



FY 2024 Commission Budget Workshop

Miami Beach

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Introduction

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Budget Workshop Purpose



- Kickoff the FY 2024 budget process with the City Commission
- Cover several budget-related topics and identify any areas requiring additional attention
- Increase efficiency of the 3 planned FERC budget briefings that include the Mayor and City Commission

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Budget Timeline



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Budget Timeline (cont.)



June 1

Preliminary Taxable Value received from the Property Appraiser

July 1

Certification of Taxable Value received from the Property Appraiser

July 26

City Commission meets to set tentative millage rates

August

City Manager and OMB finalize Proposed Budget Document

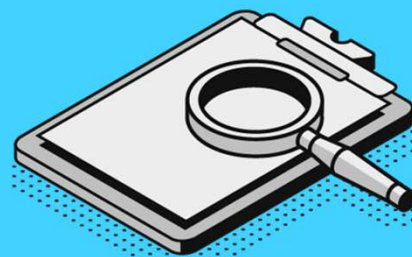
September

- ✓ 1st public hearing on September 13
- ✓ 2nd public hearing on September 27

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Financial Policies



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Balancing the Operating Budget



- The Office of Management and Budget is responsible for maintaining a **balanced budget**, which is required by Florida State Statute 166.241
- A budget is balanced when the sum of estimated net revenues and appropriated fund balances is equal to total appropriations

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General Fund Reserves



Resolution No. 2019-30954

- ✦ 17%, or 2 month, General Fund Emergency Reserve Requirement
 - ✓ Minimum of 2 months for use in a public emergency only
 - ✓ Requires 5/7th vote by City Commission to utilize
- ✦ 8%, or 1 month, Additional General Fund Contingency Reserve Goal

Total Reserve Target: 25%, or 3 months

Current Reserve – \$95.7 million, or 3 months

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Resort Tax Reserves

Resolution No. 2019-30664



- ✦ Minimum 2 month Reserve Requirement based on 2% Resort Tax budget
 - ✓ Minimum of 2 months for use in a public emergency only
 - ✓ Requires 5/7th vote by City Commission to utilize
- ✦ Additional 4 month Reserve Goal based on 2% Resort Tax budget

Total Reserve Target: 6 months

Current Reserve – \$37.8 million, or 6 months

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Use of General Fund Year-End Surplus

Resolution No. 2002-24764



- ✦ At least **50%** of annual General Fund revenues in excess of expenditures be transferred to the Capital Reserve Fund
 - ✓ This policy has been waived in previous years




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Use of Non-Recurring Revenues



Resolution No. 2006-26341

-  One-time, non-recurring revenues shall be used for **capital expenditures** or **one-time expenditures** rather than to subsidize recurring personnel, operations, and maintenance costs
 -  This policy has been waived in previous years for specific operations such as Sanitation, Building, and Convention Center, when necessary
-  Goal to fund **at least 5%** of the annual General Fund operating budget for capital needs

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Last Five Years - General Fund Capital Funding for Acquisition, Maintenance, and Replacement



Based on Adopted FY 2023 budget, additional millage of **0.3231 mills** required to reach 5% goal

	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
General Fund	\$ 345,145,000	\$ 350,043,000	\$ 328,079,000	\$354,106,000	\$382,618,000	\$ 406,761,000
5% Goal per Policy	17,258,000	17,503,000	16,404,000	17,706,000	19,131,000	20,339,000
Capital Funding						
Pay-As-You-Go Capital (PayGo)	2,400,000	2,939,000	252,000	3,741,000	3,974,000	3,974,000
Capital Renewal and Replacement (CRR)	748,000	769,000	43,000	815,000	1,944,000	1,944,000
Information Technology (IT) Tech	300,000	300,000	300,000	300,000	300,000	300,000
CRR Under \$25,000	247,000	341,000	341,000	332,000	326,000	1,393,000
Total	\$ 3,695,000	\$ 4,349,000	\$ 936,000	\$ 5,188,000	\$ 6,544,000	\$ 7,611,000
% of General Fund	1.1%	1.2%	0.3%	1.5%	1.7%	1.9%
Additional Funding Needed to Meet 5% Goal	\$ 13,563,000	\$ 13,154,000	\$ 15,468,000	\$ 12,518,000	\$ 12,587,000	\$ 12,728,000
Adopted Millage Rates for Capital						
Pay-As-You-Go Capital (PayGo)	0.0755 mills	0.0755 mills	0.0755 mills	0.0755 mills	0.1020 mills	TBD
Capital Renewal and Replacement (CRR)	0.0235 mills	0.0235 mills	0.0235 mills	0.0235 mills	0.0499 mills	

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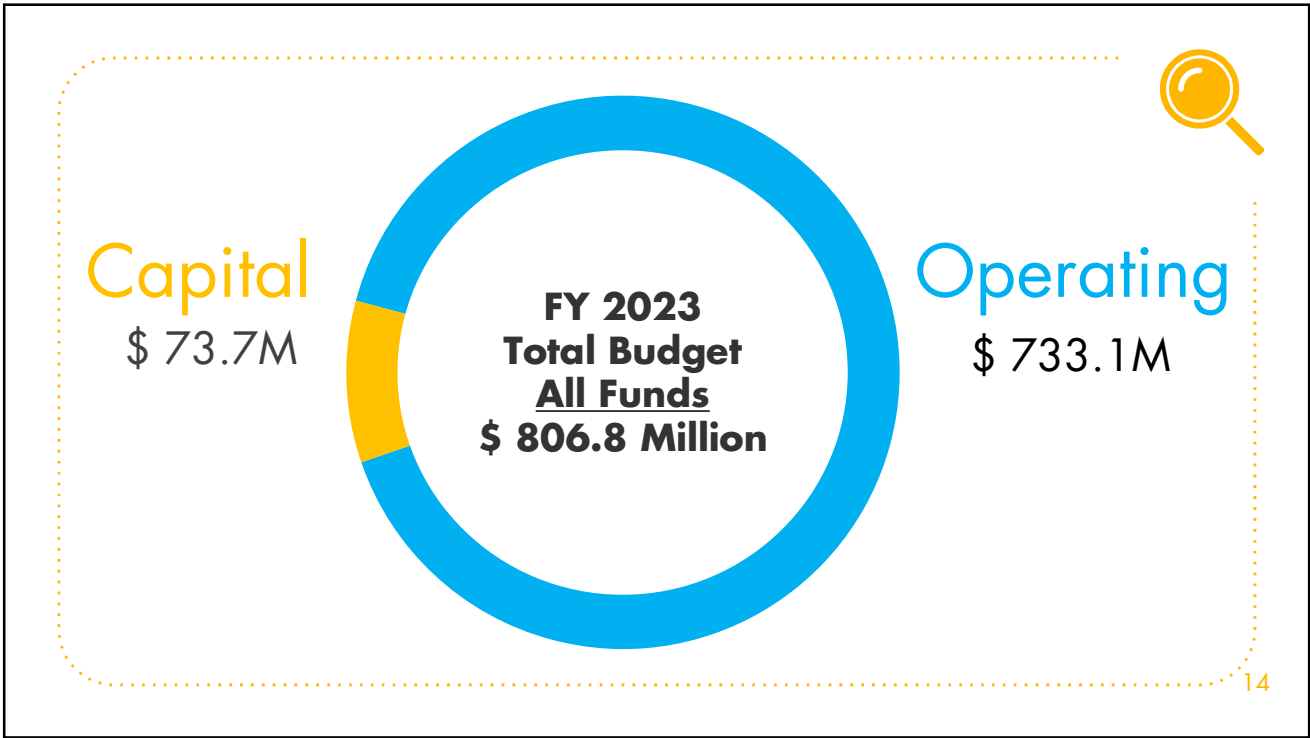
Note: As a result of COVID-19, reduced amounts transferred to capital funds in FY 2021, as part of the budget balancing plan

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FY 2023 Budget Overview

A blue graphic with a white dotted border. On the left, the text 'FY 2023 Budget Overview' is written in white. On the right, there are several icons: a pie chart, a puzzle piece, a car, a trash can, and a house, all in white and light blue tones, arranged around a central dark blue circle containing a white house icon.

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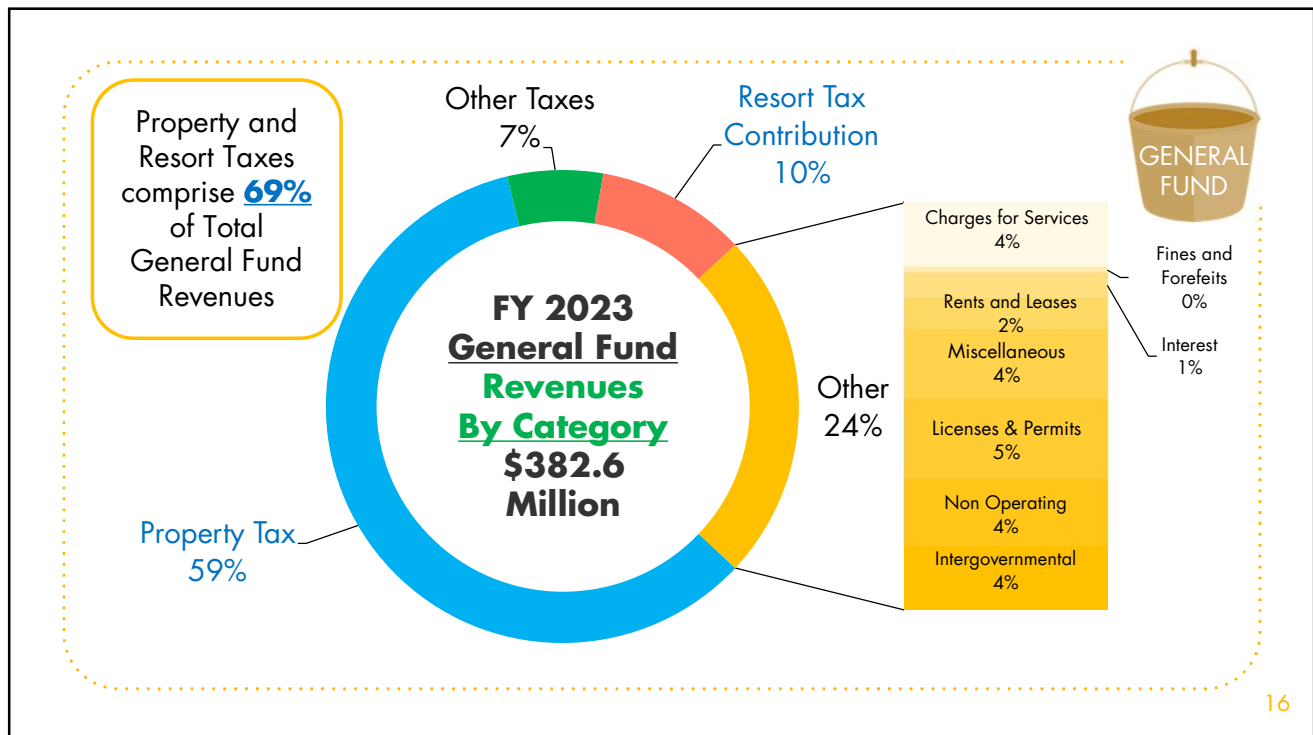


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Where the Money Comes From...

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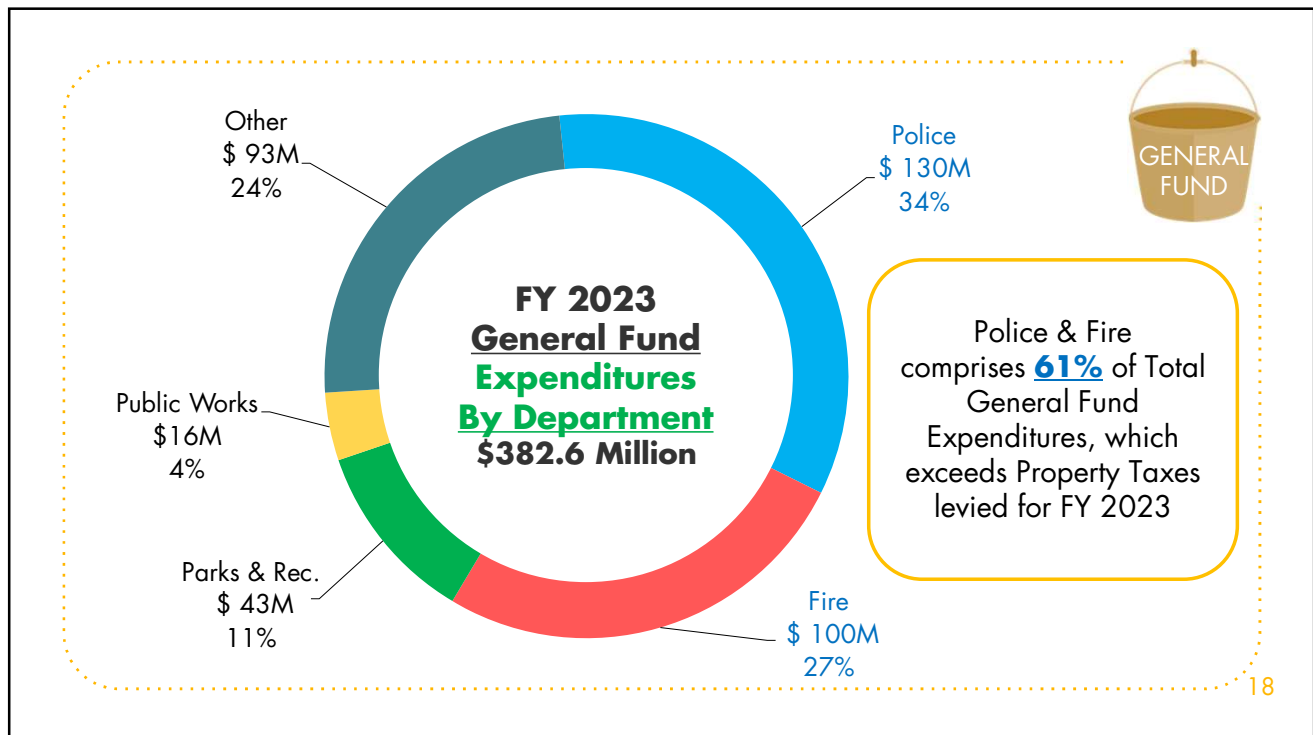


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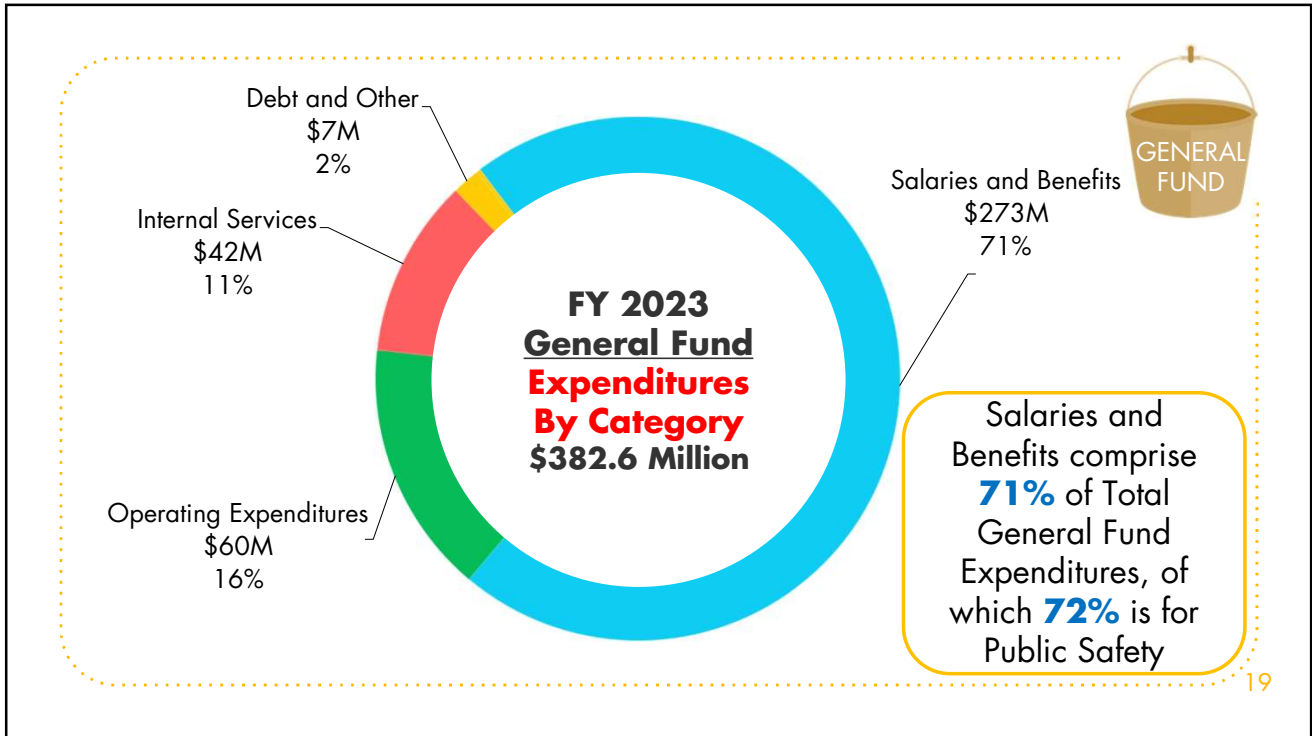
Where the Money Goes...

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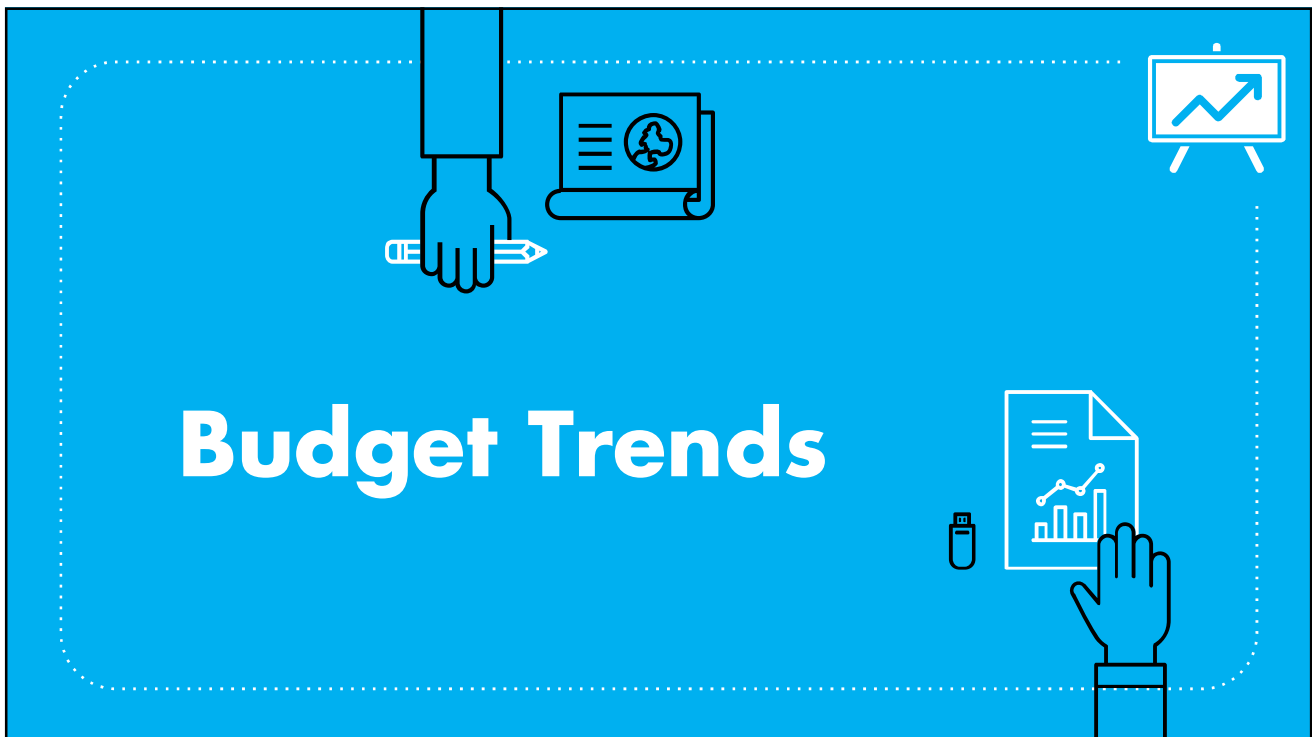


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What's a Millage Rate?



- Tax rate levied per **\$1,000** of assessed property value that will be used to identify your tax obligation



Example:

- Assessed value = \$100,000
- Millage rate = 5.8155

$$\$100,000 / 1000 = \$100 \times 5.8155$$

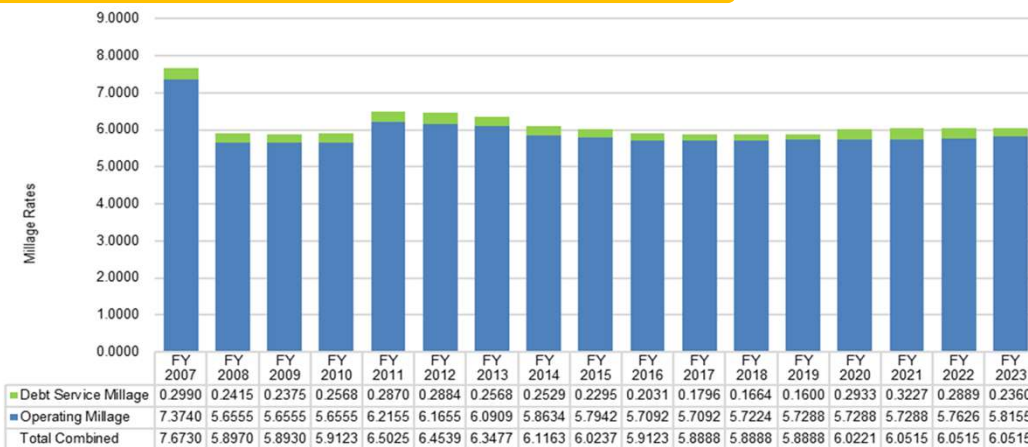
$$\text{Tax obligation} = \underline{\underline{\$581.55}}$$

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Combined Millage



The current combined millage rate is 21.1% less than in FY 2007



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Overlapping Millage



The City of Miami Beach portion of the property tax bill has decreased as a percentage of the total bill from **32.9%** to **32.2%** between FY 2007 and FY 2023

OVERLAPPING TAX MILLAGE	FY 2007	% of FY 2007 Total	FY 2023	Variance from FY 2007	% of FY 2023 Total
City of Miami Beach	7.6730	32.9%	6.0515	(1.6215)	32.2%
School Board	8.1050	34.8%	6.5890	(1.5160)	35.1%
Miami Dade County					
Countywide	5.6150	24.1%	4.6202	(0.9948)	24.6%
Library	0.4860	2.1%	0.2812	(0.2048)	1.5%
Debt Service	0.2850	1.2%	0.4853	0.2003	2.6%
Miami-Dade County Subtotal	6.3860	27.4%	5.3867	(0.9993)	28.7%
Children's Trust	0.4223	1.8%	0.5000	0.0777	2.7%
Other	0.7355	3.2%	0.2621	(0.4734)	1.4%
Total	23.3218	100.0%	18.7893	(4.5325)	100.0%

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Overlapping Millage Miami Beach



For Miami-Dade County property owners, each property tax dollar paid is split as shown below



35¢

School Board



32¢

City of Miami Beach



29¢

Miami-Dade County



4¢

Other

68% of MB residents' tax bill goes to other agencies

Note: "Other" category comprised of dedicated millage rates for Children's Trust, South Florida Water Mgmt., Okeechobee Basin, Florida Inland Navigation District (FIND), and Everglades Project

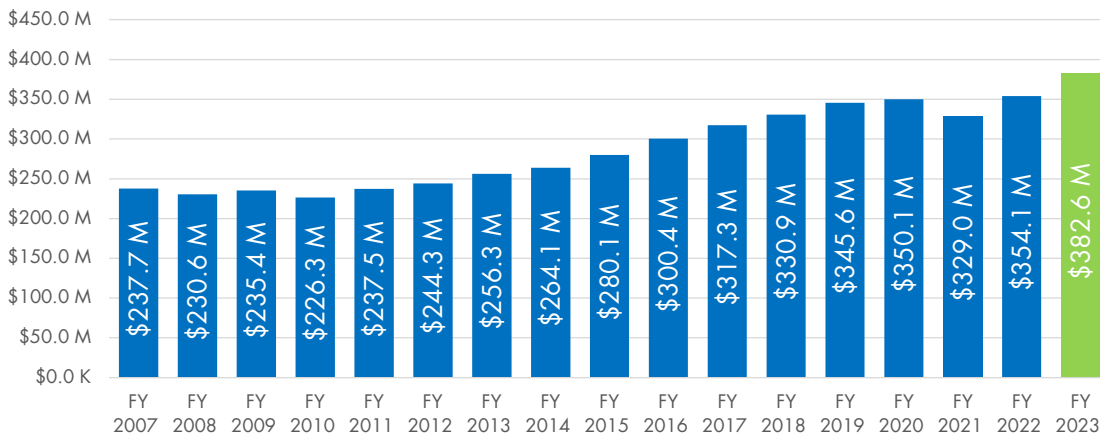
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General Fund Budgeted Expenditures



Expenditures have experienced an **average 3.1% growth since FY 2007**



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Public Safety Trend

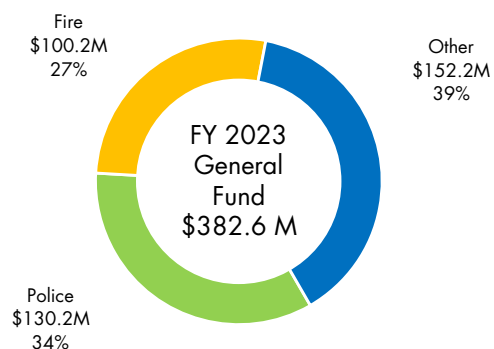
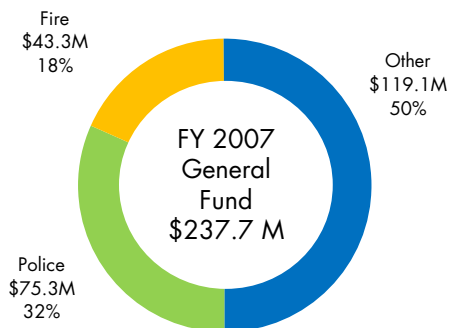


Public Safety as a percentage of the General Fund budget has increased from:

50% in FY 2007

to

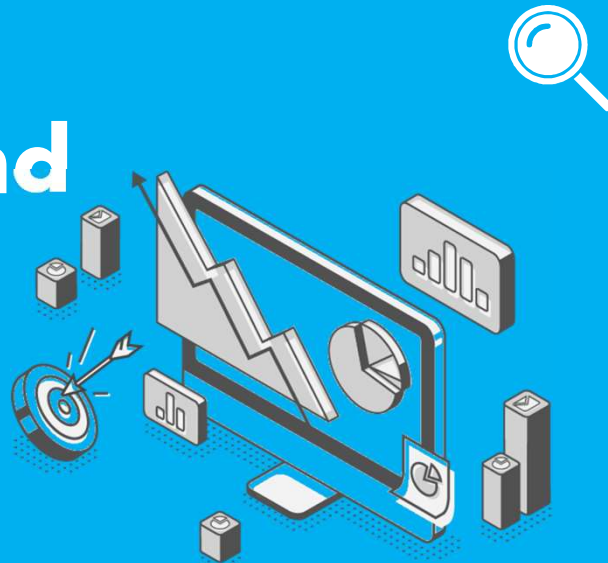
61% in FY 2023



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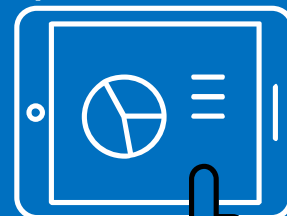
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FY 2024 General Fund



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- The Current Service Level (CSL) budget represents the cost of providing the same level of service as in the prior fiscal year
- Provides the baseline of funding for the upcoming budget process to which enhancements and reductions are applied



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Assumptions

FY 2024 Preliminary General Fund Budget



1. Assumes no change in operating millage rate
2. Does not include any enhancements or reductions unless approved during FY 2023
3. Assumes 10% increase for health and life insurance (Actives and Retirees)
4. Includes average 0-3% Merit for Non-Police and Fire and 5% Step for Police and Fire
5. Includes year 3 impacts of Collective Bargaining Agreements

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FY 2024 Preliminary General Fund CSL Budget



Fiscal Year 2024	
Revenues	\$ 396.1M
Expenditures	\$ 406.7M
Surplus / (Gap)*	(\$10.6M)

Property Value Increase Necessary to Balance:**

4.8%

Estimated 1% Increase in Property Value:**

\$2.2M

**Preliminary General Fund surplus/(gap) above does not take into account any enhancements to be considered for FY 2024*

***Based on Certified FY 2023 Values, pending receipt of Preliminary FY 2024 Values to be provided by Property Appraiser on July 1, 2023*

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FY 2023 to FY 2024 Revenue Variances



General Fund		\$
	FY 2023 Adopted:	\$382,618,000
Increase in General Fund Licenses and Permit revenues from Fire, Planning, Public Works, and Finance based on current year projections		2,874,000
Increase in General Fund Franchise and Utility Tax revenues from electricity, gas, etc. based on current year projections		2,378,000
Increase in Contribution from Resort Tax Fund for Tourism-Eligible Expenditures (Based on January 2023 study \$172.3 million in tourism-eligible expenditures in General Fund)		2,235,000
Increase in General Fund revenues from Fines, Rents and Leases, etc. based on current year projections		1,521,000
Use of General Fund Prior Year Fund Balance for vehicles scheduled for replacement in FY 2024*		5,360,000
Increase in Other Miscellaneous General Fund revenues from Intergovernmental Revenues, Charges for Services, etc. based on current year projections		709,000
Decrease in use of General Fund Prior Year Fund Balance based on one-time expenditure enhancements approved in FY 2023 budget		(1,593,000)
	FY 2024 Preliminary:	\$396,102,000
	\$ Variance	\$13,484,000

*Recommended to replace City Center RDA contribution of \$5.8 million for replacement of General Fund vehicles that expires in FY 2023 per 4th Amendment to City Center Interlocal Agreement.

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FY 2023 to FY 2024 Expenditure Variances



General Fund		\$
	FY 2023 Adopted:	\$382,618,000
5% Step for Fire/Police, 0-3% Merit for Non-Fire/Police, and 3% COLA (3% COLA effective April 2024, excl. AFSCME – May 2024)		5,086,000
Fire/Police and General Employee Pension Impacts		4,186,000
Health Insurance – Actives and Retirees		4,640,000
General Fund Contribution to Fleet Management for FY 2024 Vehicle Replacements (FY 2024 General Fund – \$8.5 million, of which \$6.9 million for Public Safety)*		5,360,000
Annualized Impact of Fire Rescue and Boat Unit approved in FY 2023 (FY 2023 pro-rated based on deployment of boat and unit)		1,721,000
Additional Funding for Capital Renewal and Replacement Projects Under \$25,000 (FY 2024 – \$1.4 million)		1,067,000
Additional Public Safety Overtime (Fire/Police)		1,233,500
Increases in Other Operating Expenditures based on anticipated departmental needs		849,500
	FY 2024 Preliminary:	\$406,761,000
	\$ Variance	\$24,143,000

*Recommended to replace City Center RDA contribution of \$5.8 million for replacement of General Fund vehicles that expires in FY 2023 per 4th Amendment to City Center Interlocal Agreement.

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FY 2024 Resort Tax Fund



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Resort Tax **Bed Tax**



**Visitor staying
at a hotel on
Miami Beach
will pay 14%**

Note: Additional 1% for Homeless Trust not reflected above (effective January 2024)

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Resort Tax Summary



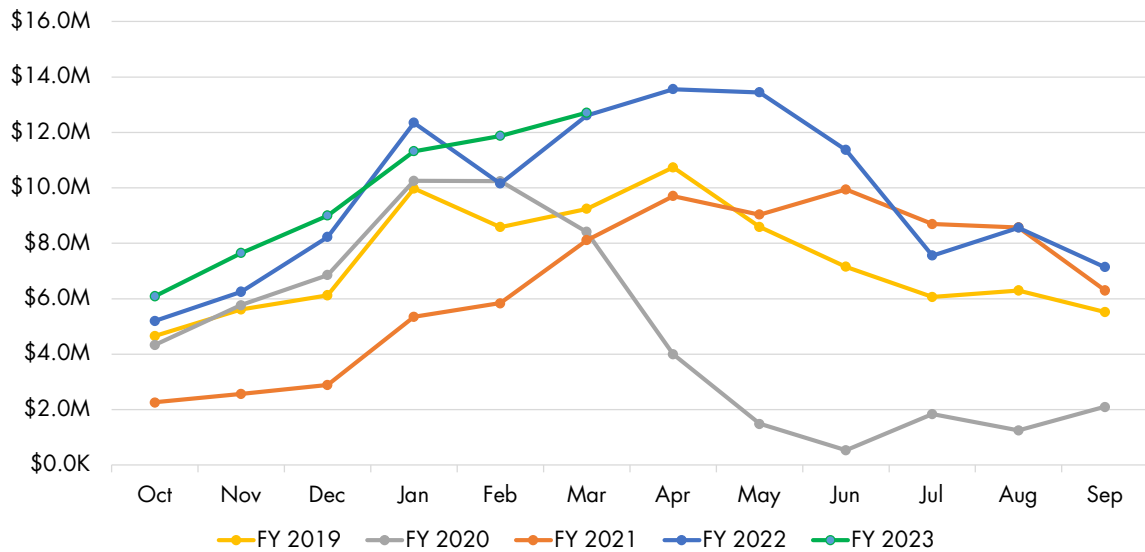
Miami Beach has a 4% bed tax and 2% food & bev. tax

- **2% Resort Tax** (FY 2023 = \$75.7M)
 - Consists of 2% bed tax and 2% food & beverage tax
 - Funds tourism-related expenditures
- **1% Resort Tax** (FY 2023 = \$17.4M)
 - Consists of 1% bed tax
 - Quality of life expenditures: transportation (60%), arts & culture (10%), capital projects in North, Mid, South Beach (10% each)
- **1% Resort Tax** (FY 2023 = \$17.4M)
 - Consists of 1% bed tax
 - Debt service on the Convention Center Renovation bonds
 - Excess funds set aside for renewal and replacement of Convention Center assets

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Total Resort Tax Revenue Collected



Source: Monthly Collections Reports Published by the Finance Department

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FY 2024 Preliminary 2% Resort Tax Fund CSL Budget



➤ Currently assuming revenues remain flat for FY 2024 over FY 2023 projections

Fiscal Year 2024	
Revenues	\$ 79.5M
Expenditures	\$ 74.6M
Surplus / (Gap)	\$4.9M

Note:
Does not include \$4.9M in enhancements to be considered for FY 2024

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FY 2023 to FY 2024 Revenue Variances



2% Resort Tax	\$	Notes
FY 2023 Adopted:	\$75,705,000	
Increase in 2% Resort Tax Collections	6,119,000	Based on projected FY 2023 2% collections (projected FY 2023 2% collections based on actual collections through March 2023)
Increase in Interest Income	1,593,000	Based on current year projections, which take into account an increased interest rate environment and change in the methodology for allocating interest across the City's funds
Use of Prior Year Resort Tax Fund Balance	(3,955,000)	Decrease in use of Resort Tax Prior Year Fund Balance based on one-time expenditure enhancements approved in FY 2023 budget
FY 2024 Preliminary:	\$79,462,000	
\$ Variance	\$3,757,000	

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FY 2023 to FY 2024 Expenditure Variances \$

2% Resort Tax	\$	Notes
FY 2023 Adopted: \$75,705,000		
Increase in General Fund Contribution for Tourism-Eligible Expenditures	2,235,000	Based on January 2023 study (\$172.3 million in tourism-eligible expenditures in General Fund)
Increase in GMCVB and VCA Contributions	883,000	Based on contract terms and legislated formula
Increase in OIG, Finance, and Code Compliance Personnel Expenditures, and High Impact Period	216,000	Based on budgeted increases in personnel costs for FY 2024 (avg. 0-3% merit, 3% COLA effective April 2024, etc.) and other high impact period operating expenditures
South Beach Wine and Food Festival Sponsorship	175,000	Renewal sponsorship approved mid-year of FY 2023
Additional Holiday Lighting	119,000	Additional holiday lighting approved mid-year of FY 2023
Decrease in Expenditure Enhancements Approved as <u>One-Time</u> in FY 2023	(3,955,000)	Spring Break - \$3.2M; \$500K for Large Health and Wellness Events; \$155K for Marine Patrol Vessel; and \$100K for Ocean Drive Promenade Programming
Decrease in Contribution to Sanitation for Services Provided in Tourism-Areas	(817,000)	Based on January 2023 study (\$3.2 million in services provided)
FY 2024 Preliminary: \$74,561,000		
\$ Variance	(\$1,144,000)	

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FY 2024
Potential
Enhancements –
Commission Requests



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Potential One-Time Enhancements



Commission/Committee Items	Funding	\$ FY 2024	\$ FY 2025	Resolution/Committee Meeting
Miami ERUV Council Grant	General Fund	73,000	-	Resolution No. 2023-32476
Biscayne Elementary Comm. Schoolyard	General Fund	70,000	325,000	Resolution No. 2023-32551
Community Events and Outreach Grants	General Fund	70,000	-	Commission Mtg. – 2/1/23
PAL CIT Summer Work Program	General Fund	51,000	-	FERC – 4/21/23
Add'l Normandy Fountain Programming	General Fund	25,000	-	Resolution No. 2023-32499
Hispanic Heritage Festival Grant Match	General Fund	15,000	-	Resolution No. 2023-32502
Volunteercleanup.org Grant	General Fund	15,000	-	Resolution No. 2023-32500
Clean Miami Beach, Inc. Grant	General Fund	15,000	-	Resolution No. 2023-32501
Pelican Harbour Seabird Station	General Fund	15,000	-	Commission Mtg. – 3/27/23
CMB Life-Safety Institute of Fire and EMS	General Fund	10,000	-	Resolution No. 2023-32503
Total General Fund		\$359,000	\$325,000	

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Potential One-Time Enhancements



Commission/Committee Items	Funding	\$ FY 2024	\$ FY 2025	Resolution/Committee Meeting
Ocean Drive Promenade Programming	Resort Tax	101,000	-	FERC – 1/27/23
South Beach Jazz Festival	Resort Tax	50,000	-	FERC – 4/21/23
Total Resort Tax		151,000	-	
Relaunch of Sleepless Nights	CAC	100,000	900,000	FERC – 3/31/23
Total Other Funds		100,000	900,000	
Total All Funds		\$610,000	\$1,225,000	

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Potential Recurring Enhancements



Commission/Committee Items	Funding	\$ FY 2024	\$ FY 2025	Resolution/Committee Meeting
Tree Wrapping and Banding	General Fund	3,672,000	517,000	PSNQLC – 11/30/22
Police Mounted Patrol Unit	General Fund	1,327,000	1,026,000	Resolution No. 2023-32478
Traffic Management (PSS)	General Fund	944,000	790,000	FERC – 4/21/23
Beachwalk Park Rangers	General Fund	831,000	986,000	Commission Mtg. – 4/28/23
Travel Soccer Program	General Fund	410,000	424,000	Commission Mtg. – 4/28/23
County Legislative Consulting Services	General Fund	84,000	84,000	Resolution No. 2023-32536
City Ombudsman/Permit Advocate	General Fund	82,000	104,000	FERC – 2/17/23
Rental Appl. Fee Reimbursement Pilot	General Fund	80,000	98,000	FERC – 2/17/23
Enzo Gallo Mural Storage	General Fund	60,000	62,000	Resolution No. 2022-32204
Cat Program Adoption Supplies	General Fund	41,000	41,000	PSNQLC – 4/27/22
Total General Fund		\$7,531,000	\$4,132,000	

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Potential Recurring Enhancements



Commission/Committee Items	Funding	\$ FY 2024	\$ FY 2025	Resolution/Committee Meeting
Spring Break Programming	Resort Tax	3,200,000	3,200,000	Commission Mtg. – 12/14/22
Additional Holiday Lighting	Resort Tax	500,000	550,000	Commission Mtg. – 12/14/22
City Center Park Rangers	Resort Tax	341,000	362,000	Commission Mtg. – 2/22/23
Total Resort Tax		4,041,000	4,112,000	
Water Taxi Subsidy Program	Transportation	600,000	600,000	Commission Mtg. – 3/27/23
Customer Relationship Mgmt. System	Info Tech	500,000	500,000	FERC – 1/27/23
Freebee Expansion	Transportation	325,000	325,000	FERC – 4/21/23
Customer Service Solid Waste	Sanitation	140,000	170,000	FERC – 3/31/23
Mid Beach Compost Hub	Sustainability	125,000	50,000	FERC – 1/27/23
Full Time Cat Trapper Position	Sanitation	121,000	78,000	PSNQLC – 4/27/22
Contract Comp. Admin (Solid Waste)	Sanitation	94,000	116,000	FERC – 3/31/23
Holiday Lighting Maintenance	Facilities Mgmt.	65,000	70,000	Commission Mtg. – 12/14/22
Total Other Funds		1,970,000	1,909,000	
Total All Funds		\$13,542,000	\$10,153,000	

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Police Mounted Patrol Unit



- Based on discussion at 11/16/2022 City Commission meeting
- Proposed staffing
 - Enhances staffing during special events and high impact periods
 - Facilitates crowd control during large events, search and rescue, and sight advantages, among other things
 - 4 Horses, stable, and staffing of 4 Police Officers plus 1 Sergeant
- Year 1 - **\$1.3M (including one-time start-up)**
- Estimated recurring cost of **\$1.0M**

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Traffic Management



- Based on discussion at 11/16/2022 City Commission meeting
- To address traffic congestion throughout the City
 - 10 full-time Public Safety Specialist positions
 - Versatile positions capable of responding to traffic crashes, stalled/stranded motorists and re-routing traffic conditions
- Year 1 - **\$944K (including equipment)**
- Estimated recurring cost of **\$790K**

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Additional Park Rangers



- **Current Positions:** 40 full-time Park Rangers, plus 2 Supervisors, to patrol City park areas and address violations
- **Proposed additional staffing:**
 - 1) 9 full-time Park Rangers and 1 Supervisor to enhance coverage on the Beachwalk from 46th Street to 87th Terrace, as well as Altos Del Mar Park, Bandshell Park, and Allison Park
 - FY 2024 cost of **\$831K (General Fund)**
 - 2) 4 full-time Park Rangers to enhance coverage in the City Center area of Collins Park, Soundscape Park, Collins Canal Park, and Pride Park
 - FY 2024 cost of **\$341K (Resort Tax)**

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Additional Holiday Lighting



- Based on discussion at 12/14/2022 City Commission meeting
- Request is in addition to **\$700K** included in preliminary FY 2024 budget for holiday lighting
- Expand holiday lighting to allow additional parts of the City to be decorated with lights and decor during the holiday season
 - Additional **\$500K** for new holiday lighting and displays that may come from various Committees prior to the holiday season
- Additional **\$65K** for maintenance of existing lighting

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Tree Wrapping with Lights and Banding

- Based on discussion at 11/30/2022 PSNQLC meeting to beautify and improve pedestrian safety
- Expand tree lighting, similar to lighting in the areas of 41st Street and 71st Street, in the following areas
 - Lighting for 260 trees on Collins Avenue (from 5th to 23rd Street)
 - \$1.8M (One-time) and annual recurring cost of \$177K
 - Lighting for 99 trees on Ocean Drive (from 5th to 15th Street)
 - \$428K (One-time) and annual recurring cost of \$51K
 - Lighting for 360 trees on Washington Avenue (from 5th to 17th Street)
 - \$1.1M (One-time) and annual recurring cost of \$133K
 - Alternative is to remove and replace existing lighting (\$218K)
- Palm banding services - \$105k

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Cat Program

- Based on discussion at 04/27/2022 PSNQLC meeting
- Full-time Cat Coordinator position, plus operating costs of approx. \$75K included in preliminary FY 2024 budget
- Additional requests
 - 1) Full-time Cat Trapper position to provide cat trapping services in support of the TNVR program and work with the existing the Cat Coordinator to assist in the recruitment and training of new volunteer cat trappers
 - FY 2024 – \$121K (incl. one-time costs); FY 2025 – \$78K
 - 2) Cleaning/vet tech assistance, food, litter, air filters, transportation of cats, gloves, fecal test supplies, medication, emergency healthcare services, vaccines, etc. (\$41K annually)

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Spring Break Programming



- \$3.2M approved as a one-time programming enhancement for FY 2023
- FY 2024 CSL budget includes \$1.7M for enhanced Police staffing during Spring Break

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FY 2024 Potential Enhancements – Administration



*Excerpt of Administration's enhancement list

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Potential Public Safety Enhancements



Administration Items	Funding	\$ FY 2024	\$ FY 2025
4 FTE Fire positions (PIO, Special Events, FTO, Fire Protection Analyst)	General Fund	492,000	638,000
Beachwalk Safety Enhancements (Transportation)	Special Revenue	200,000	-
K-9 Training Facility Trailer (Police)	General Fund	115,000	-
Rapid DNA Testing (Police)	General Fund	92,000	145,000
Rescue Transport Gator (Fire)	General Fund	82,000	-
1 PT Police (OAll)	General Fund	37,000	39,000
FLIR Thermal Optics Solution (Police)	General Fund	36,000	36,000

Excerpt of Administration's enhancement list

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Potential Economic Development & Community Engagement Enhancements



Administration Items	Funding	\$ FY 2024	\$ FY 2025
Additional Cultural Arts Council (CAC) Grants	Special Revenue	250,000	250,000
Additional Promotions (Economic Development)	General Fund	235,000	235,000
Marketing & Public Relations (Economic Development)	General Fund	150,000	150,000
1 FTE Marketing & Comm. (Social Media Specialist)	General Fund	81,000	101,000
Legacy Art Purchase Program (Tourism and Culture)	Special Revenue	50,000	50,000

Excerpt of Administration's enhancement

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Potential Mobility & Operational Enhancements

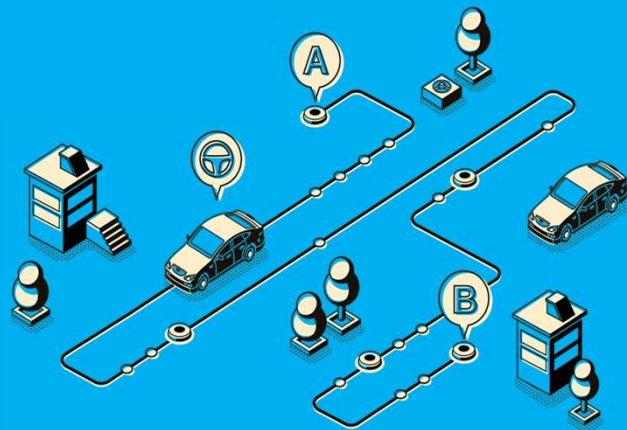


Administration Items	Funding	\$ FY 2024	\$ FY 2025
Restoring Trolley Service to Pre-Pandemic Svc. Levels (Transportation)	Special Revenue	1,782,000	1,782,000
Living Wage increase	Various	514,000	514,000
5 FTE Public Works (Emergency Landscaping Crew)	General Fund	382,000	341,000
3 FTE Clerk (Citywide Records Management)	General Fund	289,000	371,000
Traffic Signal Optimization Pilot Project (Transportation)	Special Revenue	229,000	-
1 FTE - P3 Coordinator for Public/Private Partnerships	General Fund	176,000	221,000
2 FTE Parks & Rec (Special Events, Athletic Field Specialist)	General Fund	131,000	166,000
5 PT Parks & Rec (Inclusionary Aides, Athletic Field Specialist)	General Fund	112,000	118,000
Additional Market Studies (Facilities)	General Fund	75,000	75,000
1 FTE Facilities position (OAV)	Internal Service	63,000	78,000
GIS Near Map (Public Works)	General Fund	16,000	16,000

*Excerpt of Administration's enhancement

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FY 2023 Update as of Q2



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FY 2023 Q2 General Fund Update

General Fund	\$
Q1 Projected Surplus	7,970,000
Appropriated to Date	(4,650,000)
Remaining Q1 Projection	3,320,000
Q2 Projected Surplus	11,289,000
Appropriated to Date	(4,650,000)
Additional Homeless Trust Set-aside	(1,000,000)
Q2 Projected Surplus	5,639,000

Recommended use of projected Q2 surplus

- Set-aside additional \$1.0M for Homeless Trust based on April 28, 2023 Commission meeting
- Set-aside remaining funds of \$5.6M for Capital Project Needs, Replacement of Vehicles and Equipment, and General Fund Reserve Requirement

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FY 2023 Q2 Resort Tax Update

2% Resort Tax Fund	\$
Q1 Projected Surplus	2,094,000
Appropriated to Date	(0)
Remaining Q1 Projection	2,094,000
Q2 Projected Surplus	6,668,000
Appropriated to Date	(0)
Q2 Projected Surplus	6,668,000

Recommended use of projected Q2 surplus

- Set-aside remaining funds of \$6.7M for additional contribution to General Fund for Tourism-Eligible Expenditures* and one-time enhancements that may be considered for FY 2024

**Based on Cost Allocation Study completed January 2023 by outside consultant, \$172.3 million in tourism-eligible expenditures in General Fund; FY 2023 contribution - \$39.2 million*

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Community Organization Grants



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Community Organization Grants



Items	Funding	FY 2021	FY 2022	FY 2023	FY 2024
Miami Beach Botanical Gardens	General Fund	\$152,000	\$152,000	\$152,000	\$152,000
FIU - Jewish Museum	General Fund	50,000	50,000	50,000	50,000
UNIDAD Meals Program	General Fund	230,000	230,000	230,000	230,000
Jewish Community Services of South Florida, Inc.	General Fund	47,000	47,000	47,000	47,000
Miami Beach Chamber/Visitor's Center	General Fund	36,000	36,000	36,000	36,000
MB Gay & Lesbian Chamber of Commerce	General Fund	25,000	25,000	25,000	25,000
South Florida Hispanic Chamber of Commerce	General Fund	24,000	24,000	24,000	24,000
Miami Design Preservation League	General Fund	23,000	23,000	23,000	23,000
Douglas Gardens Community Health Center, Inc.	General Fund	22,000	22,000	22,000	22,000
Miami Beach Community Health Center	General Fund	22,000	22,000	22,000	22,000
Boys and Girls Club	General Fund	17,000	17,000	17,000	17,000
Orange Bowl Committee	General Fund	17,000	17,000	17,000	17,000
Shane Rowing Center	General Fund	85,000	85,000	85,000	85,000
Save Foundation, Inc.	General Fund	-	-	-	25,000
Captain Hyman Jewish Learning Center	General Fund	-	-	-	25,000
Total		\$750,000	\$750,000	\$750,000	\$800,000

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Grants Approved by City Commission

Mid-Year FY 2023



Items	Funding	\$	Resolution No.
Miami Beach ERUV Council, Inc.	General Fund	72,500	2023-32476
Normandy Fountain Business Association	General Fund	25,000	2023-32499
Temple Moses	General Fund	25,000	2023-32505
Volunteercleanup.org	General Fund	15,000	2023-32500
Clean Miami Beach, Inc.	General Fund	15,000	2023-32501
Hispanic Heritage Festival	General Fund	15,000	2023-32502
Miami Beach Life-Safety Institute of Fire & EMS	General Fund	10,000	2023-32503
Save Foundation, Inc	General Fund	75,000	Approved April 28, 2023
Captain Hyman P. Galbut Jewish Learning Center	General Fund	25,000	2023-32472
Total		\$ 277,500	

Note: \$25,000 for Save Foundation, Inc. and \$25,000 for Captain Hyman P. Galbut Jewish Learning Center included in FY 2024 General Fund budget per adopted 2023 Resolutions

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Cultural Arts Council (CAC) Grants



Recurring Items	FY 2021	FY 2022	FY 2023	FY 2024
Miami Beach Cultural Anchors	\$348,482	\$346,920	\$324,908	TBD
Miami Beach Cultural Categories:				
Dance	91,648	99,400	70,720	TBD
Film	71,958	59,800	64,752	TBD
Multi-Disciplinary	66,722	76,400	87,625	TBD
Music	207,992	182,365	215,341	TBD
Opera	30,215	17,200	29,372	TBD
Theater	16,110	18,000	14,663	TBD
Visual Arts	14,678	18,000	14,261	TBD
Total	\$499,323	\$471,165	\$496,734	TBD
Total	\$847,805	\$818,085*	\$821,642**	\$850,000

*Given the uncertainty of several cultural organizations at the time, the CAC reserved a larger contingency than normal in the FY 2022 grant budget.

**One applicant withdrew their application which was initially awarded \$21,547. The applicant, along with their grant award, were removed from Exhibit E prior to the September budget meeting.

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Special Events Sponsorships



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Budgeted City Sponsorships for Special Events



Items	Funding	FY 2021	FY 2022	FY 2023	FY 2024
Miami Beach Air & Sea Show	Resort Tax	\$350,000	\$350,000	\$350,000	\$350,000
July 4th Fireworks	Resort Tax	100,000	100,000	150,000	150,000
Miami Beach Pride	Resort Tax	188,000	188,000	188,000	188,000
Special Events Marketing Sponsorships	Resort Tax	50,000	50,000	50,000	50,000
MDPL Art Deco Weekend	Resort Tax	100,000	100,000	150,000	150,000
American Black Film Festival	Resort Tax		200,000	-	-
City Sponsorships for Special Events Awarded through Sponsorship Application Program	Resort Tax	-	400,000	400,000	400,000
Miami Beach Seafood Festival	Resort Tax	-	20,000	15,000	10,000
Normandy Fountain Business Association	General Fund	-	35,000	35,000	35,000
Ocean Drive Promenade Programming	Resort Tax	-	-	100,000	
Formula 1 Race Weekend	Resort Tax	-	-	236,000	236,000
South Beach Wine and Food Festival*	Resort Tax	-	-	-	175,000
Total		\$788,000	\$1,443,000	\$1,674,000	\$1,744,000

*Note: City sponsorships listed above do not include any additional Special Events Fee Waivers approved by the City Commission mid-year.
Prior year sponsorships were in the form of special event waivers.

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Budgeted City Sponsorships Awarded through Sponsorship Application Program



Items	Funding	FY 2021	FY 2022	FY 2023	FY 2024*
Amount Allocated Through Budget	Resort Tax	-	\$400,000	\$400,000	\$400,000
City Sponsorships for Special Events Awarded through Sponsorship Application Program					
Miami Swim Week	Resort Tax	-	7,000	-	28,000
American Black Film Festival	Resort Tax	-	-	171,000	103,000
South Beach Jazz Festival	Resort Tax	-	25,000	30,000	-
FIU Surf and Turf Volleyball Tournament	Resort Tax	-	-	-	8,000
King of the Court Volleyball Tournament	Resort Tax	-	-	-	258,000
Total Sponsorships		\$0	\$32,000	\$201,000	\$397,000
Balance Remaining to be Allocated		-	\$368,000	\$199,000	\$3,000

*FY 2024 sponsorships have gone through the application process and are pending Commission approval

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Non-Budgeted Special Events City Sponsorships



Items	Funding	FY 2021	FY 2022	FY 2023	FY 2024
Formula 1 Race Weekend	Resort Tax	\$ -	\$235,162	\$ 50,000	TBD
College Football/Orange Bowl	Resort Tax	500,000	-	-	TBD
South Beach Wine and Food Festival	Resort Tax	162,333	215,849	125,000	TBD
Ocean Drive Association - New Year's Eve	Resort Tax	25,000	-	-	TBD
Ocean Drive Association - 4th of July Fireworks	Resort Tax	20,000	35,250	-	TBD
Pro Footvolley Tour	Resort Tax	15,000	-	-	TBD
South Beach Jazz	Resort Tax	25,000	-	-	TBD
International Piano Festival*	Resort Tax	-	-	55,000	TBD
Total - Non-Budgeted City Sponsorships		\$747,333	\$486,261	\$230,000	TBD

*Rental Waiver

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All Special Events Fee Waivers



Items	FY 2021	FY 2022	FY 2023	FY 2024
Art Deco Weekend	\$35,323	\$35,194	\$44,832	TBD
FIU Surf N Turf Beach Volleyball Tournament	-	11,627	6,500	TBD
Miami Beach Pride	30,000	30,000	39,302	TBD
Model Volleyball	-	25,000	21,000	TBD
South Beach Seafood Festival	-	58,970	75,134	TBD
South Beach Wine and Food Festival	120,102	142,517	117,050	TBD
Winter Party	-	-	31,353	TBD
Celebrity Soccer Match	13,155	-	-	TBD
College Football Playoff	50,000	-	-	TBD
Ocean Drive Association - New Year's Eve	2,217	-	-	TBD
Ocean Drive Association - 4th of July Fireworks	93,000	5,558	-	TBD
Pro Footvolley Tour - Miami Beach Series	2,658	-	-	TBD
WPL Beach Polo	11,362	11,000	8,000	TBD
FTX Race Weekend/Miami Beach Race Weekend	-	140,585	140,585	TBD
GroundUp Music Festival	-	6,162	-	TBD
Juneteenth Food Festival	-	12,220	-	TBD
Nicole Henry Concert	-	-	6,000	TBD
Piano Festival	-	-	20,000	TBD
Total Special Events Fee Waivers	\$357,817	\$478,833	\$510,029	TBD

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FY 2024 Preliminary Capital Budget

Miami Beach



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FY 2024-2028 Capital Improvement Plan



Water & Sewer	\$336.0M
GO Bonds	263.0M
Stormwater	238.9M
Pay-Go	110.7M
Parking/Garages	48.8M
Transportation	39.5M
Other Capital	28.9M
Convention Center	22.7M
1% Quality of Life	22.6M
Capital R&R	<u>15.6M</u>
Total:	\$1.127B

Capital project expenditures over the next 5 fiscal year

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Budget Gap Summary



FY 2024 Requests

Fund	Total Request \$	Available Funding* \$	Difference
Capital Renewal & Replacement (CRR)	7.5M	2.0M	(\$5.5M)
Resort Tax Quality of Life	15.2M	8.2M	(7.0M)
PAYGO	37.7M	9.7M	(28.0M)
Water & Sewer	49.6M	29.0M	(20.6M)

*Includes funding set-aside for project gaps and projected FY 2024 revenues, where applicable

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Commission Capital Project Requests

Items	\$	Resolution # / Meeting
Commission/Committee Requests		
Parkview Water Quality Improvement	2,000,000	FERC Referral – 3/27/23
Beachwalk Bollards Citywide	1,700,000	Commission Meeting Referral – 4/28/23
Fairway Park Soccer Turf	1,500,000	Commission Meeting – 4/28/23
Monument Island Restoration	910,000	Commission Meeting – 4/28/23
MB Senior High Pick-Up Drop-Off Lane	600,000	Resolution # 2023-32530
Flamingo Park Soccer Turf	300,000	Commission Meeting – 4/28/23
Total		\$ 7,010,000

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Capital Requests – Facilities

Projects*	FY 2024
Security Enhancements Citywide	1,364,726
Historic City Hall VFD Replacement	800,000
Fleet Management Solar Panel Installation	800,000
Artistic Bollards	750,000
EV Charging Stations (various locations)	550,000
Historic City Hall HVAC Renewal	500,000
Other Facilities Projects	7,371,812
TOTAL	\$12,136,538

*Requested from Capital PayGo, CRR, Resort Tax Quality of Life (QOL) and/or other funds

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Capital Requests – Parks



Projects*	FY 2024
Flamingo Park Football Stadium Turf	1,215,000
Flamingo Park Playground Replacement	926,000
Citywide Pickleball and Padel Courts	676,000
Other Fairway Park Improvements	592,000
Biscayne Elementary Shared Field Lighting	583,000
Other Parks Projects	4,221,500
TOTAL	\$8,213,500

*Requested from Capital PayGo, CRR, Resort Tax Quality of Life (QOL) and/or other funds

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Capital Project Gaps – GO Bond



Project	Total Budget	Approved Budget	Available Budget	FY 2024 Request	Description
Fire Station #1	\$25.8M	\$20.9M	\$20.9M	\$4.9M	Cost Escalation \$2.5M grant applied for \$2.4M recommended in FY 2024
Police HQ	\$17.3M	\$15.8M	\$12.8M	\$4.5M	Estimated gap – Recommend Funding from FY 2023 transfer to Capital Reserve

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Resilience Capital Projects



Why Resilience?

Miami Beach is vulnerable to compound flood risk and damage from storm surge, rainfall, and sea level rise. Significant infrastructure improvements are needed, including:

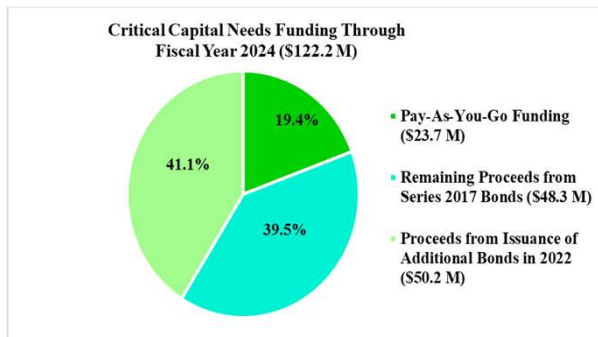
- ❑ Water and sewer infrastructure
- ❑ Stormwater infrastructure
- ❑ Road elevation
- ❑ Seawalls
- ❑ Dune restoration
- ❑ These investments provide quality of life co-benefits today
- ❑ New roads, sidewalks, lighting, bike lanes, landscaping

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Critical Capital Needs Update



Water & Sewer



- \$122 million of critical needs were identified in the 2019 Master Plan
- Commission approved a funding plan for the \$122 million in 2020
- 75% of projects currently underway
- Significant cost increase: market driven + new emergency needs

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Water & Sewer

Critical Capital Needs Update

- 5-year schedule of rate increases approved in November 2020
- FY 2024 rate increase is **3.6%**
- Expected bond issuance likely in late FY 2024
- Some Water & Sewer capital needs will be addressed as part of NIPs and FDOT projects
- Funding for these projects will require future rate increases that will depend on the projects selected and timing of implementation

Fiscal Year	Rate Increase
FY 2021	0.0%
FY 2022	1.0%
FY 2023	3.6%
FY 2024	3.6%
FY 2025	3.7%

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Critical Needs Plan

Update to Critical Needs W&S Plan (75% Underway)

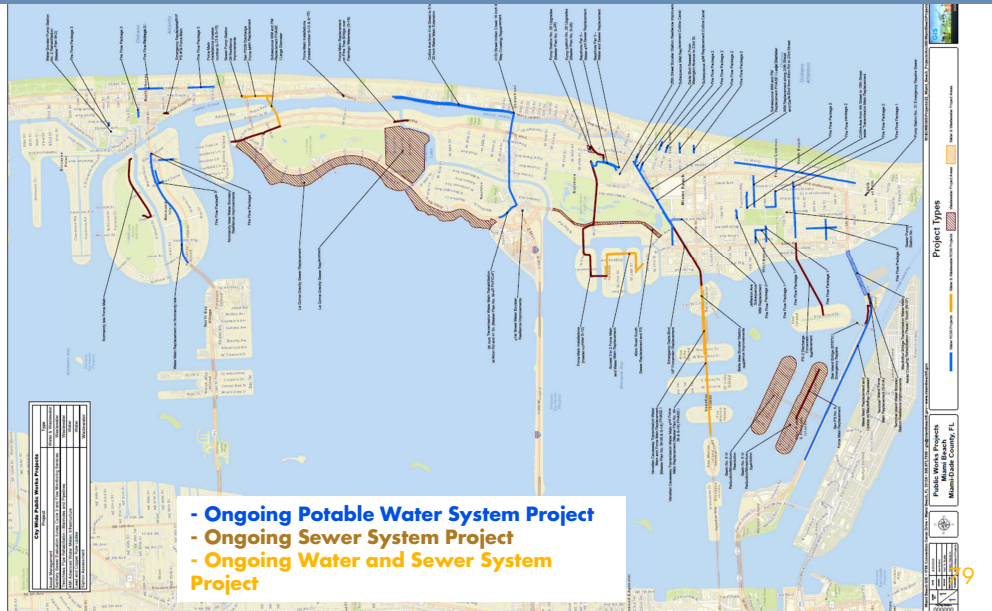
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Total Updated Budget	222.2 M
Appropriated to Date	(88.0M)
Grants	(14.6M)
Remaining to be Appropriated	119.6M

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Status Update: 75% of Water & Sewer Critical Needs Plan In Progress

- \$29M awarded for construction/rehabilitation
- >\$8M in design for pipelines and pump stations - construction budget estimated at \$139M



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Current Neighborhood Projects



NIPs

Indian Creek

- Phase III – Road raising and utilities scope complete
- Seawall construction work – Near complete – Fully Funded
- Landscape – Construction to start summer 2023

West Avenue

- Phase II – North Segment – Fully Funded
- Phase III – South Segment – Anticipated Budget - \$46M

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Current Neighborhood Projects

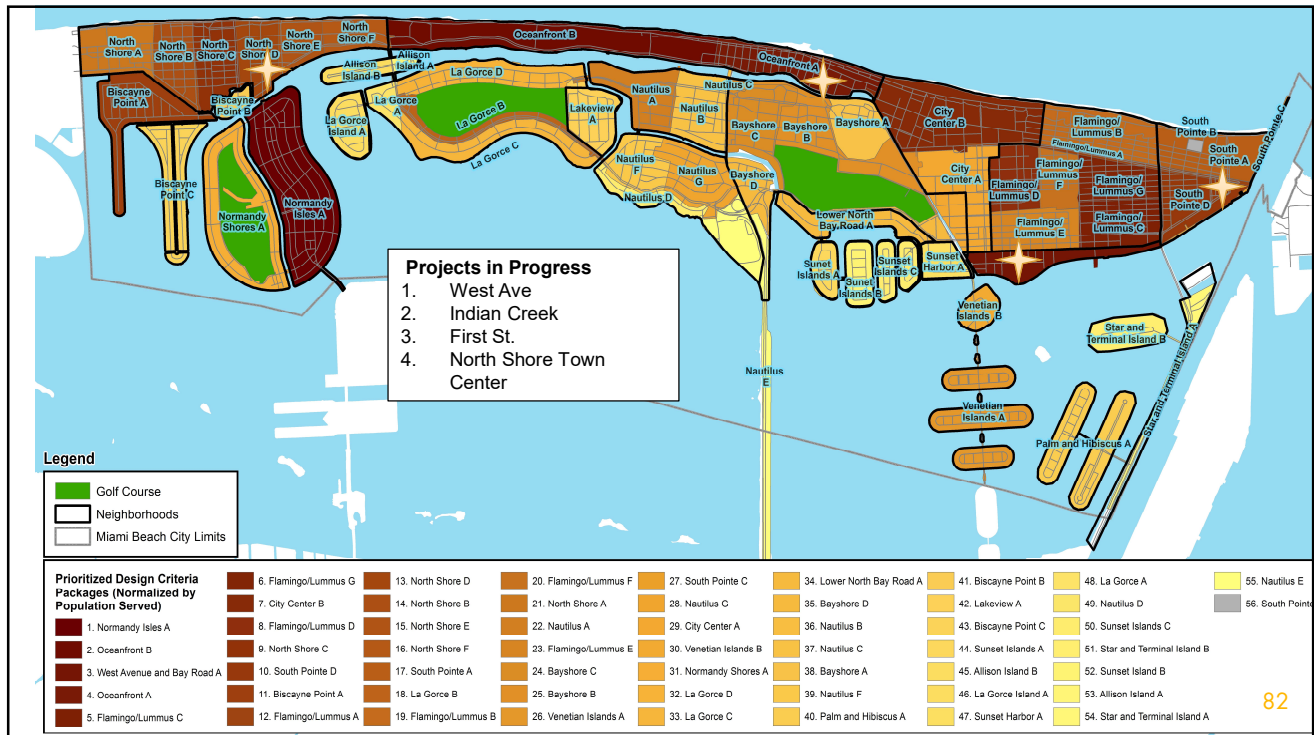


First Street

- Total Funding: \$46M (funded) + \$20M (Grant) + \$5M (GO Bond) = Total funded \$71M
- Total Project Needs Preliminary Estimate: \$168M
- Next step: Complete 60% Design, Independent Estimate Validation and Project Phasing

North Beach Town Center

- \$10M grant funded design + \$4M (GO Bond – above ground) + **Construction Unfunded**
- Design Negotiations are Ongoing

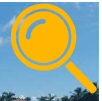


Other Stormwater Projects



- Master Plan Update completion end of 2023
- Ongoing Drainage Water Quality improvement designs:
 - Drainage Pump Station 10 \$200k (permitting, construction funded)
 - Drainage Pump Station 24 \$2M (60% design, construction funded)
 - Drainage Pump Station 32 \$400k (construction procurement, unfunded)
- Upcoming designs with unfunded needs:
 - Parkview Outfalls Water Quality, \$200k design funded, \$2M construction FY25 unfunded
 - North Nautilus F, \$400k design funded, \$5M construction FY 26 unfunded

Public Seawalls



- 53 Miles of Seawall
- 4.15 Miles are Public
- 1.2 Mile completed and 18 segments in progress
- Seawall Prioritization plan completed (66 Seawalls identified which includes 3 Living Shoreline projects)
- \$49M in Design/Construction/CEI Cost
- \$5.5M available from GO Bond
- \$11M available from Citywide Seawalls
- Funding Gap = \$32.5M in future years



24 Vehicular Bridges

- Citywide Assessment Completed 2022
- Design complete, in construction procurement (\$2.3 M funded):
 - 77th St.(876719) over Tatum Waterway
 - Henedon Ave.(876721) over Biscayne Point Canal
 - 73rd St.(876732) over Tatum Waterway
- \$11 M R&R for 12 bridges (3 per year, FY25 – FY28, unfunded)



6 Pedestrian Bridges

- 6 Pedestrian Bridges – Assessment complete
- Liberty Ave. in construction, August 2023 Completion (\$500k, funded)
- Lincoln Ct. design/permitting in progress (\$30k, funded)
- 4 others planned FY24 - FY26 (\$800k construction unfunded)

Sidewalk, Pavement & Lighting

- Sidewalk GOB Project #37 : \$13 Million**
605,000 SF(26%) of sidewalk have been replaced across the city at a cost of about \$3.5M.
- Streets GOB Project #38 : \$30 Million**
39.3 miles (16%) of roadway have been repaved across the city at a cost of about \$5.4M.
- Street Lighting Improvements**
GOB T1 \$3.5M in Design, construction in FY24



Capital Project Gaps - Utilities

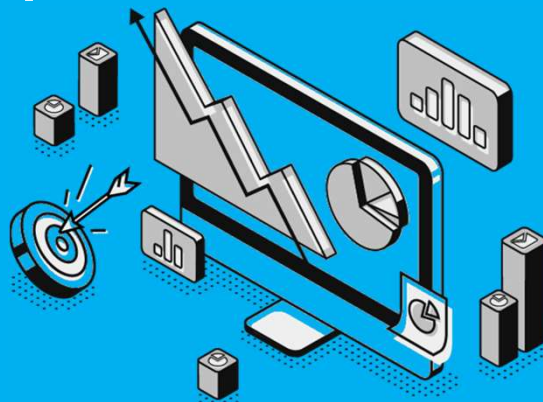


Project	Total Budget	Approved Budget	Available Budget	FY 2024 Request	Future Needs	Description
Convention Center/Lincoln Rd. Connector	\$60.5M	\$57.6M	\$54.1M	\$6.4M	\$0.0M	\$6.4M recommended in FY 2024
17th Street Renovations	\$48.0M	\$2.0M	\$2.0M	\$2.0M	\$44.0M	\$2.0M recommended in FY 2024
West Ave Phase III	\$46.4M	\$0	\$10.0M	\$10.0M	\$26.4M	\$10M grant match recommended in FY 2024

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Private Adaptation Program



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Private Adaptation Program



	FY 2023	FY 2024	FY 2025
Revenues			
Available Funding	\$1,998,000	\$897,900	\$475,425
FY 2024 Requested Appropriation	-	666,000	666,000
Total Revenue	\$1,998,000	\$1,563,900	\$1,141,425
Expenditures			
Assessments, Administration: Total	(\$333,300)	(\$175,825)	(\$175,825)
Improvements (\$17,500 each)	(735,000)	(875,000)	(875,000)
Construction Oversight/Contingency	(31,800)	(37,650)	(37,650)
Total Expenditures	(\$1,100,100)	(\$1,088,475)	(\$1,088,475)
Balance Remaining	\$897,900	\$475,425	\$52,950
Number of properties	42	50	50

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Budget Recap



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FY 2024 Preliminary General Fund CSL Budget



Fiscal Year 2024	
Revenues	\$ 396.1M
Expenditures	\$ 406.7M
Surplus / (Gap)*	(\$10.6M)

Property Value Increase Necessary to Balance:** **4.8%**

Estimated 1% Increase in Property Value:** **\$2.2M**

**Preliminary General Fund surplus/(gap) above does not take into account any enhancements to be considered for FY 2024*

***Based on Certified FY 2023 Values, pending receipt of Preliminary FY 2024 Values to be provided by Property Appraiser on July 1, 2023*

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FY 2024 Preliminary 2% Resort Tax Fund CSL Budget



➤ *Currently assuming revenues remain flat for FY 2024 over FY 2023 projections*

Fiscal Year 2024	
Revenues	\$ 79.5M
Expenditures	\$ 74.6M
Surplus / (Gap)	\$4.9M

Note:
Does not include \$4.9M in enhancements to be considered for FY 2024

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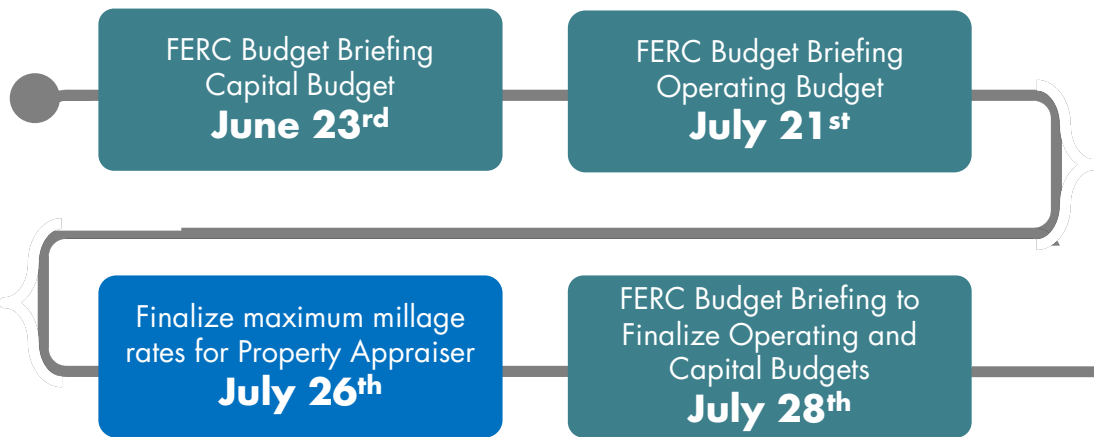
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Next Steps



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Next Steps



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Next Steps



City Manager and OMB
finalize Proposed Budget
August

• **FIRST PUBLIC HEARING**
○ Adopt tentative millage rates
○ Adopt tentative operating and
capital budgets
September 14th

• **SECOND PUBLIC HEARING**
○ Adopt final millage rates
○ Adopt final operating and capital
budgets
September 28th

Beginning of
Fiscal Year 2023
October 1st

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Thanks!

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