

RESOLUTION NO. 2021-31924

A RESOLUTION OF THE MAYOR AND CITY COMMISSION OF THE CITY OF MIAMI BEACH, FLORIDA, ADOPTING THE SIXTH AMENDMENT TO THE GENERAL FUND, ENTERPRISE FUNDS, INTERNAL SERVICE FUNDS, AND SPECIAL REVENUE FUNDS BUDGETS FOR FISCAL YEAR 2021 AS SET FORTH IN THIS RESOLUTION AND IN THE ATTACHED EXHIBIT "A."

WHEREAS, the budgets for the General Fund, Enterprise Funds, Internal Service Funds, and Special Revenue Funds for Fiscal Year (FY) 2021 were adopted by the Mayor and City Commission on September 29, 2020, through Resolution No. 2020-31428; and

WHEREAS, the First Amendment to the General Fund, Enterprise Funds, Internal Service Funds, and Special Revenue Funds budgets for FY 2021 was adopted by the Mayor and City Commission on November 18, 2020, through Resolution No. 2020-31497; and

WHEREAS, the Second Amendment to the General Fund, Enterprise Funds, Internal Service Funds, and Special Revenue Funds budgets for FY 2021 was adopted by the Mayor and City Commission on March 17, 2021, through Resolution No. 2021-31646; and

WHEREAS, the Third Amendment to the General Fund, Enterprise Funds, Internal Service Funds, and Special Revenue Funds budgets for FY 2021 was adopted by the Mayor and City Commission on April 21, 2021, through Resolution No. 2021-31689; and

WHEREAS, the Fourth Amendment to the General Fund, Enterprise Funds, Internal Service Funds, and Special Revenue Funds budgets for FY 2021 was adopted by the Mayor and City Commission on June 23, 2021, through Resolution No. 2021-31745; and

WHEREAS, the Fifth Amendment to the General Fund, Enterprise Funds, Internal Service Funds, and Special Revenue Funds budgets for FY 2021 was adopted by the Mayor and City Commission on July 28, 2021, through Resolution No. 2021-31813; and

WHEREAS, 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; and

WHEREAS, the FY 2021 projections as of year-end reveal that the Fire Department and Citywide Accounts' budgets in the General Fund are projected to exceed their current amended FY 2021 budgets due to unforeseen COVID-19 related overtime costs incurred and projected impact of the pension buyback window provided for all eligible sworn Police and Fire personnel, regardless of pension service time, to purchase up to two years of service from July 1, 2021 through September 30, 2021 in accordance with the City's current collective bargaining agreements, respectively; and

WHEREAS, it is recommended that projected savings in other FY 2021 General Fund department budgets be realigned to address these projected overages in the Fire Department and Citywide Accounts budgets in the General Fund for FY 2021; and

WHEREAS, after accounting for the realignment of funds in the FY 2021 department budgets due to the projected overages, the preliminary year-end analysis for FY 2021 reveals that the General Fund has an operating shortfall of \$3.7 million based on the City's operations; and

WHEREAS, \$3.5 million should be set aside for encumbrances from FY 2021 for goods and/or services which had been procured, but not received and expended at year end that the Administration is recommending be carried forward to the respective FY 2021 operating budgets; and

WHEREAS, there are \$5.2 million in projects in the General Fund that were budgeted in FY 2021 that have not yet been expended or encumbered, and the Administration is recommending that the foregoing amounts be carried forward and spent in the respective FY 2022 operating budgets; and

WHEREAS, as amended, there are an additional \$1.1 million in expenditures and projects that the Administration is recommending be appropriated in the FY 2022 operating budgets based on the FY 2021 year-end projections; and

WHEREAS, the preliminary year-end analysis for FY 2021 reveals that the Resort Tax Fund has an operating surplus of approximately \$24.1 million based on the City's operations; and

WHEREAS, the Administration recommends that \$106,000 in projects that were budgeted in FY 2021 that have not yet been expended or encumbered be carried forward and spent in the respective FY 2022 operating budgets; and

WHEREAS, there are a total of \$2.3 million in Enterprise Fund encumbrances, \$4.0 million in Internal Service Fund encumbrances, and \$1.4 million in Special Revenue Fund encumbrances (not including Resort Tax) from FY 2021 for goods or services that were procured in FY 2021, but not yet received and expended, which the Administration recommends be carried over to the respective FY 2022 operating budgets; and

WHEREAS, there are also a total of \$8.5 million in projects in the Enterprise Funds, \$3.1 million in projects in the Internal Service Funds, and \$2.6 million in projects in the Special Revenue Funds (not including Resort Tax) budgeted in FY 2021 that have not yet been expended or encumbered, which the Administration recommends be carried forward and spent in the respective FY 2022 operating budgets; and

WHEREAS, in light of the Collins Park Garage being constructed using City Center Redevelopment Agency (RDA) funding, this proposed budget amendment transfers \$838,000 of projected revenues and expenditures for the Collins Park Garage from the Parking Department's Enterprise Fund to a stand-alone fund for FY 2021 to better track its revenues and expenditures for reporting purposes and increase transparency; and

WHEREAS, the revenues and expenditures budgeted for FY 2022, and subsequent years, for the operation of this garage have and will be appropriated in the new stand-alone fund; and

WHEREAS, this proposed budget amendment also appropriates additional funding in the 5th & Alton Garage, Biscayne Point, Biscayne Beach, and Normandy Shores Special Revenue Funds of \$171,000, \$10,000, \$18,000, and \$13,000, respectively, for expenditures incurred during FY 2021 that were not budgeted, nor anticipated, from available fund balance in each respective fund.


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 November 22, 2021, the Mayor and City Commission hereby adopt, as amended, the Sixth Amendment to the FY 2021 General Fund, Enterprise Fund, Internal Service Fund, and Special Revenue Funds budgets as set forth in this Resolution and in the attached Exhibit "A."

PASSED and ADOPTED this 22 day of November, 2021

ATTEST:

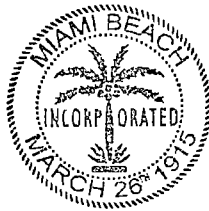


Rafael E. Granado, City Clerk



Dan Gelber, Mayor

NOV 30 2021



APPROVED AS TO
FORM & LANGUAGE
& FOR EXECUTION



for City Attorney 11/23/21
Date

Exhibit "A"

GENERAL FUND	FY 2021 Amended Budget	6th Budget Amendment	FY 2021 Revised Budget
REVENUES			
Operating Revenues			
Ad Valorem Taxes	\$ 193,218,000		\$ 193,218,000
Ad Valorem - Capital Renewal & Replacement	\$ 807,000		\$ 807,000
Ad Valorem - Pay-As-You-Go Capital	\$ 2,592,000		\$ 2,592,000
Ad Valorem - Normandy Shores	\$ 18,000		\$ 18,000
Other Taxes	\$ 24,083,000		\$ 24,083,000
Licenses and Permits	\$ 13,925,000		\$ 13,925,000
Intergovernmental	\$ 11,254,000		\$ 11,254,000
Charges for Services	\$ 13,061,000		\$ 13,061,000
Fines and Forfeits	\$ 1,069,000		\$ 1,069,000
Interest Earnings	\$ 2,769,000		\$ 2,769,000
Rents and Leases	\$ 5,954,000		\$ 5,954,000
Miscellaneous	\$ 15,125,000		\$ 15,125,000
Resort Tax Contribution	\$ 18,639,000		\$ 18,639,000
Other Non-Operating Revenue	\$ 40,205,000		\$ 40,205,000
Total General Fund	\$ 342,719,000	\$ 0	\$ 342,719,000
APPROPRIATIONS			
Department			
Mayor and Commission	\$ 2,517,000		\$ 2,517,000
City Manager	\$ 4,798,000		\$ 4,798,000
Marketing and Communications	\$ 2,221,000		\$ 2,221,000
Office of Management and Budget	\$ 1,466,000		\$ 1,466,000
Org. Dev Performance Initiatives	\$ 1,119,000		\$ 1,119,000
Finance	\$ 6,358,000		\$ 6,358,000
Procurement	\$ 2,705,000		\$ 2,705,000
Human Resources/Labor Relations	\$ 2,794,000		\$ 2,794,000
City Clerk	\$ 1,844,000		\$ 1,844,000
City Attorney	\$ 6,150,000		\$ 6,150,000
Housing & Community Services	\$ 3,887,000	(500,000)	\$ 3,387,000
Planning	\$ 6,095,000	(500,000)	\$ 5,595,000
Environment & Sustainability	\$ 1,248,000		\$ 1,248,000
Tourism and Culture	\$ 3,242,000		\$ 3,242,000
Economic Development	\$ 1,372,000		\$ 1,372,000
Code Compliance	\$ 6,477,000		\$ 6,477,000
Parks & Recreation (incl. Golf Courses)	\$ 34,283,000	(1,378,000)	\$ 32,905,000
Property Management	\$ 2,054,000		\$ 2,054,000
Public Works	\$ 13,577,000	(500,000)	\$ 13,077,000
Capital Improvement Projects	\$ 5,551,000		\$ 5,551,000
Police	\$ 118,014,000	(1,000,000)	\$ 117,014,000
Fire	\$ 91,890,000	2,095,000	\$ 93,985,000
Citywide (incl. Operating Contingency)	\$ 17,140,000	1,783,000	\$ 18,923,000
Subtotal General Fund	\$ 336,802,000	\$ 0	\$ 336,802,000
TRANSFERS			
Normandy Shores	\$ 111,000		\$ 111,000
Capital Renewal & Replacement	\$ 43,000		\$ 43,000
Info & Comm Technology Fund	\$ 300,000		\$ 300,000
Pay-As-You-Go Capital Fund	\$ 4,252,000		\$ 4,252,000
Parking Fund	\$ 1,211,000		\$ 1,211,000
Subtotal Transfers	\$ 5,917,000	\$ 0	\$ 5,917,000
Total General Fund	\$ 342,719,000	\$ 0	\$ 342,719,000

Exhibit "A"

ENTERPRISE FUNDS	FY 2021 Amended Budget	6th Budget Amendment	FY 2021 Revised Budget
REVENUE/APPROPRIATIONS			
Building	\$ 16,756,000		\$ 16,756,000
Convention Center	\$ 34,707,000		\$ 34,707,000
Water	\$ 38,058,000		\$ 38,058,000
Sewer	\$ 50,397,000		\$ 50,397,000
Stormwater	\$ 32,830,000		\$ 32,830,000
Sanitation	\$ 22,580,000		\$ 22,580,000
Parking	\$ 37,646,000	(838,000)	\$ 36,808,000
Total Enterprise Funds	\$ 232,974,000	\$ (838,000)	\$ 232,136,000

INTERNAL SERVICE FUNDS	FY 2021 Amended Budget	6th Budget Amendment	FY 2021 Revised Budget
REVENUE/APPROPRIATIONS			
Information Technology	\$ 18,286,000		\$ 18,286,000
Risk Management	\$ 22,535,000		\$ 22,535,000
Central Services	\$ 1,052,000		\$ 1,052,000
Office of Inspector General	\$ 2,027,000		\$ 2,027,000
Property Management	\$ 11,715,000		\$ 11,715,000
Fleet Management	\$ 15,088,000		\$ 15,088,000
Medical and Dental Insurance	\$ 40,258,000		\$ 40,258,000
Total Internal Service Funds	\$ 110,961,000	\$ 0	\$ 110,961,000

SPECIAL REVENUE FUNDS	FY 2021 Amended Budget	6th Budget Amendment	FY 2021 Revised Budget
REVENUE/APPROPRIATIONS			
Education Compact	\$ 641,000		\$ 641,000
IT Technology Fund	\$ 2,034,000		\$ 2,034,000
Residential Housing	\$ 813,000		\$ 813,000
Sustainability	\$ 958,000		\$ 958,000
Tree Preservation Fund	\$ 105,000		\$ 105,000
Commemorative Tree Trust Fund	\$ 3,000		\$ 3,000
Resort Tax	\$ 69,833,000		\$ 69,833,000
Tourism and Hospitality Scholarships	\$ 80,000		\$ 80,000
Cultural Arts Council	\$ 3,133,000		\$ 3,133,000
Waste Haulers	\$ 111,000		\$ 111,000
Normandy Shores	\$ 287,000	13,000	\$ 300,000
Biscayne Point Special Taxing District	\$ 221,000	10,000	\$ 231,000
Allison Island Special Taxing District	\$ 221,000		\$ 221,000
Biscayne Beach Special Taxing District	\$ 221,000	18,000	\$ 239,000
5th & Alton Garage	\$ 643,000	171,000	\$ 814,000
7th Street Garage	\$ 2,049,000		\$ 2,049,000
Transportation Fund	\$ 8,883,000		\$ 8,883,000
People's Transportation Plan	\$ 4,239,000		\$ 4,239,000
Police Confiscation Fund - Federal	\$ 130,000		\$ 130,000
Police Confiscation Fund - State	\$ 164,000		\$ 164,000
Police Unclaimed Property	\$ 29,000		\$ 29,000
Police Crash Report Sales	\$ 25,000		\$ 25,000
Police Training Fund	\$ 25,000		\$ 25,000
Red Light Camera Fund	\$ 1,407,000		\$ 1,407,000
E-911 Fund	\$ 669,000		\$ 669,000
Art in Public Places (AIPP)	\$ 21,000		\$ 21,000
Beachfront Concession Initiatives	\$ 74,000		\$ 74,000
Beach Renourishment	\$ 1,575,000		\$ 1,575,000
Adopt-A-Bench Program	\$ 20,000		\$ 20,000
Off-Duty Services Fund	\$ 200,000		\$ 200,000
Convention Center Renewal and Replacement	\$ 4,000,000		\$ 4,000,000
Total Special Revenue Funds	\$ 102,814,000	\$ 212,000	\$ 103,026,000

MIAMI BEACH

COMMISSION MEMORANDUM

TO: Honorable Mayor and Members of the City Commission
FROM: Alina T. Hudak, City Manager
DATE: November 22, 2021

10:01 a.m. Public Hearing

SUBJECT: A RESOLUTION OF THE MAYOR AND CITY COMMISSION OF THE CITY OF MIAMI BEACH, FLORIDA, ADOPTING THE SIXTH AMENDMENT TO THE GENERAL FUND, ENTERPRISE FUNDS, INTERNAL SERVICE FUNDS, AND SPECIAL REVENUE FUNDS BUDGETS FOR FISCAL YEAR 2021 AS SET FORTH IN THIS RESOLUTION AND IN THE ATTACHED EXHIBIT "A."

RECOMMENDATION

See attached Memorandum.

SUPPORTING SURVEY DATA

N/A

Applicable Area

Citywide

Is this a "Residents Right to Know" item, pursuant to City Code Section 2-14?

Yes

Does this item utilize G.O. Bond Funds?

No

Strategic Connection

Organizational Innovation - Ensure strong fiscal stewardship.

Legislative Tracking

Office of Management and Budget

ATTACHMENTS:

Description

- Memo 6th FY 2021 Operating Budget Amendment
- Resolution

MIAMIBEACH

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

COMMISSION MEMORANDUM

TO: Honorable Mayor Dan Gelber and Members of the City Commission

FROM: Alina T. Hudak, City Manager

DATE: November 22, 2021

SUBJECT: **A RESOLUTION OF THE MAYOR AND CITY COMMISSION OF THE CITY OF MIAMI BEACH, FLORIDA, ADOPTING THE SIXTH AMENDMENT TO THE GENERAL FUND, ENTERPRISE FUNDS, INTERNAL SERVICE FUNDS, AND SPECIAL REVENUE FUNDS BUDGETS FOR FISCAL YEAR 2021 AS SET FORTH IN THIS RESOLUTION AND IN THE ATTACHED EXHIBIT "A."**

ADMINISTRATION RECOMMENDATION

Adopt the Resolution.

STRATEGIC PLAN SUPPORTED

Organizational Innovation – Ensure strong fiscal stewardship

SUMMARY

Since the FY 2021 budget was adopted, the planned use of reserves has changed due to the slower than originally anticipated recovery in General Fund revenues and resort taxes from the ongoing impact of COVID-19.

The year-end projections anticipate that an additional \$3.7 million, which is a decrease of \$15.0 million from the additional \$18.7 million shortfall projected as of the third quarter of FY 2021, will be needed from General Fund reserves to re-balance the FY 2021 budget and \$24.1 million, which is an increase of \$7.3 million from the \$16.8 million projected as of the third quarter, is recommended to be added to the Resort Tax reserve.

It is important to note that a significant driver of the improved projections is that some expenditures included in the FY 2021 budget were not realized as of year-end, due to timing and delivery delays. The Administration, therefore, proposes several recommendations for allocating these funds, including the rolling over of FY 2021 appropriations to the FY 2022 budget, as will be detailed further below.

As noted in the third quarter projections, the Administration recommends applying funds recently received from the Coronavirus Relief Fund under the CARES Act, through Miami-Dade County to help offset the projected use of the General Fund reserves. To date, the City has received approximately \$41.1 million, of which approximately \$36.9 million is reimbursable to the General Fund. The Administration also recommends applying approximately \$4.0 million of funds received to date in FY 2021 from the Federal Emergency Management Agency (FEMA) for costs incurred from Hurricane Irma in previous years.

Should these recommendations be approved, the General Fund reserve would total approximately \$79.2 million, or 22.4%, which includes the budgeted use of reserves in FY 2022. If these projections are realized, this balance would still exceed the minimum 17.0% General Fund unrestricted budgetary fund balance recommended by the Government Finance Officers Association (GFOA).

USE OF RESERVES

GENERAL FUND	Q1	Q2	Q3	Q4
	Reserve Amount	Reserve Amount	Reserve Amount	Reserve Amount
Pre-COVID Reserve as of 09/30/2019	\$80.6 million	\$80.6 million	\$80.6 million	\$80.6 million
Actual Use of Reserve in FY 2020	(\$0.3 million)	(\$0.3 million)	(\$3.3 million)	(\$3.3 million)
Adopted Use of Reserve in FY 2021	(\$9.6 million)	(\$9.6 million)	(\$9.6 million)	(\$9.6 million)
Remaining Reserve	\$70.7 million	\$70.7 million	\$67.7 million	\$67.7 million
New gap in FY 2021	(\$27.8 million)	(\$22.7 million)	(\$18.7 million)	(\$3.7 million)
CARES Act funds to date	\$36.9 million	\$38.1 million	\$37.1 million	\$36.9 million
Police initiatives (staffing, cameras, RTCC)		(\$7.5 million)	(\$3.9 million)	(\$3.9 million)
No furlough days for FOP & IAFF; 1 less furlough day for all other employees		(\$1.2 million)		
Arts & Cultural programming		(\$1.0 million)	(\$1.0 million)	(\$1.0 million)
FEMA reimbursement		\$2.6 million	\$3.8 million	\$4.0 million
Elimination of Parking contribution			\$1.2 million	\$1.2 million
Rent Assistance Program continuation			(\$0.2 million)	(\$0.2 million)
Sabrina Cohen Foundation contribution			(\$0.9 million)	(\$0.9 million)
Revised FY 2021 Reserve	\$79.8 million	\$79.0 million	\$85.1 million	\$100.1 million
Adopted Use of Reserve in FY 2022			(\$5.4 million)	(\$5.9 million)
Recommended Encumbered Carryforwards from FY 2021				(\$3.5 million)
Recommended Unencumbered Carryforwards from FY 2021				(\$5.2 million)
Renovation of Donated Fire Boat				(\$0.4 million)
Additional Set-Aside for Self-Contained Breathing Apparatus Replacement				(\$0.5 million)
Additional Security Services for 5th St, 12th St, & 14th St Locations				(\$0.3 million)
South Shore Day Care Build-Out and Lease				(\$1.6 million)
Additional Capital Project Funding (i.e., 72nd St., Fire Station #1, etc.)				(\$3.5 million)
Projected FY 2022 Reserve			\$79.7 million	\$79.2 million

The Resort Tax projected use of fund balance as of year-end remains unchanged from the adopted FY 2021 budget and does not propose any use of reserves and/or fund balance to ensure compliance with debt service coverage requirements. As noted below, the projected Resort Tax reserve is approximately \$27.5 million, or 42.9%, which includes the budgeted use of reserves in FY 2022.

RESORT TAX FUND	Q1	Q2	Q3	Q4
	Reserve Amount	Reserve Amount	Reserve Amount	Reserve Amount
Pre-COVID Reserve as of 09/30/2019	\$15.2 million	\$15.2 million	\$15.2 million	\$15.2 million
Actual Use of Reserve in FY 2020	(\$5.0 million)	(\$5.0 million)	(\$3.5 million)	(\$3.5 million)
Remaining Reserve	\$10.2 million	\$10.2 million	\$11.7 million	\$11.7 million
Contribution to reserve in FY 2021		\$10.0 million	\$16.8 million	\$24.1 million
Pedestrianization of Ocean Drive (pending)			Est. (\$1.5 million)	Est. (\$1.5 million)
Revised FY 2021 Reserve	\$10.2 million	\$20.2 million	\$27.0 million	\$34.3 million
Adopted Use of Reserve in FY 2022			(\$5.4 million)	(\$5.9 million)
Additional Spring Break Programming				(\$0.8 million)
Recommended Unencumbered Carryforwards from FY 2021				(\$0.1 million)
Projected FY 2022 Reserve			\$21.6 million	\$27.5 million

All General Fund, Enterprise Funds, Internal Services Funds, and Special Revenue Funds budgets are projected to be at or below their current FY 2021 amended budgets as of year-end, except for specific General Fund Departments, the 5th & Alton Garage, Biscayne Point, Biscayne Beach, and Normandy Shores Special Revenue Funds, which have been detailed further in the forthcoming year-end analysis.

CORONA VIRUS RELIEF FUND

Miami-Dade County has received an allocation from the Coronavirus Relief Fund (CRF) under the Coronavirus Aid, Relief, and Economic Security (CARES) Act. \$100 million of that funding is being allocated for an award program for local municipalities. Of the \$100 million, \$75 million is for operational costs and \$25 million for new municipal programs.

Funds from this program may only be used to (1) cover costs that are necessary expenditures incurred due to the public health emergency with respect to COVID-19, (2) were not accounted for in the budget most recently approved as of March 27, 2020, and (3) were incurred during the period of March 1, 2020 through December 30, 2020. The County will consider reimbursement for COVID-19 related and incurred operating expenses, as well as certain new programs proposed by municipalities.

The following are not eligible under the program: (1) equipment and capital expenses; (2) loss of revenue; (3) utility payment forgiveness.

Examples of eligible costs for the \$75 million program include:

- Costs to enable remote work
- FEMA cost share (the 12.5% local cost component of FEMA PA)
- Personnel costs for hours dedicated to mitigating or responding to COVID-19
- Contact tracing
- Public health
- Expenses to facilitate compliance with public health precautions

Examples of eligible costs for the \$25 million program include:

- Rental and mortgage assistance programs
- Job training
- Childcare
- Small business grants for business interruption

To date, approximately \$41.1 million in reimbursements have been received from Miami-Dade County for unbudgeted expenditures incurred due to COVID-19 from March 1, 2020 through December 30, 2020 and certain new programs initiated by the City. Of the \$41.1 million in reimbursements received, approximately \$36.9 million is for General Fund expenditures that have been incurred.

The funds received from this program are one-time in nature and the Administration's recommendation is to use these funds to cover budget shortfalls from the economic impact of COVID-19 on the City's operating budget. Any funds over and above that amount are recommended to be put towards the General Fund reserve goal of 3 months, or 25.0% of total revenue, and/or Resort Tax reserve goal of 6 months, or 50.0%.

AMERICAN RESCUE PLAN ACT FUNDS

The American Rescue Plan Act of 2021 (ARPA) is an emergency legislative package intended to “fund vaccinations, provide direct relief to families bearing the brunt of the COVID-19 crisis, and support struggling communities.” The bill provides a total of \$1.9 trillion to governments and other entities such as hospitals, public schools, and universities to promote recovery from the COVID-19 pandemic.

Signed into law by President Biden on March 11, 2021, the bill allocated \$350 billion in fiscal recovery funds to State, Local, Tribal, and Territorial (SLTT) Governments, of which \$45.6 billion was allocated for metropolitan cities, such as the City of Miami Beach, to:

- Respond to the COVID-19 public health emergency or its negative economic impacts including (but not limited to): assistance to households, small businesses, and nonprofits, or aid to impacted industries such as tourism, travel, and hospitality
- Provide premium pay to eligible State workers, or grants to eligible employers with employees that perform essential work during the COVID-19 public health emergency
- Provide government services to compensate for the reduction in revenue in the community due to the pandemic (budget shortfalls)
- Make necessary investments in water, sewer, or broadband infrastructure

The City is projected to receive an allocation of approximately \$23.6 million in one-time federal dollars from the American Rescue Plan Act to address the projected revenue shortfalls attributed to COVID-19, of which \$11.8 million has been received to date, that the Administration recommended be used to balance the shortfall attributed to COVID-19 in the FY 2022 budget and remaining balance allocated as contingency for public safety.

GENERAL FUND ANALYSIS

The year-end analysis for FY 2021 reveals that the General Fund has a preliminary operating shortfall of \$3.7 million, or 1.1%, over the current amended FY 2021 General Fund operating budget which does not include any reimbursements for reimbursable COVID-19 expenditures or prior year Hurricane Irma expenditures received during FY 2021.

FY 2021 Budget					
General Fund	Adopted Budget	Amended Budget	Projected	Difference	% Over / (Under)
Revenues	\$ 329,023,000	\$ 342,719,000	\$ 331,458,000	\$ (11,261,000)	-3.3%
Expenditures	\$ 329,023,000	\$ 342,719,000	\$ 335,207,000	\$ (7,512,000)	-2.2%
Excess of Revenues Over/(Under) Expenditures			\$ (3,749,000)	-1.1%	

The Administration is, however, recommending that \$3.5 million be carried forward into FY 2022 to fund goods and/or services that were procured in FY 2021, but not received and/or rendered due to timing issues between fiscal years.

Similarly, the Administration is recommending that \$5.2 million be carried forward into FY 2022 for General Fund projects that were originally budgeted in FY 2021, but not completed.

To conclude, the Administration is also recommending that FY 2021 funding totaling \$6.2 million be set-aside and appropriated in FY 2022 for the following expenditures:

- Ocean Drive Configuration Adaptation - Additional Security Services Identified by the Police Department to be needed at locations on 5th, 12th, and 14th Street – \$340,000
- Renovation of Donated Fire Boat – \$350,000
- Replacement of the Fire Department’s Self-Contained Breathing Apparatus equipment which will need to be replaced in FY 2023 (in addition to the \$450,000 included in the FY 2021 projections) – \$450,000
- Estimated Build-out and Lease costs to relocate Day Care Center currently at South Shore Community Center, subject to City Commission approval – \$1,636,000
- Additional Transfer to the Capital Pay-As-You-Go (PayGo) Fund for Capital Project Funding (i.e., 72nd Street Complex, Fire Station #1, etc.) – \$3,448,000

As summarized in the table below, after accounting for the recommended General Fund carryforward encumbrances and appropriations from FY 2021 to FY 2022, and additional set-asides recommended for appropriation in FY 2022 listed above, the FY 2021 shortfall in the General Fund is projected at \$18.7 million.

FY 2021	\$
Projected General Fund Year-End Surplus/(Shortfall)	(\$3,749,000)
Recommended Encumbered Carryforwards	(3,514,000)
Recommended Unencumbered Carryforwards	(5,237,000)
Sub-Total	(\$12,500,000)
Renovation of Donated Fire Boat	(350,000)
Self-Contained Breathing Apparatus (SCBA)	(450,000)
Security Services for New Post Locations at 5th, 12th, and 14th St	(340,000)
Estimated South Shore Day Care Build-Out and Operations, subject to Commission Approval	(1,636,000)
Additional Capital Project Funding (i.e., 72nd St., Fire Station #1, etc.)	(3,448,000)
Total	(\$18,724,000)

PROPOSED AMENDMENTS TO THE GENERAL FUND

Preliminary FY 2021 year-end expenditures reveal that the following General Fund departments are projected to exceed their FY 2021 amended budgets.

Fire – The department is projected to be 2.3%, or \$2.1 million, above the current amended budget primarily due to increased usage of unbudgeted overtime, which is attributed to several factors. First, during FY 2021, there have been numerous firefighters out for extended periods of time due to testing positive for COVID-19 which, as a result, required the usage of unbudgeted overtime to fill these slots to maintain minimum shift staffing requirements. Second, the department has utilized additional unbudgeted overtime for COVID-19 related functions

such as the Miami Beach Convention Center COVID-19 drive thru testing and homebound testing programs.

Fire				
	FY 2021 Amended Budget	FY 2021 Projected	Projected vs Amended Budget Variance	% Over / (Under)
Expenditures	\$ 91,890,000	\$ 93,985,000	\$ 2,095,000	2.3%

Citywide Accounts – Citywide Accounts are a category of budgeted expenditures related to the City’s overall operations that are not readily identifiable to any specific department. These accounts are projected to be 7.7%, or approximately \$1.8 million, above the current amended budget primarily due to the projected impact of the pension buyback window provided for all eligible sworn Police and Fire personnel, regardless of pension service time, to purchase up to two years of service from July 1, 2021 through September 30, 2021 in accordance with the City’s current collective bargaining agreements.

Citywide Accounts				
	FY 2021 Amended Budget	FY 2021 Projected	Projected vs Amended Budget Variance	% Over / (Under)
Expenditures	\$ 23,057,000	\$ 24,840,000	\$ 1,783,000	7.7%

While the above-listed General Fund departments comprise those projected to exceed their current amended budgets, all other General Fund departments are projected to have savings at year-end, which may be realigned within the General Fund to address any department overages.

For a detail of General Fund expenditures by department, refer to the attached Exhibit A.

ENTERPRISE, INTERNAL SERVICE, AND SPECIAL REVENUE FUNDS ANALYSIS

The City accounts for those goods and services provided by a department to external users for which a fee is charged as Enterprise Funds. The City’s Sanitation, Sewer, Storm Water, Water, Parking, Convention Center, and Building operations comprise this category of Proprietary Funds.

Similarly, the City accounts for goods and services provided by one department to other departments citywide on a cost reimbursement basis as Internal Service Funds. Central Services, Fleet Management, Information Technology, Property Management, Risk Management (Self Insurance), Inspector General, and Medical and Dental comprise this category of Proprietary Funds.

Lastly, Special Revenue Funds consist of revenues and expenditures which are legally restricted or committed for specific purposes, other than debt service and/or capital projects. Special Revenue Funds include Resort Tax, as well as Transportation and People’s Transportation Plan (PTP) Fund operations, 7th Street Garage operations, 5th & Alton Garage operations, the Tourism and Hospitality Scholarship Program, Information and Communications Technology Fund, Education Compact Fund, Franchise Waste Haulers and Sustainability Contributions, the Residential Housing Program, Red Light Camera Program operations, Emergency 911 Fund, Miami Beach Cultural Arts Council, Normandy Shores and the City’s three Security Guard Special Taxing Districts (Biscayne Point, Biscayne Beach, and Allison Island), Miami City Ballet, Art in Public Places (AIPP) operations, Tree Preservation and Commemorative Tree Trust Fund, Beachfront Concession Initiatives Program, the Beach Renourishment Fund, Police Unclaimed Property and Crash Report Sales Funds, Police Confiscation Trust Funds (Federal and State), Police Training and School Resources Fund, the Adopt-a-Bench Program, and the Off-Duty Services Fund.

The preliminary year-end analysis for FY 2021 shows that there are \$2.3 million of encumbrances in the Enterprise Funds, \$4.0 million in Internal Service Funds encumbrances, and \$1.4 million in Special Revenue Funds encumbrances (not including Resort Tax) for FY 2021 goods and/or services that were procured, but not received, that are recommended to be carried forward into the respective FY 2022 operating budgets.

Similarly, it is recommended that appropriations of \$8.5 million in the Enterprise Funds, \$3.1 million in the Internal Service Funds, and \$2.6 million in the Special Revenue Funds (not including Resort Tax) be carried forward into FY 2022 for projects originally budgeted in FY 2021 that have not been completed.

PROPOSED AMENDMENTS TO OTHER FUNDS

Preliminary year-end expenditures indicate that the following Special Revenue Funds are projected to exceed their current FY 2021 amended budgets.

5th & Alton Garage Fund – The 5th & Alton Garage Fund is projected to exceed its current amended budget by \$171,000. This is primarily attributed to a projected increase in operational expenditures for this garage, which were conservatively budgeted based on a cautiously optimistic rebound in operations during FY 2021 that may need to be offset by an additional contribution from the Parking Department’s Enterprise Fund.

5th & Alton				
	FY 2021 Amended Budget	FY 2021 Projected	Projected vs Amended Budget Variance	% Over / (Under)
Expenditures	\$ 643,000	\$ 814,000	\$ 171,000	26.6%

Special Taxing and Other Districts – The Biscayne Point and Biscayne Beach Security Guard Special Taxing District Special Revenue Funds, as well as the Normandy Shores Special Revenue Fund, are projected to exceed their current amended budgets by \$10,000, \$18,000, and \$13,000, respectively. This is primarily attributed to changes in the security service levels requested by the two Security Guard Special Taxing Districts that were implemented mid-year of FY 2021, as well as unforeseen repairs that needed to be completed to the Normandy Shores gate entrance due to vehicle damage incurred, which the Administration recommends be offset using available fund balance in each respective fund.

Biscayne Point				
	FY 2021 Amended Budget	FY 2021 Projected	Projected vs Amended Budget Variance	% Over / (Under)
Expenditures	\$ 221,000	\$ 231,000	\$ 10,000	4.5%

Biscayne Beach				
	FY 2021 Amended Budget	FY 2021 Projected	Projected vs Amended Budget Variance	% Over / (Under)
Expenditures	\$ 221,000	\$ 239,000	\$ 18,000	8.1%

Normandy Shores				
	FY 2021 Amended Budget	FY 2021 Projected	Projected vs Amended Budget Variance	% Over / (Under)
Expenditures	\$ 287,000	\$ 300,000	\$ 13,000	4.5%

RESORT TAX FUND

Preliminary FY 2021 Resort Tax revenues are projected to be \$12.7 million, or 18.2%, above the current amended budget, while Resort Tax expenditures are projected to be \$11.4 million, or 16.3%, below the current amended budget, resulting in a preliminary projected surplus of \$24.1 million prior to any recommended FY 2021 to FY 2022 carryforward encumbrances and/or appropriations.

RESORT TAX FUND							
	FY 2021 Adopted Budget	FY 2021 Amended Budget	Actuals as of 09/30/21	% Actual of Amended Budget	FY 2021 Year End Projections	Over/(Under) Amended Budget	% Over/(Under) Amended Budget
Revenues							
2% Resort Tax	45,045,000	45,045,000	52,599,766	116.8%	56,309,000	11,264,000	25.0%
Miscellaneous Revenues	1,057,000	1,057,000	260,812	24.7%	334,000	(723,000)	-68.4%
Resort Tax Fund Balance	0	503,000	0	0.0%	0	(503,000)	-100.0%
1% Resort Tax (QOL)	10,771,000	10,771,000	12,202,163	113.3%	12,949,000	2,178,000	20.2%
Additional 1% for Convention Center	12,457,000	12,457,000	12,202,163	98.0%	12,949,000	492,000	3.9%
Total Revenues	69,330,000	69,833,000	77,264,905	110.6%	82,541,000	12,708,000	18.2%
Expenditures							
General Fund Contribution	18,639,000	18,639,000	18,639,000	100.0%	6,415,000	(12,224,000)	-65.6%
Sanitation Fund Contribution	5,780,000	5,780,000	5,780,000	100.0%	5,780,000	0	0.0%
Contribution to GMCVB	4,527,000	4,527,000	5,463,156	120.7%	5,464,000	937,000	20.7%
Contribution to VCA	1,075,000	1,075,000	1,261,760	117.4%	1,448,000	373,000	34.7%
Contribution to Mt. Sinai	1,000,000	1,000,000	1,000,000	100.0%	1,000,000	0	0.0%
Other Operating/Other Uses	14,881,000	15,384,000	11,278,203	73.3%	12,260,000	(3,124,000)	-20.3%
Marketing	200,000	200,000	154,894	77.4%	160,000	(40,000)	-20.0%
Transfer to NB, MB, SB Capital, Transp. and Arts (QOL)	10,771,000	10,771,000	12,202,163	113.3%	12,949,000	2,178,000	20.2%
Add'l 1% Conv. Center Debt Service & Cap. Ren & Repl.	12,457,000	12,457,000	0	0.0%	12,949,000	492,000	3.9%
Total Expenditures	69,330,000	69,833,000	55,779,177	79.9%	58,425,000	(11,408,000)	-16.3%
Excess of Revenues Over/(Under) Expenditures	0	0	21,485,728		24,116,000		
Recommended Encumbered Carryforwards					0		
Recommended Unencumbered Carryforwards					(106,000)		
Excess of Revenues Over/(Under) Expenditures			21,485,728		24,010,000		

The Administration is recommending that \$106,000 be carried forward into FY 2022 for Resort Tax projects that were originally budgeted in FY 2021 that have not been completed due to timing issues between fiscal years.

After accounting for the recommended Resort Tax carryforward appropriations from FY 2021 to FY 2022, the Resort Tax Fund will result in a total projected surplus of \$24.0 million, which is recommended to be added to the Resort Tax reserve.

FY 2021	\$
Projected Resort Tax Year-End Surplus/(Shortfall)	\$24,116,000
Recommended Encumbered Carryforwards	0
Recommended Unencumbered Carryforwards	(106,000)
Total	\$24,010,000

COLLINS PARK RDA GARAGE FUND

As part of the FY 2021 operating budget, the operations of the Collins Park Garage were budgeted in the Parking Department’s Enterprise Fund. However, in light of this garage being constructed using City Center Redevelopment Agency (RDA) funding, the Administration recommends that the operations of this garage be transferred to a stand-alone fund to better track its revenues and expenditures for reporting purposes and increase transparency.

As a result, this proposed amendment is to transfer \$838,000 of projected FY 2021 revenues and expenditures for this garage from the Parking Department’s Enterprise Fund to a stand-alone fund for FY 2021 since the revenues and expenditures budgeted for FY 2022, and subsequent years, have and will be appropriated in the new stand-alone fund.

CONCLUSION

The Administration recommends that the Mayor and City Commission adopt the Sixth Amendment to the General Fund, Enterprise Fund, Internal Services Fund, and Special Revenue Fund budgets for FY 2021 as previously detailed and reflected in the attached Exhibit “A,” which is necessary to comply with Florida Statute, Section 166.241, that mandates that the City has 60 days following the end of the fiscal year to amend a budget for that year.

ATH/JW/TOS

Exhibit "A"

GENERAL FUND	FY 2021 Amended Budget	6th Budget Amendment	FY 2021 Revised Budget
REVENUES			
Operating Revenues			
Ad Valorem Taxes	\$ 193,218,000		\$ 193,218,000
Ad Valorem - Capital Renewal & Replacement	\$ 807,000		\$ 807,000
Ad Valorem - Pay-As-You-Go Capital	\$ 2,592,000		\$ 2,592,000
Ad Valorem - Normandy Shores	\$ 18,000		\$ 18,000
Other Taxes	\$ 24,083,000		\$ 24,083,000
Licenses and Permits	\$ 13,925,000		\$ 13,925,000
Intergovernmental	\$ 11,254,000		\$ 11,254,000
Charges for Services	\$ 13,061,000		\$ 13,061,000
Fines and Forfeits	\$ 1,069,000		\$ 1,069,000
Interest Earnings	\$ 2,769,000		\$ 2,769,000
Rents and Leases	\$ 5,954,000		\$ 5,954,000
Miscellaneous	\$ 15,125,000		\$ 15,125,000
Resort Tax Contribution	\$ 18,639,000		\$ 18,639,000
Other Non-Operating Revenue	\$ 40,205,000		\$ 40,205,000
Total General Fund	\$ 342,719,000	\$ 0	\$ 342,719,000
	FY 2021 Amended Budget	6th Budget Amendment	FY 2021 Revised Budget
APPROPRIATIONS			
Department			
Mayor and Commission	\$ 2,517,000		\$ 2,517,000
City Manager	\$ 4,798,000		\$ 4,798,000
Marketing and Communications	\$ 2,221,000		\$ 2,221,000
Office of Management and Budget	\$ 1,466,000		\$ 1,466,000
Org. Dev Performance Initiatives	\$ 1,119,000		\$ 1,119,000
Finance	\$ 6,358,000		\$ 6,358,000
Procurement	\$ 2,705,000		\$ 2,705,000
Human Resources/Labor Relations	\$ 2,794,000		\$ 2,794,000
City Clerk	\$ 1,844,000		\$ 1,844,000
City Attorney	\$ 6,150,000		\$ 6,150,000
Housing & Community Services	\$ 3,887,000	(500,000)	\$ 3,387,000
Planning	\$ 6,095,000	(500,000)	\$ 5,595,000
Environment & Sustainability	\$ 1,248,000		\$ 1,248,000
Tourism and Culture	\$ 3,242,000		\$ 3,242,000
Economic Development	\$ 1,372,000		\$ 1,372,000
Code Compliance	\$ 6,477,000		\$ 6,477,000
Parks & Recreation (incl. Golf Courses)	\$ 34,283,000	(1,378,000)	\$ 32,905,000
Property Management	\$ 2,054,000		\$ 2,054,000
Public Works	\$ 13,577,000	(500,000)	\$ 13,077,000
Capital Improvement Projects	\$ 5,551,000		\$ 5,551,000
Police	\$ 118,014,000	(1,000,000)	\$ 117,014,000
Fire	\$ 91,890,000	2,095,000	\$ 93,985,000
Citywide (incl. Operating Contingency)	\$ 17,140,000	1,783,000	\$ 18,923,000
Subtotal General Fund	\$ 336,802,000	\$ 0	\$ 336,802,000
TRANSFERS			
Normandy Shores	\$ 111,000		\$ 111,000
Capital Renewal & Replacement	\$ 43,000		\$ 43,000
Info & Comm Technology Fund	\$ 300,000		\$ 300,000
Pay-As-You-Go Capital Fund	\$ 4,252,000		\$ 4,252,000
Parking Fund	\$ 1,211,000		\$ 1,211,000
Subtotal Transfers	\$ 5,917,000	\$ 0	\$ 5,917,000
Total General Fund	\$ 342,719,000	\$ 0	\$ 342,719,000

Exhibit "A"

ENTERPRISE FUNDS	FY 2021 Amended Budget	6th Budget Amendment	FY 2021 Revised Budget
REVENUE/APPROPRIATIONS			
Building	\$ 16,756,000		\$ 16,756,000
Convention Center	\$ 34,707,000		\$ 34,707,000
Water	\$ 38,058,000		\$ 38,058,000
Sewer	\$ 50,397,000		\$ 50,397,000
Stormwater	\$ 32,830,000		\$ 32,830,000
Sanitation	\$ 22,580,000		\$ 22,580,000
Parking	\$ 37,646,000	(838,000)	\$ 36,808,000
Total Enterprise Funds	\$ 232,974,000	\$ (838,000)	\$ 232,136,000

INTERNAL SERVICE FUNDS	FY 2021 Amended Budget	6th Budget Amendment	FY 2021 Revised Budget
REVENUE/APPROPRIATIONS			
Information Technology	\$ 18,286,000		\$ 18,286,000
Risk Management	\$ 22,535,000		\$ 22,535,000
Central Services	\$ 1,052,000		\$ 1,052,000
Office of Inspector General	\$ 2,027,000		\$ 2,027,000
Property Management	\$ 11,715,000		\$ 11,715,000
Fleet Management	\$ 15,088,000		\$ 15,088,000
Medical and Dental Insurance	\$ 40,258,000		\$ 40,258,000
Total Internal Service Funds	\$ 110,961,000	\$ 0	\$ 110,961,000

SPECIAL REVENUE FUNDS	FY 2021 Amended Budget	6th Budget Amendment	FY 2021 Revised Budget
REVENUE/APPROPRIATIONS			
Education Compact	\$ 641,000		\$ 641,000
IT Technology Fund	\$ 2,034,000		\$ 2,034,000
Residential Housing	\$ 813,000		\$ 813,000
Sustainability	\$ 958,000		\$ 958,000
Tree Preservation Fund	\$ 105,000		\$ 105,000
Commemorative Tree Trust Fund	\$ 3,000		\$ 3,000
Resort Tax	\$ 69,833,000		\$ 69,833,000
Tourism and Hospitality Scholarships	\$ 80,000		\$ 80,000
Cultural Arts Council	\$ 3,133,000		\$ 3,133,000
Waste Haulers	\$ 111,000		\$ 111,000
Normandy Shores	\$ 287,000	13,000	\$ 300,000
Biscayne Point Special Taxing District	\$ 221,000	10,000	\$ 231,000
Allison Island Special Taxing District	\$ 221,000		\$ 221,000
Biscayne Beach Special Taxing District	\$ 221,000	18,000	\$ 239,000
5th & Alton Garage	\$ 643,000	171,000	\$ 814,000
7th Street Garage	\$ 2,049,000		\$ 2,049,000
Transportation Fund	\$ 8,883,000		\$ 8,883,000
People's Transportation Plan	\$ 4,239,000		\$ 4,239,000
Police Confiscation Fund - Federal	\$ 130,000		\$ 130,000
Police Confiscation Fund - State	\$ 164,000		\$ 164,000
Police Unclaimed Property	\$ 29,000		\$ 29,000
Police Crash Report Sales	\$ 25,000		\$ 25,000
Police Training Fund	\$ 25,000		\$ 25,000
Red Light Camera Fund	\$ 1,407,000		\$ 1,407,000
E-911 Fund	\$ 669,000		\$ 669,000
Art in Public Places (AIPP)	\$ 21,000		\$ 21,000
Beachfront Concession Initiatives	\$ 74,000		\$ 74,000
Beach Renourishment	\$ 1,575,000		\$ 1,575,000
Adopt-A-Bench Program	\$ 20,000		\$ 20,000
Off-Duty Services Fund	\$ 200,000		\$ 200,000
Convention Center Renewal and Replacement	\$ 4,000,000		\$ 4,000,000
Total Special Revenue Funds	\$ 102,814,000	\$ 212,000	\$ 103,026,000