

MESSAGE FROM THE CITY MANAGER

ERIC CARPENTER

September 16, 2024

Honorable Mayor and Members of the City Commission:

First, I want to express my gratitude to the Mayor and the City Commission for the trust placed in me by selecting me as your new City Manager. I look forward to collaborating with all of you to serve this dynamic and resilient City.

I am pleased to report that our local economy and the City's financial position remain robust, as evidenced by a 9.4% increase in property values this year. However, the sustainability of this economic growth remains uncertain. The additional revenue generated from the rise in property values and other sources of revenues continue to be essential for addressing funding gaps in many of the City's critical capital projects. Additionally, these funds are necessary to manage the financial impacts of ongoing and upcoming negotiations with the City's five unions, whose current agreements are set to expire in the coming months.

The reserve levels in our General and Resort Tax Funds have reached the highest levels in the City's history. The General Fund reserves are at \$106.2 million, which is the equivalent of three months of reserves, or 25%, based on the Adopted Fiscal Year (FY) 2024 General Fund Budget. The reserves in the 2% Resort Tax Fund are at \$40.1 million, which is the equivalent of six months of reserves, or 50%, based on the Adopted FY 2024 2% Resort Tax Fund Budget. As a result, we have been able to maintain an AA+ General Obligation (G.O.) Bond credit rating based on the successful management of our reserves and strategically balanced budgets.

The Proposed FY 2025 Budget includes numerous enhancements that directly respond to resident feedback and priorities set forth by the Mayor and City Commission that emphasize public safety, homelessness, and cleanliness. It also includes enhancements to address more recent concerns regarding parking and transportation/mobility in the City.

This budget allocates funding for several critical initiatives to enhance public safety and support City operations. It includes four additional full-time positions to expand and improve the City's Real Time Intelligence Center (RTIC) and two additional full-time Detention Officers to reduce the need for Police Officers to be diverted from patrol duties for jail or transport responsibilities. Additionally, it provides funding for the City to reimburse the Miami-Dade County Police Department's Forensic Services Division Crime Laboratory for the costs associated with employing two additional positions dedicated to drug testing services, benefiting the Miami Beach Police Department (MBPD), the Miami-Dade County State Attorney's Office, and the City's Municipal Prosecution Team.

Moreover, the budget includes funding for an additional full-time position to strengthen the City's existing Municipal Prosecution Team. It also allocates resources to maintain heightened police visibility in response to the concerns raised by community members, elected officials, and religious leaders about potential localized attacks or criminal activities targeting individuals of specific religious faiths, following the attacks on Israel on October 7, 2023. Lastly, the budget provides for new public safety technology and equipment to further enhance the City's capabilities.



MESSAGE FROM THE CITY MANAGER CONT'D

In order to further address homelessness and cleanliness, the budget includes funding for the continued provision of specialized medical outreach services to persons experiencing homelessness, four full-time positions to provide enhanced litter control and cleaning services in the City's park facilities, three full-time positions to be assigned as area managers with a distinct focus on specific geographic areas of the City, additional funding to support increased levels of service for routine and emergency cleanup across the waterways surrounding the City, six full-time positions to provide dedicated residential sidewalk pressure washing services for residential properties throughout the City, and a grant award for the implementation of more extensive clean-up efforts in the City.

This budget also includes funding for the return of the City's parking decal program, the purchase of additional bicycle/pedestrian counters and solar powered electronic speed feedback signs to be strategically installed on the beachwalk to collect and provide valuable data, additional funding to provide expanded transportation services during Art Week to ensure greater transportation coverage, reduce wait times, and enrich the user experience, thus promoting our City as an accessible destination, and a full-time position to address current bicycle-pedestrian safety and accessibility issues throughout the City.

I hereby transmit the Proposed Work Plan and Operating Budget for FY 2025, commencing on October 1, 2024 and ending on September 30, 2025, including the Proposed Work Plan and Operating Budget, the Proposed Capital Budget, and the associated Capital Improvement Plan (CIP) for FY 2025 through FY 2029.

The Proposed Work Plan and Budget presented was created through an extensive and rigorous development and review process. Budget information was provided at the Commission Budget Retreat on May 20, 2024 and the two Finance and Economic Resiliency Committee (FERC) Budget Briefings on June 21, 2024 and July 12, 2024. Two public hearings will be held on September 16, 2024 and September 25, 2024 to adopt the tentative and final budgets for FY 2025, which will enable the City to continue delivering outstanding services to its residents, businesses, and visitors alike while simultaneously ensuring long-term sustainability.

I would like to also thank the Budget Advisory Committee (BAC) and Chairperson Mojdeh Khagan, as well as all City staff who worked diligently over the last year to respond to changes in priorities from the City Commission. I would particularly like to thank my Assistant City Managers and all department and division directors. I appreciate everyone working together towards developing a balanced budget that will continue to improve our community. In addition, I would like to recognize and thank Jason Greene, Chief Financial Officer (CFO); Tameka Otto Stewart, Budget Director; Richard Ajami, Budget Officer; Ayanna DaCosta-Earle, Yelina Iglesias, and Kyle Teijeiro, Senior Management and Budget Analysts; Isadora Gonzalez, Management and Budget Analyst; and Daniela Martinez, Office Associate V.

Respectfully submitted,



Eric Carpenter
City Manager