

R7 A A RESOLUTION OF THE MAYOR AND CITY COMMISSION OF THE CITY OF MIAMI BEACH, FLORIDA, ADOPTING: 1) THE TENTATIVE AD VALOREM MILLAGE OF 5.8522 MILLS FOR FISCAL YEAR 2025 FOR GENERAL OPERATING PURPOSES, WHICH IS NINE AND SIX TENTHS PERCENT (9.6%) MORE THAN THE "ROLLED-BACK" RATE OF 5.3395 MILLS; AND 2) THE DEBT SERVICE MILLAGE RATE OF 0.2959 MILLS, SUBJECT TO A SECOND PUBLIC HEARING TO CONSIDER THE MILLAGE RATE FOR FISCAL YEAR 2025 ON WEDNESDAY, SEPTEMBER 25, 2024, AT 5:01 P.M.

Applicable Area:



COMMISSION MEMORANDUM

TO: Honorable Mayor and Members of the City Commission

FROM: Eric Carpenter, City Manager

DATE: September 16, 2024 5:01 p.m. First Reading Public Hearing

TITLE: A RESOLUTION OF THE MAYOR AND CITY COMMISSION OF THE CITY OF MIAMI BEACH, FLORIDA, ADOPTING: 1) THE TENTATIVE AD VALOREM MILLAGE OF 5.8522 MILLS FOR FISCAL YEAR 2025 FOR GENERAL OPERATING PURPOSES, WHICH IS NINE AND SIX TENTHS PERCENT (9.6%) MORE THAN THE "ROLLED-BACK" RATE OF 5.3395 MILLS; AND 2) THE DEBT SERVICE MILLAGE RATE OF 0.2959 MILLS, SUBJECT TO A SECOND PUBLIC HEARING TO CONSIDER THE MILLAGE RATE FOR FISCAL YEAR 2025 ON WEDNESDAY, SEPTEMBER 25, 2024, AT 5:01 P.M.

**RECOMMENDATION**

The Administration recommends that the Mayor and City Commission adopt the attached Resolution, which authorizes the City Manager to transmit the following information to the Miami-Dade County Property Appraiser:

1) Tentatively Adopted Millage Rates for Fiscal Year (FY) 2025:

General Millage	5.6636 mills
Capital Renewal & Replacement Millage	0.0866 mills
Pay-As-You-Go (PayGo) Millage	<u>0.1020 mills</u>
Total General Operating Millage	5.8522 mills
Voted Debt Service Millage	<u>0.2959 mills</u>
Total Combined Millage	6.1481 mills (same as last year)

2) The second public hearing to consider the final millage rates and budgets for FY 2025 shall be held on Wednesday, September 25, 2024, at 5:01 p.m., in the City Commission Chambers at 1700 Convention Center Drive, 3<sup>rd</sup> Floor, Miami Beach, Florida 33139.

**BACKGROUND/HISTORY**

See information provided below.

**ANALYSIS**

Florida Statutes, Section 200.065, requires that at the first public hearing on the proposed millage rate and budget, the Mayor and City Commission proceed in the following specific manner:

1. Adopt a tentative ad valorem millage rate for FY 2025 general operating purposes. This is accomplished by adopting a Resolution which includes the percentage increase or decrease over the "rolled-back" rate; the required debt service millage rate; and, the date, time, and place of the second public hearing.

**State statute requires that only the title be read aloud.**

2. Adopt a tentative general operating budget for FY 2025, which includes the budgets for the General, Enterprise, Internal Service, Special Revenue, and General Obligation (G.O.) Bond Debt Service Funds, as well as the City's Tax Increment Financing (TIF) portion of the City Center Redevelopment Area and North Beach Community Redevelopment Area. This is accomplished by adopting a companion Resolution (see accompanying City Budget Agenda Item).

Both the millage and budget Resolutions must be adopted again after a second and final public hearing.

### **PROPERTY VALUES**

On July 1, 2024, the City received the 2024 Certified Taxable Values from the Miami-Dade County Property Appraiser. As summarized below, the City's overall taxable property values increased approximately \$4.8 billion, or 9.4%, from the 2023 Certified Taxable Values of \$51.6 billion to the 2024 Certified Taxable Values of \$56.4 billion, which includes a \$4.5 billion, or 8.8%, increase in the City's existing values and a \$0.3 billion increase in new construction values. Within the overall increase, however, property values within the City Center Redevelopment Area and the North Beach Community Redevelopment Area increased by 8.4% and 6.6%, respectively, compared to the previous year.

	July 2023 Certified	July 2024 Certified	\$ Change	% Change
Property Values:				
Existing Values	\$51,560,772,230	\$56,099,794,992	\$4,539,022,762	8.8%
New Construction	-	297,152,107	297,152,107	100.0%
<b>Total</b>	<b>\$51,560,772,230</b>	<b>\$56,396,947,099</b>	<b>\$4,836,174,869</b>	<b>9.4%</b>
City Center Redevelopment Area	\$6,188,026,922	\$6,709,447,439	\$521,420,517	8.4%
North Beach Community Redevelopment Area	1,730,558,116	1,844,424,002	113,865,886	6.6%
<b>Total (Net of RDA &amp; CRA)</b>	<b>\$43,642,187,192</b>	<b>\$47,843,075,658</b>	<b>\$4,200,888,466</b>	<b>9.6%</b>

### **PROPOSED MILLAGE RATE**

There are two (2) main components to the City's Total Combined millage rate, which are the General Operating millage rate and the voted debt service millage rate. The General Operating millage rate, which is comprised of a General, Capital Renewal and Replacement (CRR), and Capital Pay-As-You-Go (PayGo) millage, funds General Fund operating and capital expenditures, while the voted debt service millage rate funds the annual debt service for outstanding General Obligation (G.O.) bonds.

The General Operating millage rate proposed for FY 2025 of 5.8522 mills provides funding to offset increases in personnel costs, such as the City's annual required pension contributions, a five percent (5%) step increase for all Fraternal Order of Police (FOP) and International Association of Fire Fighters (IAFF) positions and a 0-3% performance-based merit increase for all other positions, an increase in the City's health insurance premiums for active employees and retirees, as well as increases in other General Fund operating expenditures and dedicated funding for General Fund capital projects.

### **Unfunded Capital Needs**

As presented by the Administration at the Finance and Economic Resiliency Committee (FERC) Budget Briefing on July 12, 2024, the City's FY 2025-2029 Capital Improvement Plan (CIP) reflects over \$1.0 billion of unfunded capital project needs over the next five (5) years.

As a result, and in an effort to meet the City Commission's goal of funding 5% of the annual General Fund operating budget for capital needs in accordance with Resolution No. 2006-26341,

the Administration recommended the following, which was approved by the FERC at the July 12, 2024 Budget Briefing:

1. Dedicated CRR Millage Adjustment

Realign the reduction in the required voted debt service millage rate in FY 2025 of 0.0285 mills based on the 2024 Certified Taxable Values as of July 1, 2024 to the dedicated CRR millage rate. This realignment would result in an estimated additional increase in dedicated CRR funding of approximately \$1.4 million in FY 2025.

2. General Fund Interest Income for Capital Projects

Allocate 25%, or approximately \$2.0 million, of the total projected FY 2025 interest income in the General Fund for one-time capital expenditures. Using General Fund interest income for one-time expenditures is a prudent financial strategy for local governments, particularly given the volatility of interest rates. Interest rates can fluctuate significantly due to economic conditions, monetary policy, and market forces. Relying on interest income for recurring expenditures is risky, as a decline in rates could lead to a shortfall in expected revenues and cause an unexpected deficit. By using interest income for one-time expenditures, the City would avoid creating budget gaps, if interest income decreases. The percentage of General Fund interest income to be allocated for one-time capital expenditures will be increased by 5% per fiscal year on a recurring basis.

In addition, based on the finalization of the City's Annual Comprehensive Financial Report (ACFR) for the fiscal year ending September 30, 2023 (FY 2023), approximately \$0.4 million in prior year fund balance in the G.O. Debt Service Fund was available for appropriation. At the July 12, 2024 FERC Budget Briefing, the Administration recommended that the available funding be appropriated in FY 2025 which reduced the voted debt service millage for FY 2025 further by 0.0082 mills from 0.3041 mills to 0.2959 mills and realign the additional decrease in the voted debt service millage to the dedicated CRR millage. This resulted in an estimated additional increase in dedicated CRR funding of approximately \$0.4 million, which was recommended by the FERC at the July 12, 2024 FERC Budget Briefing.

The voted debt service millage rate provides dedicated funding for the annual debt service associated with the City's outstanding G.O. Bonds. For FY 2025, this represents the annual debt service for the first tranche (Series 2019) of the G.O. Bonds that were approved by the voters on November 6, 2018, and the annual debt service for the first tranche (Series 2023 A&B) of the Arts and Culture G.O. Bonds that were approved by the voters on November 8, 2022. Based on the 2024 Certified Taxable Values, the debt service payments totaling approximately \$16.3 million in FY 2025 require the levy of a voted debt service millage rate of 0.2959 mills for FY 2025, which is 0.0367 mills less than the voted debt service millage rate of 0.3326 mills adopted for FY 2024.

**The Total Combined millage rate proposed for FY 2025 would remain flat at 6.1481 mills, as summarized in the table below.**

	FY 2024 Adopted	FY 2025 Proposed	Increase/ (Decrease)
General	5.6636	5.6636	0.0000
Capital Renewal & Replacement (CRR)	0.0499	0.0866	0.0367
Capital Pay-As-You-Go (PayGo)	0.1020	0.1020	0.0000
<b>Total General Operating Millage</b>	<b>5.8155</b>	<b>5.8522</b>	<b>0.0367</b>
Voted Debt Service	0.3326	0.2959	(0.0367)
<b>Total Combined Millage</b>	<b>6.1481</b>	<b>6.1481</b>	<b>0.0000</b>

## **IMPACT OF PROPOSED MILLAGE LEVY IMPACT ON PROPERTY OWNERS**

### **Homesteaded Properties**

In 1992, voters approved an amendment to the Florida Constitution known as Amendment 10, also known as Save Our Homes (SOH). SOH is an assessment limitation, or “cap,” on increases in the assessed taxable value of a homesteaded property. Those increases are limited to 3%, or the percent change in the CPI (Consumer Price Index), whichever is less. The “cap” goes into effect beginning the year after a homestead exemption is granted.

Based on last year’s taxable property values from the Miami-Dade County Property Appraiser as of July 1, 2023, the median homesteaded property value in the City was \$265,595 while the average homesteaded property value was \$756,191. For an existing homesteaded property in the City that was not sold and/or did not have any improvements or additions completed in the last year, the impact of the City’s Total Combined millage rate of 6.1481 mills proposed for FY 2025 would result in an increase of approximately \$49 for a median homesteaded property, while the impact for an average homesteaded property would be \$138 in accordance with the SOH cap.

Homesteaded Properties				
	FY 2024		FY 2025	
	Median*	Average*	Median	Average
<b>Preliminary Taxable Value*</b>	<b>\$265,595</b>	<b>\$756,191</b>	<b>\$273,563</b>	<b>\$778,877</b>
<b>City of Miami Beach:</b>				
Operating	\$1,545	\$4,398	\$1,601	\$4,558
Voted Debt	88	252	81	230
<b>Total Miami Beach</b>	<b>\$1,633</b>	<b>\$4,650</b>	<b>\$1,682</b>	<b>\$4,788</b>
<b>\$ Changes in Taxes:</b>				
Operating			\$56	\$160
Voted Debt			(7)	(22)
<b>Total Miami Beach</b>			<b>\$49</b>	<b>\$138</b>
*Source: Miami-Dade County Property Appraiser’s – 2023 average-median-homestead-residential-values files				

### **Non-Homesteaded Properties**

The annual increase in the assessed taxable value of a non-homesteaded property is capped at 10% (excluding the School Board portion). While the average citywide increase in property values is 9.4%, the value of some individual properties may increase up to, but not more than 10% (excluding the School Board portion of the property tax bill). However, an individual property owner may see an increase of more than 10% if there is a change in ownership of a capped property resulting in a reset of the cap. Another factor, if applicable, would be the value of new construction which can contribute to a property value increase of more than 10%.

### **OVERLAPPING MILLAGE RATES**

Property owners in the City of Miami Beach also pay property taxes that are levied by Miami-Dade County, the Miami-Dade County School Board, the Children’s Trust, the South Florida Water Management District, Okeechobee Basin, Everglades Project, and the Florida Inland Navigational District (FIND). For FY 2025, these taxing authorities represent 67.3% of a Miami Beach property owner’s ad valorem tax bill.

The proposed FY 2025 countywide and library millage rates for Miami-Dade County remained flat at 4.5740 mills and 0.2812 mills, respectively, while the debt service millage rate for Miami-Dade County decreased by 0.0084 mills from 0.4355 to 0.4271 mills. The millage rate for the Miami-Dade School Board

decreased by 0.0970 mills from 6.6990 to 6.6020 mills. The Children's Trust millage rate remained flat at 0.5000 mills and the millage rates for the South Florida Water Management District, Okeechobee Basin, Everglades Project, and Florida Inland Navigational District, combined, remained flat at 0.2589 mills.

Based on the rates proposed for FY 2025, the Miami Beach portion of the ad valorem tax bill is approximately 32.7% of the total ad valorem tax bill. *It is important to note that Miami-Dade County's total combined millage rate proposed for FY 2025 of 5.2823 mills is 1.1037 mills, or 17.3%, less than Miami-Dade County's total FY 2007 millage rate of 6.3860 mills, as compared to the City's total combined millage rate of 6.1481 mills proposed for FY 2025 that is 1.5249 mills, or 19.9%, less than the City's total FY 2007 millage rate of 7.6730 mills.* Similarly, the School Board millage proposed for FY 2025 of 6.6020 mills is 1.5030 mills, or 18.5%, less than the FY 2007 School Board millage of 8.1050 mills. These differences are a direct result of the City's continuing effort to keep millage rates as low as possible.

A summary of the proposed millage rate changes by taxing authority is provided in the table below.

OVERLAPPING TAX MILLAGE	FY 2007	% of FY 2007 Total	FY 2024	Proposed FY 2025	Variance from FY 2007	Variance from FY 2024	% of FY 2025 Total
<b>City of Miami Beach</b>							
General Operating	7.1920	30.8%	5.6636	5.6636	(1.5284)	0.0000	30.1%
Renewal & Replacement	0.1820	0.8%	0.0499	0.0866	(0.0954)	0.0367	0.5%
Pay-As-You-Go Capital	0.0000	0.0%	0.1020	0.1020	0.1020	0.0000	0.5%
<b>Operating Millage</b>	<b>7.3740</b>	<b>31.6%</b>	<b>5.8155</b>	<b>5.8522</b>	<b>(1.5218)</b>	<b>0.0367</b>	<b>31.1%</b>
Voted Debt Service	0.2990	1.3%	0.3326	0.2959	(0.0031)	(0.0367)	1.6%
<b>Subtotal</b>	<b>7.6730</b>	<b>32.9%</b>	<b>6.1481</b>	<b>6.1481</b>	<b>(1.5249)</b>	<b>0.0000</b>	<b>32.7%</b>
<b>Miami Dade County</b>							
Countywide	5.6150	24.1%	4.5740	4.5740	(1.0410)	0.0000	24.3%
Library	0.4860	2.1%	0.2812	0.2812	(0.2048)	0.0000	1.5%
Debt Service	0.2850	1.2%	0.4355	0.4271	0.1421	(0.0084)	2.3%
<b>Subtotal</b>	<b>6.3860</b>	<b>27.4%</b>	<b>5.2907</b>	<b>5.2823</b>	<b>(1.1037)</b>	<b>(0.0084)</b>	<b>28.1%</b>
School Board	8.1050	34.8%	6.6990	6.6020	(1.5030)	(0.0970)	35.1%
Children's Trust	0.4223	1.8%	0.5000	0.5000	0.0777	0.0000	2.7%
Other	0.7355	3.2%	0.2589	0.2589	(0.4766)	0.0000	1.4%
<b>Total</b>	<b>23.3218</b>	<b>100.0%</b>	<b>18.8967</b>	<b>18.7913</b>	<b>(4.5305)</b>	<b>(0.1054)</b>	<b>100.0%</b>

#### **IMPACT OF COMBINED TAX RATES ON HOMESTEADED PROPERTIES**

Based on last year's values from the Miami-Dade County Property Appraiser as of July 1, 2023, the median homesteaded property value in the City of Miami Beach was \$265,595 while the average homesteaded

property value was \$756,191. Applying the millage rates proposed for FY 2025 for all taxing authorities to the median and average homesteaded values for an existing homesteaded property in the City of Miami Beach that was not sold and/or did not have any improvements or additions completed in the last year results in a combined property tax increase of approximately \$122 for the median and \$344 for the average homesteaded property value in the City of Miami Beach.

A median value homesteaded property would pay approximately \$5,141 for all taxing authorities combined, while an average value homesteaded property would pay approximately \$14,635 combined. Of the taxing authorities, the highest component is the Miami-Dade School Board at \$1,806 for a median value homesteaded property and \$5,142 for an average value homesteaded property in the City of Miami Beach.

The following table provides a summary of changes in the property taxes levied for an existing homesteaded property that has not been sold and/or had any improvements or additions completed in the last year using the millage rates that are proposed for FY 2025 by taxing authority.

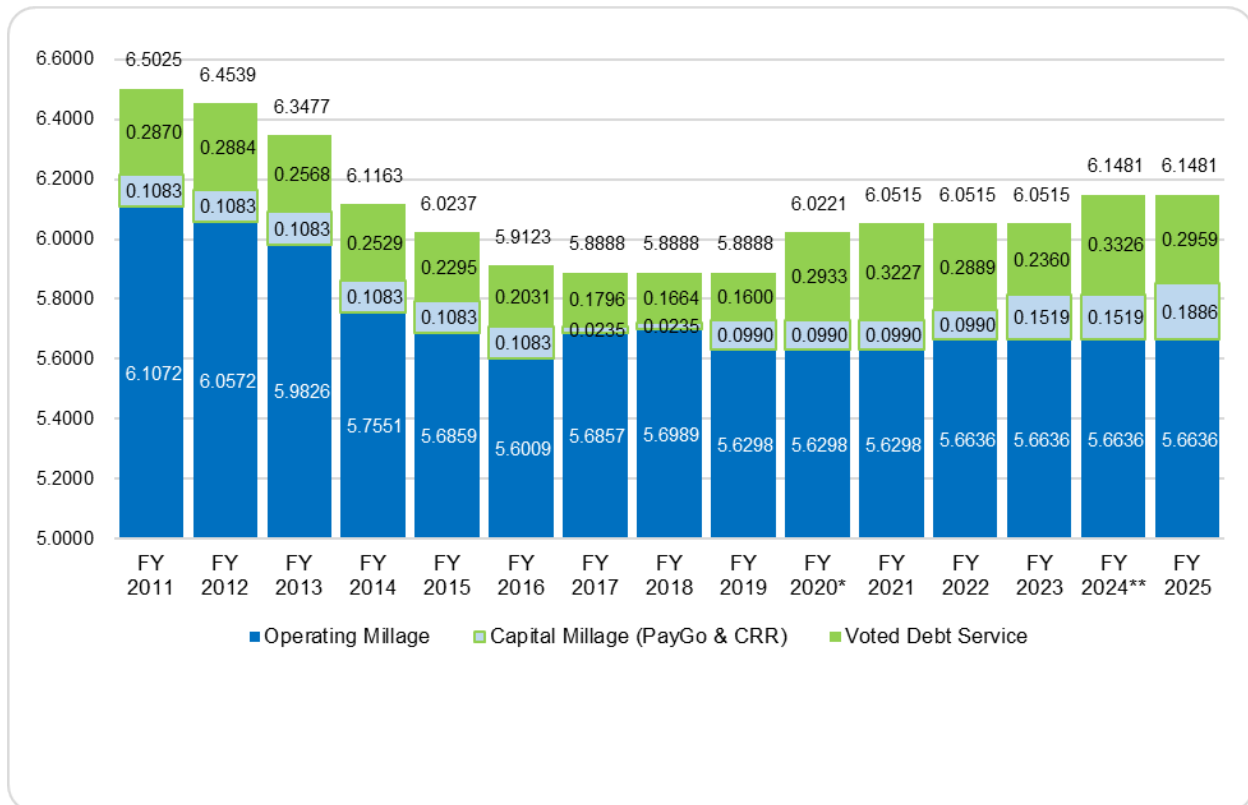
Impact on Homesteaded Properties				
	FY 2024		FY 2025	
	Median*	Average*	Median	Average
<b>Preliminary Taxable Value*</b>	<b>\$265,595</b>	<b>\$756,191</b>	<b>\$273,563</b>	<b>\$778,877</b>
City of Miami Beach:				
Operating	\$1,545	\$4,398	\$1,601	\$4,558
Voted Debt	88	252	81	230
<b>Total Miami Beach</b>	<b>\$1,633</b>	<b>\$4,650</b>	<b>\$1,682</b>	<b>\$4,788</b>
Miami-Dade County	\$1,405	\$4,001	\$1,445	\$4,114
Miami-Dade School Board	1,779	5,066	1,806	5,142
Other	202	574	208	591
<b>Total Combined</b>	<b>\$5,019</b>	<b>\$14,291</b>	<b>\$5,141</b>	<b>\$14,635</b>
<b>\$ Changes in Taxes:</b>				
City of Miami Beach				
Operating			\$56	\$160
Voted Debt			(7)	(22)
<b>Total Miami Beach</b>			<b>\$49</b>	<b>\$138</b>
Miami-Dade County			\$40	\$113
Miami-Dade School Board			27	76
Other			6	17
<b>Total Combined</b>			<b>\$122</b>	<b>\$344</b>
*Source: Miami-Dade County Property Appraiser's – 2023 average-median-homestead-residential-values files				

As with the City of Miami Beach millage rates, the impacts of the combined millage rates for other taxing authorities on non-homesteaded properties are based on individual property values.

### Historical Perspective

The table below outlines the City's historical millage rate trend. For FY 2025, the City's Total Combined millage rate is proposed to remain flat at 6.1481 mills, which is the same rate adopted for FY 2024.

## Millage Rate History



*\*Increase in FY 2020 millage attributed to issuance of Tranche 1 (Series 2019) of General Obligation (G.O.) Bonds approved by the voters on November 6, 2018*

*\*\*Increase in FY 2024 millage attributed to issuance of Tranche 1 (Series 2023A&B) of Arts and Culture (G.O.) Bonds approved by the voters on November 8, 2022*

## TRUTH-IN-MILLAGE PROCESS

Florida Statute 200.065, entitled "Method of Fixing Millage," establishes specific guidelines that must be used by all local government entities in setting its millage (property tax) rates. Under the Statute, the City is required, within 35 days of receipt of the "Certification of Taxable Value" (received July 1, 2024), to advise the Miami-Dade County Property Appraiser of the Total General Operating millage rate proposed, the calculated "rolled-back" rate, and the date, time, and place of the first public hearing to consider the proposed millage rates and budgets for FY 2025. The required voted debt service millage rate must also be set at the same time as the Total General Operating millage rate.

## **Maximum Millage Determination**

After setting the proposed millage rates, the Mayor and City Commission may, at any time prior to final adoption, lower the proposed millage rates. However, increasing the proposed millage rates may only be accomplished by completing an expensive mailing and advertising process to every property owner in the City of Miami Beach. The City's proposed millage rates, as well as those of other taxing authorities, will be included in the Truth-in-Millage (TRIM) notice to be sent to each property owner in the City of Miami Beach by the Miami Dade County Property Appraiser by August 24, 2024.

For FY 2025, the Total General Operating millage rate is proposed at 5.8522 mills. Based on the 2024 Certified Taxable Values received from the Miami-Dade County Property Appraiser as of July 1, 2024, the



levy proposed would generate approximately \$278.2 million in General Fund property tax revenues, which is an increase of approximately \$25.3 million over the budgeted FY 2024 General Fund property tax revenues of \$252.9 million (this excludes the City Center Redevelopment Area and North Beach Community Redevelopment Area).

Adoption of the Total General Operating millage rate of 5.8522 mills proposed for FY 2025, therefore, requires a two-thirds approval (5 of 7 votes) by the Mayor and City Commission per the State of Florida's Truth-in-Millage (TRIM) requirements.

The proposed millage rates were certified to the Miami-Dade County Property Appraiser and were included in the TRIM notices that were mailed by the Miami-Dade County Property Appraiser. The purpose of the TRIM notice is to notify property owners of how much their property taxes could potentially increase or decrease, and which governmental entity is responsible for the taxes levied.

The millage rates proposed effectively set the "ceiling" for the millage rates during the budget process because they cannot be increased without sending out a new TRIM notice to all property owners in the City of Miami Beach. However, the millage rates can remain the same or be decreased throughout the remainder of the budget process until the millage rates are adopted by the Mayor and City Commission at the second and final public hearing.

### **Second Public Hearing**

The second public hearing to adopt the final millage rates and budgets for FY 2025 must be held no later than 100 days, or earlier than 97 days, from the start of the TRIM calendar (July 1st). In addition, it must be advertised no later than 15 days after the first public hearing and must be held two (2) to five (5) days after the advertisement appears in the newspaper.

For this reason, the second public hearing is recommended to be held on Wednesday, September 25, 2024, at 5:01 p.m., in the City Commission Chambers at 1700 Convention Center Drive, 3rd Floor, Miami Beach, Florida 33139.

### **FISCAL IMPACT STATEMENT**

See information provided 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 information provided above.

### **CONCLUSION**

The Administration recommends that the Mayor and City Commission adopt the Resolution, which tentatively adopts the total general operating and voted debt service millage rates for FY 2025 at 5.8522 mills and 0.2959 mills, respectively, and sets the date, time, and place of the second and final public hearing to be held on Wednesday, September 25, 2024, at 5:01 p.m., in the City Commission Chambers at 1700 Convention Center Drive, 3rd Floor, Miami Beach, Florida 33139.

**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**

5:01 p.m. 1st Rdg PH, Adopt Tentative Ad Valorem Millage for Gen. Operating Purposes. OMB

RESOLUTION NO. \_\_\_\_\_

**A RESOLUTION OF THE MAYOR AND CITY COMMISSION OF THE CITY OF MIAMI BEACH, FLORIDA, ADOPTING: 1) THE TENTATIVE AD VALOREM MILLAGE OF 5.8522 MILLS FOR FISCAL YEAR 2025 FOR GENERAL OPERATING PURPOSES, WHICH IS NINE AND SIX TENTHS PERCENT (9.6%) MORE THAN THE "ROLLED-BACK" RATE OF 5.3395 MILLS; AND 2) THE DEBT SERVICE MILLAGE RATE OF 0.2959 MILLS, SUBJECT TO A SECOND PUBLIC HEARING TO CONSIDER THE MILLAGE RATE FOR FISCAL YEAR 2025 ON WEDNESDAY, SEPTEMBER 25, 2024, AT 5:01 P.M.**

**WHEREAS**, on July 24, 2024, the Mayor and City Commission adopted Resolution No. 2024-33220 that set the proposed Fiscal Year (FY) 2025 general operating millage rate at 5.8522 mills for general operating purposes, which is 0.0367 mills more than the adopted FY 2024 general operating millage rate of 5.8155 mills, and 0.2959 mills for debt service, which is 0.0367 mills less than the adopted FY 2024 debt service millage of 0.3326 mills that is necessary to fund the required annual debt service for the Series 2019 General Obligation (G.O.) Bonds, as well as the Series 2023A&B Arts and Culture G.O. Bonds, that were approved by the voters on November 6, 2018 and November 8, 2022, respectively; and

**WHEREAS**, the general operating millage rate of 5.8522 mills proposed for FY 2025 is comprised of a General millage rate of 5.6636 mills that funds operating costs in the General Fund, a Capital Renewal and Replacement (CRR) millage rate of 0.0866 mills that provides a dedicated source of funding for renewal and replacement projects that extend the useful life of General Fund capital assets, and a Capital Pay-As-You-Go (PayGo) millage rate of 0.1020 mills that provides a dedicated source of funding for General Fund capital projects; and

**WHEREAS**, Section 200.065, Florida Statutes, requires that at the conclusion of the first public hearing on the City's proposed millage rate and budget, the City Commission: 1) adopt a tentative ad valorem millage rate for FY 2025 general operating purposes; and 2) adopt the required debt service millage rate for FY 2025; this is accomplished by adopting a Resolution which includes the percentage increase or decrease over the "rolled-back" rate; and

**WHEREAS**, at this time, it is recommended that the City Commission set the second and final public hearing to consider the aforementioned millage rates for FY 2025.

**NOW, THEREFORE, BE IT DULY RESOLVED BY THE MAYOR AND THE CITY COMMISSION OF THE CITY OF MIAMI BEACH, FLORIDA**, as follows:

(1) Pursuant to Section 200.065, Florida Statutes, there is hereby levied a tax for FY 2025 on all taxable and non-exempt real and personal property located within the corporate limits of the City of Miami Beach, Florida, as follows:

- (a) For the purpose of operating the government of the City, the rate assigned amounts to 5.8522 mills. Also included are appropriate reserves and contingencies, which are not limited to reserves for tax discounts and abatements of uncollected taxes.

The millage rate reflected is nine and six-tenths percent (9.6%) more than the "Rolled-back" rate of 5.3395 mills.

(b) For the purpose of providing payment on the principal and interest portions of outstanding General Obligation (G.O.) Bond Debt and miscellaneous debt service expenditures, the rate assigned amounts to 0.2959 mills.

(2) The tentatively adopted millage rates for the City of Miami Beach, Florida, for FY 2025 are subject to a second and final public hearing, herein set for and to be held on Wednesday, September 25, 2024, at 5:01 p.m., in the City Commission Chambers at 1700 Convention Center Drive, 3<sup>rd</sup> Floor, Miami Beach, Florida 33139.

**PASSED AND ADOPTED** this \_\_\_\_ day of \_\_\_\_\_, 2024.

**ATTEST:**

\_\_\_\_\_  
Steven Meiner, Mayor

\_\_\_\_\_  
Rafael E. Granado, City Clerk

APPROVED AS TO  
FORM & LANGUAGE  
& FOR EXECUTION

  
\_\_\_\_\_  
City Attorney

01/22/2024  
\_\_\_\_\_  
Date