



**COMMISSION MEMORANDUM**

TO: Honorable Mayor and Members of the City Commission

FROM: Eric Carpenter, City Manager

DATE: June 25, 2025

TITLE: A RESOLUTION OF THE MAYOR AND CITY COMMISSION OF THE CITY OF MIAMI BEACH, FLORIDA, ACCEPTING THE RECOMMENDATION OF THE FINANCE AND ECONOMIC RESILIENCY COMMITTEE, AT ITS JUNE 11, 2025 MEETING, TO CONSIDER AS PART OF THE FISCAL YEAR 2026 BUDGET PROCESS A BUDGET ENHANCEMENT OF APPROXIMATELY \$100,000 FOR ADDITIONAL SCHOLARSHIPS AND A MODIFICATION TO THE EARLY CHILD CARE PREKINDERGARTEN PROGRAM FOR MIAMI BEACH RESIDENTS COMMENCING IN SCHOOL YEAR 2026-2027 BY: (I) ALLOCATING THE SCHOLARSHIP FUNDS, IN THE AMOUNT NOT TO EXCEED \$440,000.00 TO SERVE UP TO 220 ELIGIBLE FOUR YEAR OLD MIAMI BEACH CHILDREN ENROLLING IN PREKINDERGARTEN 4 CLASSES WITH A SCHOLARSHIP AMOUNT OF UP TO \$2,000; (II) REALLOCATING THE REMAINING PROGRAM FUNDS, IN THE AMOUNT NOT TO EXCEED \$220,000.00 TO SERVE UP TO 220 ELIGIBLE THREE-YEAR-OLD MIAMI BEACH RESIDENT CHILDREN WITH A SCHOLARSHIP AMOUNT OF UP TO \$1,000; AND FURTHER, AUTHORIZING THE CITY MANAGER OR HIS/HER DESIGNEE TO EXECUTE ANY REQUIRED AGREEMENTS OR DOCUMENTS TO IMPLEMENT THE PROGRAM.

**RECOMMENDATION**

The City Administration ("Administration") supports accepting the recommendation of the Finance and Economic Resiliency Committee (FERC) to consider the expansion of the early childcare prekindergarten program during the Fiscal Year (FY) 2026 budget process.

The Administration recommends that while the Commission evaluates the expansion of the early childcare prekindergarten program, it also carefully considers several critical factors that will significantly impact the General Fund budget, beginning in FY 2026:

1. The City's increasing unfunded capital improvement program
2. Long-term General Fund financial projections indicating a potential shortfall in upcoming fiscal years
3. The passage of Amendment 5 in November 2024, which increases the homestead exemption and further constrains the growth of taxable property values

These considerations are essential to ensure that decisions regarding an expansion of the early childcare prekindergarten program align with the City's broader long-term financial stability and strategic priorities. If the Commission recommends funding an expansion of the early childcare prekindergarten program the Administration recommends it be considered as part of the FY 2026 budget process but suggests that additional consideration be given to items that are core functions. The City Administration ("Administration") supports accepting the recommendation of the Finance and Economic Resiliency Committee (FERC) to consider the expansion of the early childcare prekindergarten program during the Fiscal Year (FY) 2026 budget process.

Though noting that if the budget enhancement is not included in the FY 2026 budget, the program would not be modified. It is important to note that staff has determined that additional staff would be needed to implement the expanded program which will be reflected in the budget enhancement considered.

## **BACKGROUND/HISTORY**

At the January 15, 2020 City Commission meeting, a referral was made to the Finance and Economic Resiliency Committee ("FERC") to discuss the funding of an Early Childcare Pilot Program. FERC recommended to fund an Early Childcare Pilot Program for implementation in the 2021-2022 school year, with funding in the amount of \$250,000 to be appropriated.

The details of FERC's recommendation for the Early Childcare Pilot Program were outlined as follows:

1. Eligibility requirements for all Miami Beach child applicants and Miami Beach partner childcare providers:
  - a. Child must be 4 years old on or before September 1 of the enrollment school year to be eligible.
  - b. Child's parent/legal guardian must be a resident of the City of Miami Beach upon submission of application and throughout the year of Program participation 2021-2022.
2. Eligibility requirements for all partner childcare providers: Early childcare center must meet Florida Statutes applicable sections to be eligible to offer prekindergarten as a public-school provider, nonpublic school provider or faith-based provider.
3. Be licensed as a childcare facility under s.402.305, F.S., family day care home under s.402.313, F.S., or large family childcare facility under s.402.313, F.S.; or Be licensed exempt under s.402.3025(2), F.S. (nonpublic schools) or s.402.316, F.S. (for faith- based providers).
4. The requested funding for the prekindergarten stipend, in the amount of \$250,000, was contemplated to be distributed as follows: \$250,000 would be available to eligible applicants and equally apportioned among eligible children in an amount not to exceed \$2,700 per child, for maximum hourly rate of \$6.00 per hour, up to 2.5 hours for 180 days.

The Mayor and City Commission adopted Resolution No. 2020- 31375, authorizing a Prekindergarten Pilot Program for the 2021-22 school year. At the March 17, 2021, City Commission meeting, a referral was made to FERC to discuss the extension of the funding for the Early Childcare Prekindergarten Pilot Program to the 2022- 23 school year.

The City Commission passed and adopted Resolution No. 2021-31935 and 2021-31712 authorizing the City Manager to extend the Early Childcare Prekindergarten Program for Miami Beach residents, in an amount not to exceed \$ 250,000 for the 2022-2023 school year.

Resolution No. 2021-31962 increased funding for the program, in an amount not to exceed \$475,000, annually, with \$3,000 per child commencing as of the 2023-2024 school year. The increase resulted in the number of Pre-K Scholarships from 158 to 177 for school year 2024- 2025 which was increased to 192 to accommodate those on the wait list.

## **ANALYSIS**

Resolution No 2025-33480 approved and increased the number of available Prekindergarten Scholarships from 192 to 225 for future school years, effective for school year 2026, representing an additional increase to the budget in the amount of \$99,000 to meet the demonstrated demand

and need from the City's residents (Attachment A) The current service level (CSL) budget for the Early Childcare Prekindergarten Scholarship Program is \$576,000.

At the June 11, 2025, FERC meeting, a motion was made to return to Commission with a favorable recommendation to modify the Pre-K Scholarship Program to \$2,000 per four-year child for up to 220 scholarships, and to include three-year-old children at an amount of up to \$1,000 per child for up to 220 scholarships, and with an approximate \$100,000 budget enhancement to be considered as part of the FY 2026 budget process. It was noted that a child would be eligible for a three-year-old and four-year-old scholarship.

If the Commission funds the program expansion with additional funding as part of the FY 2026 budget process, the following details the modification to the Early Childcare Prekindergarten Scholarship Program for Miami Beach residents commencing in School Year 2026-27 to (i) allocate scholarship funds in an amount not to exceed \$440,000 to serve up to 220 eligible four-year-old Miami Beach children enrolling in prekindergarten 4 classes with a scholarship amount of up to \$2,000 each; and (ii) to allocate an amount not to exceed \$220,000 to serve up to 220 eligible three-year-old Miami Beach Resident children with a scholarship amount of up to \$1,000 each. For a new total Early Childcare Prekindergarten Scholarship Program budget of \$660,000, an increase of \$84,000 over the current program budget. It was determined that the program would only require an additional \$84,000 of funding but additional staffing would be needed to implement the greatly expanded program. If the budget enhancement is not included in the FY 2026 budget, the program would not be modified.

The details of FERC' s recommendation for the modified and expanded Prekindergarten 4 Scholarship Program and three (3) year old scholarship program are outlined as follows:

1. Eligibility requirements for all Miami Beach child applicants and Miami Beach partner childcare providers:

- a. Child must be 4 years old on or before September 1 of enrollment school year to enroll in the City's Prekindergarten 4 Scholarship Program.
- b. Child must be three years old on or before September 1 of enrollment school year to enroll in the City's 3-year-old Scholarship Program.
- c. Child's parent/legal guardian must be a resident of the City of Miami Beach upon submission of application and throughout the year of Program participation.
- d. Child may receive a scholarship once for the three-year-old scholarship program of up to \$1,000 and once for the prekindergarten 4 scholarship program of up to \$2,000.

2. Eligibility requirements for all partner childcare providers: Early childcare center must meet Florida Statutes applicable sections to be eligible to offer prekindergarten as a public-school provider, nonpublic school provider or faith-based provider.

- a. Be licensed as a childcare facility under s.402.305, F.S., family day care home under s.402.313, F.S., or large family childcare facility under s.402.313, F.S.; or
- b. Be licensed exempt under s.402. 3025(2), F.S. (nonpublic schools) or s.402.316, F.S. (for faith- based providers), and
- c. Hold a Gold Seal Quality Care designation under s.402.281, F.S.;
- d. Each agency must apply for Gold Seal with Department of Children and Families or be accredited by an accrediting association that is a member of:
  - i. National Council for Private School Accreditation
  - ii. The Florida Association of Academic Nonpublic Schools; and

3. The requested funding for the Prekindergarten 4 Scholarship, in the amount of \$440,000, was contemplated to be distributed as follows: \$440,000 would be available to eligible applicants and equally appropriated to eligible children in an amount not to exceed \$2,000 per child, for maximum hourly rate of \$4.44 per hour, up to 2.5 hours for 180 days; and

4. The requested funding for the 3-year-old Scholarship in the amount of \$220,000 was contemplated to be distributed as follows: \$220,000 would be available to eligible applicants and equally apportioned among eligible children in an amount not to exceed \$1,000 per child, for maximum hourly rate of \$2.22 per hour, up to 2.5 hours for 180 days; and

### **FISCAL IMPACT STATEMENT**

FY 2026 \$84,000 for scholarships and \$38,000 for additional PT staff.

### **Does this Ordinance require a Business Impact Estimate?** (FOR ORDINANCES ONLY)

If applicable, the Business Impact Estimate (BIE) was published on:

See BIE at: <https://www.miamibeachfl.gov/city-hall/city-clerk/meeting-notice/>

### **FINANCIAL INFORMATION**

N/A

### **CONCLUSION**

The City Administration ("Administration") supports accepting the recommendation of the Finance and Economic Resiliency Committee (FERC) to consider the expansion of the early childcare prekindergarten program during the Fiscal Year (FY) 2026 budget process.

This resolution would accept the favorable recommendation of the Finance and Economic Resiliency Committee, at its June 11, 2025 meeting, to consider as part of the Fiscal Year 2026 budget process a budget enhancement of approximately \$100,000 for additional scholarships and a modification to the early childcare prekindergarten program for Miami Beach residents commencing in school year 2026-2027 by: (i) allocating the scholarship funds, in the amount not to exceed \$440,000.00 to serve up to 220 eligible four year old Miami Beach children enrolling in prekindergarten 4 classes with a scholarship amount of up to \$2,000; (ii) reallocating the remaining program funds, in the amount not to exceed \$220,000.00 to serve up to 220 eligible three-year-old Miami Beach resident children with a scholarship amount of up to \$1,000.

Though noting that if the budget enhancement is not included in the FY 2026 budget, the program would not be modified. It is important to note that staff has determined that additional staff would be needed to implement the expanded program which will be reflected in the budget enhancement considered.

### **Applicable Area**

Citywide

### **Is this a "Residents Right to Know" item, pursuant to City Code Section 2-17?**

No

### **Is this item related to a G.O. Bond Project?**

No

### **Was this Agenda Item initially requested by a lobbyist which, as defined in Code Sec. 2-481, includes a principal engaged in lobbying?** No

If so, specify the name of lobbyist(s) and principal(s):

**Department**

Education and Performance Initiatives

**Sponsor(s)**

Commissioner Laura Dominguez

**Co-sponsor(s)**

Commissioner Alex Fernandez  
Commissioner Joseph Magazine

**Condensed Title**

Accept Rec/Modify Early Child Care Prekindergarten Program for MB Residents. (LD/AF/JM)  
EPI

**Previous Action (For City Clerk Use Only)**