

R7 A A RESOLUTION OF THE MAYOR AND CITY COMMISSION OF THE CITY OF MIAMI BEACH, FLORIDA, ADOPTING THE THIRD AMENDMENT TO THE GENERAL FUND, ENTERPRISE FUNDS, INTERNAL SERVICE FUNDS, AND SPECIAL REVENUE FUNDS BUDGETS FOR FISCAL YEAR 2025 AS SET FORTH IN THIS RESOLUTION AND IN THE ATTACHED EXHIBIT "A."

Applicable Area:

# MIAMI BEACH

## COMMISSION MEMORANDUM

TO: Honorable Mayor and Members of the City Commission

FROM: Eric Carpenter, City Manager

DATE: February 26, 2025 2:00 p.m. Public Hearing

TITLE: A RESOLUTION OF THE MAYOR AND CITY COMMISSION OF THE CITY OF MIAMI BEACH, FLORIDA, ADOPTING THE THIRD AMENDMENT TO THE GENERAL FUND, ENTERPRISE FUNDS, INTERNAL SERVICE FUNDS, AND SPECIAL REVENUE FUNDS BUDGETS FOR FISCAL YEAR 2025 AS SET FORTH IN THIS RESOLUTION AND IN THE ATTACHED EXHIBIT "A."

### **RECOMMENDATION**

The Administration recommends that the Mayor and City Commission adopt the attached Resolution.

### **BACKGROUND/HISTORY**

The budgets for the General Fund, Enterprise Funds, Internal Service Funds, and Special Revenue Funds for Fiscal Year (FY) 2025 were adopted by the Mayor and City Commission on September 25, 2024, through Resolution No. 2024-33294.

The First Amendment to the General Fund, Enterprise Funds, Internal Service Funds, and Special Revenue Funds budgets for FY 2025 was adopted by the Mayor and City Commission on November 20, 2024, through Resolution No. 2024-33403.

The Second Amendment to the General Fund, Enterprise Funds, Internal Service Funds, and Special Revenue Funds budgets for FY 2025 was adopted by the Mayor and City Commission on February 3, 2025, through Resolution No. 2025-33503.

### **ANALYSIS**

#### **GENERAL FUND**

##### **South Shore Community Center Summer Camp and Other Programming**

During the Finance and Economic Resiliency Committee (FERC) meeting on January 24, 2025, the FERC endorsed the expansion of the Parks and Recreation's Summer Camp program to the South Shore Community Center, along with other year-round programming for the community. Additionally, during the December 11, 2024 City Commission meeting, Resolution No. 2024-33419 was adopted by the Mayor and City Commission accepting the recommendation of the Public Safety and Neighborhood Quality of Life Committee, at its November 6, 2024 meeting, directing the Administration to establish a summer camp program at the South Shore Community Center, subject to funding through a future budget amendment.

A related item on today's agenda recommends that the City Commission approve the FERC's endorsement of the Parks and Recreation Department's expansion to the South Shore Community Center.

To facilitate the necessary facility renovations and launch of the summer camp program in a timely manner, as well as the ongoing daily programming that includes additional Parks and Recreation Department staffing at the South Shore Community Center, this proposed budget amendment seeks to appropriate and allocate \$300,000 from General Fund reserves to the Parks and Recreation Department's FY 2025 General Fund operating budget. These funds are comprised of \$110,000 in one-time costs for necessary equipment purchases and facility renovations and \$190,000 in recurring costs for daily programming that include additional Parks and Recreation staffing.

### **Additional Support Services for City Commissioners**

At the March 13, 2024 City Commission meeting, the Mayor and City Commission adopted Resolution No. 2024-32956, authorizing each City Commissioner to retain additional professional support, either on a full-time or part-time employee basis or, in the alternative, as an independent contractor for such services in an amount not to exceed \$120,000 per City Commissioner per year. The Resolution also provided that each member of the City Commission notify the Mayor within 30 days from the adoption of the Resolution of their decision whether or not to avail themselves of the allocation for additional support staff for which only two Commissioners opted to avail themselves of the allocation for additional staff support.

At the June 26, 2024 City Commission meeting, the Mayor and City Commission adopted Resolution No. 2024-33125 directing the Administration to include funding in the budget to allow for additional staff support for two subsequent Commissioners.

On February 3, 2025, the Mayor and City Commission adopted Resolution No. 2025-33470, approving an enhancement of support services for City Commissioners who currently have one (1) Legislative Aide to enable them to better serve the public and authorizing each such Commissioner to retain additional professional support, either on a full-time or part-time employee basis or, in the alternative, as an independent contractor, providing that the fiscal impact of this measure, per Commissioner, shall not exceed \$120,000 per Commissioner per year.

This proposed budget amendment is to, therefore, appropriate \$160,000 (pro-rated for 8 months) in the Mayor and City Commission's FY 2025 General Fund budget from the City's General Fund reserves for the City Commissioners who currently have one (1) Legislative Aide to retain additional professional support, in accordance with the enhancement that was approved by the Mayor and City Commission on February 3, 2025. The projected total annualized cost of approximately \$240,000 (\$120,000 for each City Commissioner) would be included in the Mayor and City Commission's proposed General Fund budget beginning in FY 2026.

### **The Sternlicht Foundation Donation**

The Barry and Mimi Sternlicht Foundation is a philanthropic organization that was established by Barry Sternlicht, the founder of Starwood Capital Group, and his wife, Mimi. The foundation focuses on various charitable endeavors, including initiatives in the areas of education, health, and community development, which is often aimed at improving lives, enhancing opportunities, and making a positive impact on society.

The City of Miami Beach is committed to enhancing the well-being and quality of life of its senior residents through dedicated programming and resources. The Office of the Mayor of the City of Miami Beach has received two \$10,000 donations from the Sternlicht Foundation for a total of \$20,000 designated for senior programming.

A related item on today's agenda recommends that the City Commission approve and authorize the acceptance of donations from the Barry and Mimi Sternlicht Foundation and authorizing the City Manager to use those donated funds in accordance with the terms of the donor's gift.

This proposed budget amendment is to appropriate the \$20,000 in donations that have been received by the City from the Sternlicht Foundation in the Office of the Mayor and City Commission's General Fund operating budget to be utilized specifically for senior resident programming and activities in the City.

## **SPECIAL REVENUE FUNDS**

### **Additional Funding for Prekindergarten Scholarship Program**

On February 3, 2025, the Mayor and City Commission adopted Resolution No. 2025-33480, authorizing the allocation of an additional \$81,000 to the City's existing Prekindergarten Scholarship Program for the 2025-26 school year in FY 2025 to allow each of the 27 families that were waitlisted based on the results of the December 6, 2024 computerized lottery to receive up to \$3,000 in scholarship funds and further directing the Administration to increase the number of available prekindergarten scholarships in the program from 192 to 225 for future school years, beginning in FY 2026, to meet the demonstrated demand and interest from the City's residents.

As a result, this proposed budget amendment is to appropriate an additional \$81,000 in the City's Education Initiatives Special Revenue Fund, which will need to be transferred from the City's General Fund reserves, to allocate the additional funding authorized by the Mayor and City Commission on February 3, 2025 for the City's Prekindergarten Scholarship Program.

### **Starchild Sculpture 5G Utility Pole Removal and Relocation**

On February 22, 2023, the Mayor and City Commission adopted Resolution No. 2023-32506 accepting the recommendation of the Art in Public Places (AiPP) Committee and the Cultural Arts Council (CAC) to purchase the "Starchild" sculpture with the intent that it will remain permanently installed at Henry Liebman Square on West 41<sup>st</sup> Street and Pine Tree Drive. In addition, the Resolution directed the Administration to take the necessary steps to remove and relocate the 5G utility pole located in the vicinity of the "Starchild" sculpture to not obstruct or compromise the public's ability to view the artwork.

At the November 19, 2024 AiPP Committee meeting, the AiPP Committee unanimously passed a motion proposing that \$86,000 from the AiPP Fund be allocated to remove and relocate the 5G utility pole in front of the "Starchild" sculpture.

This proposed operating budget amendment is to, therefore, appropriate \$86,000 in the FY 2025 AiPP Special Revenue Fund budget from available AiPP fund balance for the removal and relocation of the 5G utility pole located in the vicinity of the "Starchild" sculpture as recommended by the AiPP Committee and approved by the Mayor and City Commission.

## **FISCAL IMPACT STATEMENT**

See detailed information above.

### **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**

See detailed information above.

**CONCLUSION**

The City Administration recommends that the Mayor and City Commission adopt the Third Amendment to the General Fund, Enterprise Fund, Internal Service Fund, and Special Revenue Fund budgets for FY 2025 described herein and further detailed in the attached Exhibit "A."

EC/JDG/TOS/RA

**Applicable Area**

Citywide

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

Yes

**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**

Management and Budget

**Sponsor(s)**

**Co-sponsor(s)**

**Condensed Title**

2:00 p.m. Adopt 3rd Amendment to FY 2025 Operating Budget. OMB

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

## Exhibit "A"

GENERAL FUND	FY 2025 Revised Budget	3rd Budget Amendment	FY 2025 Revised Budget
<b>REVENUES</b>			
<b>Operating Revenues</b>			
Ad Valorem Taxes	\$ 269,271,000		\$ 269,271,000
Ad Valorem- Capital Renewal & Repl.	\$ 4,118,000		\$ 4,118,000
Ad Valorem- Pay-As-You-Capital	\$ 4,850,000		\$ 4,850,000
Other Taxes	\$ 31,124,000		\$ 31,124,000
Licenses and Permits	\$ 22,931,000		\$ 22,931,000
Intergovernmental	\$ 14,129,000		\$ 14,129,000
Charges for Services	\$ 17,160,000		\$ 17,160,000
Fines & Forfeits	\$ 1,955,000		\$ 1,955,000
Interest Earnings	\$ 8,172,000		\$ 8,172,000
Rents & Leases	\$ 8,118,000		\$ 8,118,000
Miscellaneous	\$ 17,294,000	\$ 20,000	\$ 17,314,000
Resort Tax Contribution	\$ 42,117,000		\$ 42,117,000
Other Non-Operating Revenue	\$ 14,925,000		\$ 14,925,000
Use of General Fund Reserves/Prior Year Surplus	\$ 11,110,000	\$ 541,000	\$ 11,651,000
<b>Total General Fund</b>	<b>\$ 467,274,000</b>	<b>\$ 561,000</b>	<b>\$ 467,835,000</b>
	FY 2025 Revised Budget	3rd Budget Amendment	FY 2025 Revised Budget
<b>APPROPRIATIONS</b>			
<b>Department</b>			
Mayor and Commission	\$ 3,916,000	\$ 180,000	\$ 4,096,000
City Manager	\$ 4,716,000		\$ 4,716,000
Marketing and Communications	\$ 3,344,000		\$ 3,344,000
Office of Management and Budget	\$ 1,874,000		\$ 1,874,000
Finance	\$ 10,466,000		\$ 10,466,000
Procurement	\$ 3,447,000		\$ 3,447,000
Human Resources/Labor Relations	\$ 3,452,000		\$ 3,452,000
City Clerk	\$ 2,832,000		\$ 2,832,000
City Attorney	\$ 8,283,000		\$ 8,283,000
Housing & Community Services	\$ 5,909,000		\$ 5,909,000
Planning	\$ 6,414,000		\$ 6,414,000
Environment & Sustainability	\$ 2,597,000		\$ 2,597,000
Tourism and Culture	\$ 4,273,000		\$ 4,273,000
Economic Development	\$ 3,184,000		\$ 3,184,000
Code Compliance	\$ 7,710,000		\$ 7,710,000
Parks & Recreation (incl. Golf Courses)	\$ 49,227,000	\$ 300,000	\$ 49,527,000
Facilities Management	\$ 4,634,000		\$ 4,634,000
Public Works	\$ 18,953,000		\$ 18,953,000
Capital Improvement Projects	\$ 6,686,000		\$ 6,686,000
Police	\$ 152,496,000		\$ 152,496,000
Fire	\$ 123,317,000		\$ 123,317,000
Citywide (incl. Operating Contingency)	\$ 23,304,000		\$ 23,304,000
<b>Subtotal General Fund</b>	<b>\$ 451,034,000</b>	<b>\$ 480,000</b>	<b>\$ 451,514,000</b>
<b>TRANSFERS</b>			
Pay-As-You-Go Capital Fund	\$ 8,349,000		\$ 8,349,000
Info & Comm Technology Fund	\$ 300,000		\$ 300,000
Capital Reserve Fund	\$ 978,000		\$ 978,000
Capital Renewal & Replacement Fund	\$ 4,368,000		\$ 4,368,000
Education Compact Fund	\$ 2,245,000	\$ 81,000	\$ 2,326,000
<b>Subtotal Transfers</b>	<b>\$ 16,240,000</b>	<b>\$ 81,000</b>	<b>\$ 16,321,000</b>
<b>Total General Fund</b>	<b>\$ 467,274,000</b>	<b>\$ 561,000</b>	<b>\$ 467,835,000</b>

## Exhibit "A"

ENTERPRISE FUNDS	FY 2025 Amended Budget	3rd Budget Amendment	FY 2025 Revised Budget
<b>REVENUE/APPROPRIATIONS</b>			
Building	\$ 19,494,000		\$ 19,494,000
Convention Center	\$ 49,630,000		\$ 49,630,000
Water	\$ 49,227,000		\$ 49,227,000
Sewer	\$ 65,853,000		\$ 65,853,000
Stormwater	\$ 41,982,000		\$ 41,982,000
Sanitation	\$ 28,419,000		\$ 28,419,000
Parking	\$ 55,570,000		\$ 55,570,000
<b>Total Enterprise Funds</b>	<b>\$ 310,175,000</b>	<b>\$ -</b>	<b>\$ 310,175,000</b>

INTERNAL SERVICE FUNDS	FY 2025 Amended Budget	3rd Budget Amendment	FY 2025 Revised Budget
<b>REVENUE/APPROPRIATIONS</b>			
Information Technology	\$ 21,187,000		\$ 21,187,000
Risk Management	\$ 28,157,000		\$ 28,157,000
Central Services	\$ 1,176,000		\$ 1,176,000
Office of Inspector General	\$ 2,281,000		\$ 2,281,000
Facilities Management	\$ 14,096,000		\$ 14,096,000
Fleet Management	\$ 20,432,000		\$ 20,432,000
Medical and Dental Insurance	\$ 52,467,000		\$ 52,467,000
<b>Total Internal Service Funds</b>	<b>\$ 139,796,000</b>	<b>\$ -</b>	<b>\$ 139,796,000</b>

SPECIAL REVENUE FUNDS	FY 2025 Amended Budget	3rd Budget Amendment	FY 2025 Revised Budget
<b>REVENUE/APPROPRIATIONS</b>			
Education Compact	\$ 2,743,000	\$ 81,000	\$ 2,824,000
IT Technology Fund	\$ 1,021,000		\$ 1,021,000
Residential Housing	\$ 1,007,000		\$ 1,007,000
Sustainability	\$ 1,452,000		\$ 1,452,000
Tree Preservation Fund	\$ 458,000		\$ 458,000
Commemorative Tree Trust Fund	\$ 3,000		\$ 3,000
Resort Tax	\$ 112,651,000		\$ 112,651,000
Tourism and Hospitality Scholarships	\$ 53,000		\$ 53,000
Cultural Arts Council	\$ 2,263,000		\$ 2,263,000
Waste Haulers	\$ 124,000		\$ 124,000
Normandy Shores	\$ 336,000		\$ 336,000
Biscayne Point Special Taxing District	\$ 354,000		\$ 354,000
Allison Island Special Taxing District	\$ 676,000		\$ 676,000
Biscayne Beach Special Taxing District	\$ 256,000		\$ 256,000
5th & Alton Garage	\$ 1,033,000		\$ 1,033,000
7th Street Garage	\$ 2,746,000		\$ 2,746,000
Transportation & Mobility Fund	\$ 16,389,000		\$ 16,389,000
People's Transportation Plan	\$ 6,166,000		\$ 6,166,000
Police Confiscation Fund - Federal	\$ 515,000		\$ 515,000
Police Confiscation Fund - State	\$ 71,000		\$ 71,000
Police Training Fund	\$ 29,000		\$ 29,000
Red Light Camera Fund	\$ 919,000		\$ 919,000
E-911 Fund	\$ 874,000		\$ 874,000
Art in Public Places (AIPP)	\$ 145,000	\$ 86,000	\$ 231,000
Beachfront Concession Initiatives	\$ 77,000		\$ 77,000
Beach Renourishment	\$ 307,000		\$ 307,000
Resiliency Fund	\$ 2,951,000		\$ 2,951,000
Sustainability and Resiliency Fund	\$ 192,000		\$ 192,000
Biscayne Bay Protection Trust Fund	\$ 96,000		\$ 96,000
Brick Paver Program	\$ 10,000		\$ 10,000
Adopt-A-Bench Program	\$ 20,000		\$ 20,000
Miami City Ballet	\$ 108,000		\$ 108,000
Relocation Services Fund	\$ 133,000		\$ 133,000
<b>Total Special Revenue Funds</b>	<b>\$ 156,178,000</b>	<b>\$ 167,000</b>	<b>\$ 156,345,000</b>