

Condensed Title:

A resolution adopting the final operating budget for the Normandy Shores Local Government Neighborhood Improvement District for Fiscal Year (FY) 2011/12.

Key Intended Outcome Supported:

Increase visibility of police; Maintain crime rates at or below national trends.
Supporting Data (Surveys, Environmental Scan, etc.):
In 2009 Community Survey, both residents and businesses reported the following areas for the City to address in an effort to improve public safety:

- Preventing crime (Residents: 44.9%, Business: 43.9%)
- Increasing police visibility (Residents: 32.4%, Business: 33.1%)

Issue:

Shall the Mayor and City Commission, acting in its capacity as the Board of Directors for the Normandy Shores Local Government Neighborhood Improvement District, approve the final operating budget for the District for FY 2011/12 in the amount of \$166,875?

Item Summary/Recommendation:

The total operating expenditures to provide the current service level to this district is \$166,875 for FY 2011/12. The City of Miami Beach General Fund is required to provide 35% of the total operating expenditures (\$58,406), and the City has funded the 35% for each of the eighteen years since the District was established. The amount provided by the General Fund for this purpose in FY 2010/11 was \$57,161. The \$166,875 in FY 2011/12 represents a \$3,558 increase (2.2%) from the FY 2010/11 budget of \$163,317, primarily due to the estimated impact of the living wage ordinance on the security contract expenses.

To provide the current level of security required by this district, the Administration recommends the proposed ad valorem millage of 1.0935 mills. This tax levy will generate proceeds of \$108,469. The increase of 0.0560 mills from the prior year millage represents an annual increase of \$15.17 to the City average 2010 homesteaded property of \$271,000 taxable value (estimate based on Ad Valorem Assessment Roll received from the Miami Dade County Property Appraiser on August 17, 2010), a total of approximately \$296 per year (\$25 per month).

It must be noted that in FY 2010/11, the adopted millage rate of 1.0375 resulted in a budget shortfall of \$8,674. In order to close this gap, the Commission voted to waive the City's policy of not utilizing one-time, non-recurring revenue to subsidize recurring personnel, operating and maintenance costs and allowed the use of \$5,639 Normandy Shores stash site dollars which resulted from the sale of the stash site in 1993, matched by an additional \$3,035 in City dollars. Since this was a one-time action, the FY 2011/12 proposed millage rate includes 0.0568 mills to fund this amount.

The first public hearing on the tentative District millage rate and budget for FY 2011/12 was held on September 14, 2011. The City Commission adopted the tentative operating millage of 1.0935 and the operating budget for the district in the amount of \$166,875.

Advisory Board Recommendation:

Financial Information:



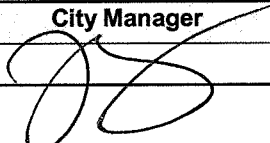
Source of Funds:	Amount	Account	Approved
1	\$ 108,469	Normandy Shores District	
2	58,406	General Fund	
Total	\$ 166,875		

OBPI

Financial Impact Summary:

City Clerk's Office Legislative Tracking:

Sign-Offs:

Department Director	Assistant City Manager	City Manager
		





MIAMI BEACH

City of Miami Beach, 1700 Convention Center Drive, Miami Beach, Florida 33139, www.miamibeachfl.gov

COMMISSION MEMORANDUM

TO: Mayor Matti Herrera Bower and Members of the City Commission

FROM: Jorge M. Gonzalez, City Manager

DATE: September 27, 2011

SUBJECT: **A RESOLUTION OF THE BOARD OF DIRECTORS OF THE NORMANDY SHORES LOCAL GOVERNMENT NEIGHBORHOOD IMPROVEMENT DISTRICT ADOPTING THE FINAL OPERATING BUDGET FOR FISCAL YEAR (FY) 2011/12.**

ADMINISTRATION RECOMMENDATION

Adopt the Resolution which establishes the final operating budget for the Normandy Shores Local Government Neighborhood Improvement District for FY 2011/12 in the amount of \$166,875.

BACKGROUND

The Normandy Shores Local Government Neighborhood Improvement District (the District), a dependent taxing district of its principal, the City of Miami Beach, was established in 1994 to provide continual 24-hour security to this gated community; FY 2011/12 represents its eighteenth year of operation.

The District was established by Ordinance 93-2881, and has the authority "to levy an ad-valorem tax on real and personal property of up to two mills, provided that no parcel of property will be assessed more than \$500 annually for such improvements". During FY 1998/99 the amount of annual funding to be provided by the City and the dependent status of the District were issues discussed by the Finance and Citywide Projects Committee. A determination was reached that the City would fund 35% of the annual cost of the operation of the community gate guard. This cost will eventually be funded from the golf course operation of the Normandy Shores Golf Course. It was further agreed that the City would continue to supplement the District at current levels until both issues were resolved. On August 29, 2002, the Administration met with the Normandy Shores Local Government Neighborhood Improvement District representatives and agreed to eliminate the \$500 cap on the highest valued home in the District. The enabling legislation was adopted by the Commission on September 25, 2002. This ensures that the City's contribution from the General Fund remains at 35% of the operating budget of the District.

PROCEDURE

The operating millage and budget for this dependent special taxing district must be adopted in accordance with Florida Statutes. This procedure requires that this Resolution be considered immediately after the final millage for Normandy Shores District has been adopted (See accompanying District Millage Agenda Item for details).

ANALYSIS

The total operating expenditures to provide the current service level to this district is \$166,875 for FY 2011/12. The City of Miami Beach General Fund is required to provide 35% of the total operating expenditures (\$58,406), and the City has funded the 35% for each of the eighteen years since the District was established. The amount provided by the General Fund for this purpose in FY 2010/11 was \$57,161. The \$166,875 in FY 2011/12 represents a \$3,558 increase (2.2%) from the FY 2010/11 budget of \$163,317, primarily due to the estimated impact of the living wage ordinance on the security contract expenses.

To provide the current level of security required by this district, the Administration recommends the proposed ad valorem millage of 1.0935 mills. This tax levy will generate proceeds of \$108,469. The increase of 0.0560 mills from the prior year millage represents an annual increase of \$15.17 to the City average 2010 homesteaded property of \$271,000 taxable value (estimate based on Ad Valorem Assessment Roll received from the Miami Dade County Property Appraiser on August 17, 2010), a total of approximately \$296 per year (\$25 per month).

It must be noted that in FY 2010/11, the adopted millage rate of 1.0375 resulted in a budget shortfall of \$8,674. In order to close this gap, the Commission voted to waive the City's policy of not utilizing one-time, non-recurring revenue to subsidize recurring personnel, operating and maintenance costs and allowed the use of \$5,639 Normandy Shores stash site dollars which resulted from the sale of the stash site in 1993, matched by an additional \$3,035 in City dollars. Since this was a one-time action, the FY 2011/12 proposed millage rate includes 0.0568 mills to fund this amount.

On September 14, 2011, the Mayor and City Commission adopted the tentative operating budget for the District in the amount of \$166,875 and an operating millage of 1.0935.

The final operating budget for the District is as follows:

Revenues	
Ad Valorem Tax	\$ 108,469
City's General Fund	<u>58,406</u>
Total	\$ 166,875
Expenses	
Security Service	\$ 156,724
Maintenance	<u>10,151</u>
Total	\$ 166,875

CONCLUSION

The City Commission, acting in its capacity as the Board of Directors of the Normandy Shores Local Government Neighborhood Improvement District, should adopt the attached Resolution which establishes the final operating budget.

JMG:KGB:JC

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE NORMANDY SHORES LOCAL GOVERNMENT NEIGHBORHOOD IMPROVEMENT DISTRICT ADOPTING THE FINAL OPERATING BUDGET FOR FISCAL YEAR (FY) 2011/12.

WHEREAS, for the purpose of providing security services within the Normandy Shores neighborhood area, the Mayor and City Commission adopted Ordinance No. 93-2881 on October 20, 1993, which authorized the creation of the Normandy Shores Local Government Neighborhood Improvement District (District); and

WHEREAS, for the purpose of providing security services within the District, a final budget has been developed to fund projected FY 2011/12 operating expenses; and

WHEREAS, accordingly, on September 14, 2011, pursuant to Section 200.065 of the Florida Statutes, the City Commission, acting as the Board of Directors of the District, held its first duly noticed public hearing to consider the Tentative Ad Valorem Millage and Tentative Operating Budget (FY 2011/12) for the District; and

WHEREAS, accordingly on September 27, 2011, pursuant to Section 200.065 of the Florida Statutes, a public hearing was held before the Mayor and City Commission, acting as the Board, to discuss the operating millage rate and operating budget for the District for FY 2011/12.

NOW, THEREFORE, BE IT DULY RESOLVED BY THE BOARD OF DIRECTORS OF THE NORMANDY SHORES LOCAL GOVERNMENT NEIGHBORHOOD IMPROVEMENT DISTRICT, that following a duly noticed public hearing on September 27, 2011, the Board hereby adopts the Final Operating Budget (FY 2011/12) for the Normandy Shores Local Government Improvement District, as summarized and listed below:

		Budget
		1.0935 Mills
Revenues		
Ad Valorem Tax	\$	108,469
City's General Fund		58,406
Total	\$	166,875
Expenses		
Security Service	\$	156,724
Maintenance		10,151
Total	\$	166,875

PASSED and ADOPTED this 27th day of September, 2011.

ATTEST:

Secretary to the District

Chairperson of the **APPROVED AS TO FORM & LANGUAGE & FOR EXECUTION**



City Attorney 9/26/11
Date