

OFFICE OF MANAGEMENT & BUDGET

DEPARTMENT MISSION STATEMENT

We are dedicated to providing maximization and allocation of resources to achieve measurable results which are responsive to community needs.

CHIEF FINANCIAL OFFICER

OFFICE OF MANAGEMENT
AND BUDGET

DEPARTMENT DESCRIPTION

The Office of Management and Budget (OMB) was created in 2004 and is responsible for overseeing the implementation of the City’s vision across the organization by ensuring that the City’s financial resources are budgeted and managed in a way that produces results that advance the City’s priorities.

A vital effort of the office is to effectuate the implementation of a results-oriented budget, focused on efficiency and service-orientation, through the following initiatives:

- Focus the City’s annual budget process on being results-oriented
- Refocus the proposed and adopted budget documents to emphasize programs, strategic intended outcomes, and their related performance measures and targets
- Ensure that expenditure trends are sustainable over the long term by improving the City’s overall financial health
- Increase and maintain the dollars received by the City as part of revenue maximization activities

FISCAL ENVIRONMENT

OMB is primarily supported by the General Fund. The General Fund charges an administrative fee to Enterprise Fund departments, the Redevelopment Agency (RDA), and the Resort Tax Fund to cover the cost of various administrative support functions provided by the General Fund.

STRATEGIC ALIGNMENT

Main Vision Area:

Organizational Innovation

Management Objectives:

- **Organizational Innovation**
 - Support all objectives to improve decision making and financial stewardship, making the city more business friendly, with an employee culture of problem solving and engagement



Strategic Plan Actions:

- **IMPLEMENT** program budgeting

Budget Enhancement Actions:

- N/A

Resilient305 Actions:

- **PLANNING** Efficiently & Effectively Together
- **FINANCING** a Resilient Future
- **PILOT** Resilience Financing Decisions Toolkit

BUSINESS ENVIRONMENT

OMB has numerous responsibilities within the City and works with all City Departments to facilitate and provide consulting, advisory, organizational, and support services as needed.

The department also provides staff support to the Budget Advisory Committee, which is comprised of City residents.



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SIGNIFICANT ACCOMPLISHMENTS

- **Maintained Strong Fiscal Stewardship** by balancing the FY 2020 budget while minimizing the impact to public facing services and eliminated 28 full time positions in FY 2020 and 13 full time positions in FY 2019.
- **Automated Indexing of the Majority of Fees to the Consumer Price Index (CPI)** to ensure that fees keep up with inflation and are sufficient to recover the costs of providing services to the City's residents and customers.
- **Instituted the Third Year of Program Budgeting** to increase transparency and understanding of the existing programs and services currently included in the City's budget. This approach has proven to be more user-friendly for elected officials and helps focus the decision-making process on desired future levels of service.

“
Successfully re-balanced the FY 2020 Budget and balanced the FY 2021 Budget despite significant financial impacts from COVID-19.
 ”

- **Completed the First Zero-Based Budget for the Sanitation Fund** which allowed for every function of the department to be analyzed for its needs and costs by starting from a “zero base.”
- **Completed updated full cost and OMB (Federal) cost allocation plans** to accurately account for the cost of providing central City services by identifying indirect costs associated with all City departments, funds, and programs, as well as grant-related activities. The information from this plan is utilized to recover funds from non-General Fund sources, as well as identify indirect costs associated with programs such as Resort Tax.
- **Successfully managed the transfer of control** of the Allison Island and Biscayne Beach Security Guard Special Taxing Districts from Miami-Dade County to the City, which was a year-long process.

SIGNIFICANT ACCOMPLISHMENTS CONT'D

- **Continued to increase transparency** of the City's financial data by enhancing the City's transparency portal (OpenGov). This was accomplished by converting the existing data source to the City's new financial management system, which now allows for automated updates to the financial information presented on the City's website. Transparency Portal Link: <https://miamibeachfl.opengov.com>.
- **Received the Government Finance Officers Association (GFOA's) Distinguished Budget Presentation Award** for its FY 2020 Adopted Budget document. This represents the 17th consecutive year that the City has received this prestigious award.
- **Conducted the second annual OMB Year-in-Review** survey inclusive of departments citywide regarding assistance provided by the OMB team. The results indicated that 91% of respondents were either satisfied or extremely satisfied with the level of service provided by OMB staff.

CRITICAL SUCCESS FACTORS

- Ensure the Office of Management and Budget continues to provide a high level of customer service and expertise to guide each department toward fiscal responsibility
- Maintain communication on all aspects of the budgeting process with City administration and the Mayor and Commission
- Coordinate with outside agencies and City departments to identify funding for city priorities and unfunded projects

FUTURE OUTLOOK

- Continue to play a critical role in the implementation and coordination of financial aspects of the General Obligation (G.O.) Bond program approved by the voters on November 6, 2018
- Continue to maintain fiscal responsibility in order to ensure that the City's revenue and expenditure trends are sustainable over the long term
- Create a comprehensive plan for the renewal and replacement of capital assets citywide



OFFICE OF MANAGEMENT & BUDGET

PERFORMANCE PLAN HIGHLIGHTS

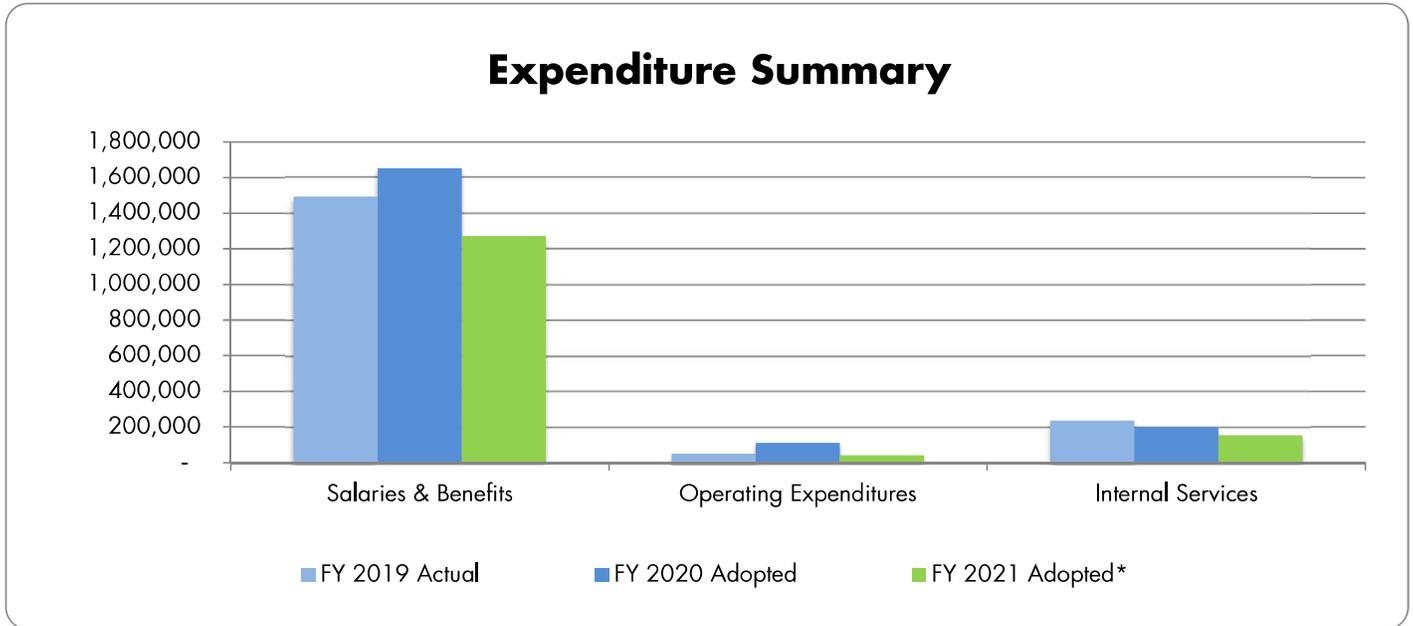
PERFORMANCE MEASURES	2017 Actuals	2018 Actuals	2019 Actuals	2020 Target	2021 Target
Main Vision Area: Organizational Innovation					
% of Operating Budget amendments processed within 10 business days of adoption	**	100%	100%	90%	90%
% of internal customers satisfied with technical assistance received	**	86%	91%	80%	80%
% of internal customers satisfied with timely processing of budget amendments	**	89%	91%	80%	80%
Government Finance Officers Association (GFOA) scores for Adopted Budget document*	3.33	3.58	3.25	3.50	3.50
*GFOA scores range from 1 to 4, with 4 being the highest. A score of 4 is indicative of an Outstanding budget presentation.					
**Measure was created in FY 2018					

DEPARTMENT FINANCIAL SUMMARY - GENERAL FUND

Expenditure Area	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted	FY 2021 Adopted*
Salaries & Benefits	1,453,308	1,493,658	1,651,000	1,271,000
Operating Expenditures	111,647	50,804	110,000	42,000
Internal Services	141,000	237,000	202,000	153,000
Total	\$ 1,705,955	\$ 1,781,462	\$ 1,963,000	\$ 1,466,000
Total Budgeted Positions	10.40 + 0.00 PT	11.00 + 0.00 PT	11.00 + 0.00 PT	8.00 + 0.00 PT

*Effective FY 2021, the Grants Management and Legislative Affairs Division transferred from the Office of Management and Budget (OMB) to the Office of the City Manager.

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MANAGEMENT AND BUDGET - GENERAL FUND

Expenditure Area	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted	FY 2021 Adopted
Salaries & Benefits	1,014,550	1,044,254	1,124,000	1,271,000
Operating Expenditures	80,843	39,267	86,000	42,000
Internal Services	116,000	203,000	166,000	153,000
Total	\$ 1,211,393	\$ 1,286,521	\$ 1,376,000	\$ 1,466,000

Total Budgeted Positions **7.55 + 0.00 PT** **7.70 + 0.00 PT** **7.70 + 0.00 PT** **8.00 + 0.00 PT**

GRANTS MANAGEMENT AND LEGISLATIVE AFFAIRS - GENERAL FUND

Expenditure Area	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted	FY 2021 Adopted*
Salaries & Benefits	438,759	449,404	527,000	0
Operating Expenditures	30,804	11,537	24,000	0
Internal Services	25,000	34,000	36,000	0
Total	\$ 494,562	\$ 494,941	\$ 587,000	\$ 0

Total Budgeted Positions **2.85 + 0.00 PT** **3.30 + 0.00 PT** **3.30 + 0.00 PT** **0.00 + 0.00 PT**

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BUDGET HIGHLIGHTS

- A significant component of the increase in personnel expenditures for all departments are increases in employee-related costs including a one percent cost of living adjustment effective April 1, 2021 for all groups, except AFSCME (1.0% COLA effective July 1, 2021), GSA (1.0% COLA effective October 1, 2020), and CWA (2.0% COLA effective October 1, 2020), as well as a maximum of three percent merit increase for employees, except members of the Fraternal Order of Police (FOP) and International Association of Fire Fighters (IAFF) which include a five percent step increase. Merit, step, and cost of living increases apply within existing pay ranges. A five percent increase in the City's premiums for health insurance for all employees is also included, except for members of the Fraternal Order of Police (FOP) and International Association of Fire Fighters (IAFF) which includes an eight percent increase in the City's premium. These increases were, however, largely offset by the COVID-19 balancing plan reductions allocated across all departments that include furloughs for all bargaining units based on a tiered approach, a citywide freeze on all non-essential expenditures and training and travel, and a citywide hiring freeze.
- Personnel services expenditures decreased by \$380,000, or 23%. This is primarily due to a decrease of \$527,000 for the reorganization of the Grants Management and Legislative Affairs Division from the Office of Management and Budget to the Office of the City Manager commencing in FY 2021. This decrease is partially offset by an \$88,000 increase in salaries and wages resulting from applicable cost of living adjustments and merit increases budgeted in FY 2021 along with the partial reallocation of two positions previously split funded by the Grants Management Division. Other increases include \$57,000 in other personnel services expenditures, which include projected increases in health and life insurance, pension, and other post-employment benefits costs for FY 2021.

BUDGET HIGHLIGHTS CONT'D

- Operating expenditures decreased by \$68,000, or 62%, primarily due to a decrease of \$24,000 attributed to the reorganization of the Grants Management and Legislative Affairs Division from the Office of Management and Budget to the Office of the City Manager commencing in FY 2021, \$27,000 resulting from the department identifying a more efficient and cost-effective software solution for development of its annual budget documents, and \$29,000 in one-time decreases from the COVID-19 balancing plan reductions. These decreases were, however, partially offset by an increase of \$12,000 in miscellaneous operating operating based on anticipated departments needs for FY 2021.
- Internal services expenditures decreased by \$49,000, or 24%, primarily due to a decrease of \$36,000 for the reorganization of the Grants Management and Legislative Affairs Division from the Office of Management and Budget to the Office of the City Manager commencing in FY 2021, as well as additional decreases in Central Services and Information Technology services totaling \$18,000 for OMB. These decreases were, however, partially offset by increases in Property Management, Risk Management, and OIG funding totaling \$5,000 for FY 2021.

FY 2021 Reductions/Efficiencies

- As part of the COVID-19 balancing plan, the FY 2021 reductions also include a one-time reduction of \$29,000, which is comprised of \$16,000 for furloughs for all bargaining units based on a tiered approach, \$5,000 for non-essential expenditures, and \$8,000 for non-essential training and travel.

FY 2021 Re-Organization

- The FY 2021 budget also reflects the reorganization of the Grants Management and Legislative Affairs Division from the Office of Management and Budget to the Office of the City Manager commencing in FY 2021.

