center	\$ 13,846,000		\$ 13,846,000
Parking	\$ 59,285,000		\$ 59,285,000
Sanitation	\$ 22,724,000		\$ 22,724,000
Sewer Operations	\$ 50,105,000		\$ 50,105,000
Storm Water Operations	\$ 28,785,000		\$ 28,785,000
Water Operations	\$ 39,198,000		\$ 39,198,000
<b>Total Enterprise Funds</b>	<b>\$ 213,943,000</b>	<b>\$ -</b>	<b>\$ 213,943,000</b>

INTERNAL SERVICE FUNDS	FY 2017/18 Amended Budget	3rd Budget Amendment	FY 2017/18 Revised Budget
<b>REVENUE/APPROPRIATIONS</b>			
Central Services	\$ 1,074,000		\$ 1,074,000
Fleet Management	\$ 8,817,000		\$ 8,817,000
Information Technology	\$ 16,772,000		\$ 16,772,000
Property Management	\$ 9,050,000		\$ 9,050,000
Risk Management	\$ 19,270,000		\$ 19,270,000
Medical and Dental Insurance	\$ 31,962,000		\$ 31,962,000
<b>Total Internal Service Funds</b>	<b>\$ 86,945,000</b>	<b>\$ -</b>	<b>\$ 86,945,000</b>

SPECIAL REVENUE FUNDS	FY 2017/18 Amended Budget	3rd Budget Amendment	FY 2017/18 Revised Budget
<b>REVENUE/APPROPRIATIONS</b>			
Resort Tax	\$ 84,006,000		\$ 84,006,000
Transportation	\$ 13,703,000		\$ 13,703,000
People's Transportation Plan Fund	\$ 3,701,000		\$ 3,701,000
7th Street Garage	\$ 2,590,000		\$ 2,590,000
5th & Alton Garage	\$ 635,000		\$ 635,000
Tourism and Hospitality Scholarship Prgm	\$ 184,000		\$ 184,000
Information and Communication Tech Fund	\$ 787,000		\$ 787,000
Education Compact	\$ 385,000		\$ 385,000
Sustainability Fund	\$ 346,000		\$ 346,000
Residential Housing	\$ 694,000		\$ 694,000
Red Light Camera Fund	\$ 1,333,000		\$ 1,333,000
E-911 Fund	\$ 185,000		\$ 185,000
Cultural Arts Council	\$ 1,857,000		\$ 1,857,000
Normandy Shores	\$ 289,000		\$ 289,000
Tree Preservation	\$ 184,000		\$ 184,000
Commemorative Tree Trust Fund	\$ 10,000		\$ 10,000
Police Confiscation - Federal	\$ 155,000		\$ 155,000
Police Confiscation - State	\$ 217,000		\$ 217,000
Police Special Revenue - Unclaimed Property	\$ 75,000		\$ 75,000
Police Special Revenue - Crash Report Sales	\$ 25,000		\$ 25,000
Police Training	\$ 22,000		\$ 22,000
Waste Haulers Add Serv & Public Benefit	\$ 130,000		\$ 130,000
Miami City Ballet	\$ 460,000	(460,000)	\$ 0
Adopt-A-Bench Program	\$ 60,000		\$ 60,000
<b>Total Special Revenue Funds</b>	<b>\$ 112,033,000</b>	<b>\$ (460,000)</b>	<b>\$ 111,573,000</b>

# MIAMI BEACH

## COMMISSION MEMORANDUM

TO: Honorable Mayor and Members of the City Commission  
FROM: Jimmy L. Morales, City Manager  
DATE: July 2, 2018

**9:31 a.m. Public Hearing**

SUBJECT: A RESOLUTION OF THE MAYOR AND CITY COMMISSION OF THE CITY OF MIAMI BEACH, FLORIDA, ADOPTING THE THIRD AMENDMENT TO THE GENERAL FUND, ENTERPRISE FUND, INTERNAL SERVICE FUND, AND SPECIAL REVENUE FUND BUDGETS FOR FISCAL YEAR (FY) 2017/18.

**RECOMMENDATION**

See Memorandum attached.

**Legislative Tracking**

Budget and Performance Improvement

**ATTACHMENTS:**

**Description**

- Memo - FY 2017/18 3rd Operating Budget Amendment

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

## COMMISSION MEMORANDUM

TO: Mayor Dan Gelber and Members of the City Commission

FROM: Jimmy L. Morales, City Manager

DATE: July 2, 2018

SUBJECT: **A RESOLUTION OF THE MAYOR AND CITY COMMISSION OF THE CITY OF MIAMI BEACH, FLORIDA, ADOPTING THE THIRD AMENDMENT TO THE GENERAL FUND, ENTERPRISE FUND, INTERNAL SERVICE FUND AND SPECIAL REVENUE FUND BUDGETS FOR FISCAL YEAR 2017/18**

### **ADMINISTRATION RECOMMENDATION**

Adopt the Resolution.

### **KEY INTENDED OUTCOME SUPPORTED**

Ensure expenditure trends are sustainable over the long term.

### **ANALYSIS**

The budgets for the General Fund, Enterprise Funds, Internal Service Funds, and Special Revenue Funds for Fiscal Year 2017/18 were approved on September 25, 2017, with the adoption of Resolution No. 2017-30023.

The First Amendment to the General Fund, Enterprise Funds, Internal Service Funds, and Special Revenue Funds budgets for FY 2017/18 was approved on November 13, 2017, with the adoption of Resolution No. 2017-30088.

The Second Amendment to the General Fund, Enterprise Funds, Internal Service Funds, and Special Revenue Funds budgets for FY 2017/18 was approved on April 11, 2018, with the adoption of Resolution No. 2017-30088.

Section 166.241(4)(c), Florida Statutes, requires that a municipality's budget amendment must be adopted in the same manner as its original budget.

#### **4<sup>TH</sup> AMENDMENT – RDA INTERLOCAL AGREEMENT**

On January 26, 1993, Miami-Dade County adopted Resolution No. R-14-93, which, among other things, found the area of Miami Beach bounded on the east by the Atlantic Ocean, on the north by 24th Street, on the west by West Avenue, and on the south by 14th Lane to be a "blighted area" within the meaning of Part III of Chapter 163, Florida Statutes, and delegated to the City of Miami Beach, pursuant to Section 163.410, Florida Statutes, certain powers conferred upon the County Commission as the governing body of Dade County by Part III of Chapter 163, Florida Statutes, with regard to the Redevelopment Area, so that the City Commission, either directly or through its duly designated community redevelopment agency, could exercise such powers.

On November 16, 1993, the County and the City approved and entered into an Interlocal Agreement, by which the County delegated to the City certain redevelopment powers, including but not limited to the creation of the Redevelopment Area and implementation of the Redevelopment Plan.

The First Amendment to the Interlocal Agreement, approved by the County Commission, through Resolution No. R-889-03, and approved by the City Commission, through Resolution No. 2003-25241, delegated to the City the power to develop and implement community policing initiatives.

The Second Amendment to the Interlocal Agreement, approved by the County Commission, through Resolution No. R-958-04, and approved by the City, through Resolution No. 2004-25560, allowed the Redevelopment Agency to refund certain bonds and provided for an annual fee of one and one-half percent to be paid to the County and City annually to defray administrative costs after debt service and all other obligations related to the bonds or future indebtedness was satisfied for the fiscal year.

The Third Amendment to the Interlocal Agreement, approved by the County Commission, through Resolution No. R-1110-14, and approved by the City Commission, through Resolution No. 2014-28835, among other things, allowed the Miami Beach Redevelopment Agency to issue \$430 million in bonds to refund existing debt and partially fund the Miami Beach Convention Center expansion and renovation project and delineated the annual administrative and operating expenditures for the Redevelopment Agency and any remaining funding to be used to retire debt early.

The Fourth Amendment to the Interlocal Agreement, approved by the County Commission on June 19, 2018, through Resolution No. R-644-18, and approved by the City on April 25, 2018, through Resolution No. 2018-30288, will provide for the following:

1. Add certain expenditures to the authorized expenditures of the Redevelopment Agency.
2. Allow the Redevelopment Agency to reimburse the City \$6,914,221 for construction delays and damages to the Convention Center renovation and expansion project resulting from Hurricane Irma.
3. Include proposed funding in an amount up to \$20.0 million to fund the Lincoln Road project, previously authorized as part of the Third Amendment, for a total project amount of up to \$40.0 million for the Lincoln Road project.
4. Distribute to both the County and the City, beginning in FY 2017/18 and continuing until FY 2022/23, a reimbursement based on each entity's proportionate share of expenditures for administration, community policing, and capital maintenance, and require that both set aside \$1.5 million of the annual reimbursement for beach re-nourishment that can be utilized to leverage State or Federal funding for beach re-nourishment projects.

5. Utilize any excess revenues, after the foregoing distributions, for the early prepayment of debt, as originally stipulated in the Third Amendment to the Interlocal Agreement.

This proposed amendment would appropriate \$1,079,000 in the General Fund, which is a portion of the City's year one reimbursement totaling approximately \$6.4 million based on its proportionate share of previous year expenses for administration, community policing, and capital maintenance to be transferred from the Redevelopment Agency.

The \$1,079,000 is proposed to be used for the repayment of U.S. Department of Housing and Urban Development (HUD) grant funds to comply with the completed Office of the Inspector General Audit as recommended by the Letter to Commission (580-2017) dated December 5, 2017.

### **MIAMI CITY BALLET FUND**

The Miami City Ballet has been a tenant of the City-owned property located at 2200 Liberty Avenue pursuant to the lease agreement for a 63,000-square foot facility consisting of administrative offices, a school, studio space, and a gift shop executed February 9, 2006. The lease has an initial term of forty years and sixty-three days, with four possible separate renewal options, subject to certain renewal conditions being met. As part of the lease, to provide future funding for maintenance and capital improvements in the facility, the Miami City Ballet is required to pay the City, as additional rent, funds which are owned, held, and disbursed by the City in sub-accounts for any necessary maintenance and capital improvements.

The Second Amendment to the FY 2017/18 operating budget, approved by the City Commission through Resolution No. 2018-30278, appropriated \$460,000 collected in the City's capital and maintenance sub-accounts established pursuant to the lease agreement to provide funding for any unforeseen repairs, maintenance, and improvements that could potentially be needed in the facility in accordance with the current lease agreement.

Subsequent to approval of the Second Amendment, the Miami City Ballet's capital maintenance plan was modified as a result of a site inspection completed by outside consultants and contractors. Numerous building improvements were deemed of critical importance, for which the Miami City Ballet proposes to complete utilizing a Florida State Cultural Facilities Grant combined with funding paid to the City and deposited in its maintenance and capital sub-accounts. Since these improvements, which are deemed critical, are not considered operating improvements, but rather capital improvements (as they result in the improvement of a fixed asset and have a life expectancy of at least five years), this proposed amendment would de-appropriate \$460,000 in the Miami City Ballet Fund, approved by Resolution No. 2018-30278, to be appropriated mid-year through a capital budget amendment.

### **CONCLUSION**

The Administration recommends that the Mayor and City Commission adopt the Third Amendment to the General Fund, Enterprise Fund, Internal Service Fund, and Special Revenue Fund Budgets for Fiscal Year 2017/18.

JLM/JW/TOS