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MIAMI BEACH

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

COMMITTEE MEMORANDUM

TO: Finance and Citywide Projects Committee

FROM: Kathie G. Brooks, Interim City Manager

DATE: August 22, 2012

SUBJECT: FY 2012/13 General Fund Operating Budget Status Update

At the July 25, 2012 Finance and Citywide Projects Committee (FCWPC) Budget Briefing, the Committee directed that additional discussions be held at the August 22, 2012 FCWPC meeting.

The attached summary chart reflects the latest status of the General Fund Operating Budget, incorporating changes since the July 25, 2012 FCWPC meeting. Also attached are the supporting documents with the changes noted as follows:

- Potential Efficiencies and Minimal Impact Reductions – No changes from the July 25, 2012 FCWPC meeting.
- Potential Service Reductions – Discussions at the July 12, 2012 FCWPC meeting raised concerns that the service reductions that were identified, impacted programs for youth in the community. As a result, the Police Department has withdrawn these recommendations and is also revising their potential service enhancements as a result.
- Potential Service Enhancements – The potential service enhancements relating to the Police Department have been adjusted to reflect a correction to the Internal Affairs Enhancement and the exclusion of new vehicles, fuel and maintenance and depreciation costs for the additional Police Department union positions being proposed (these costs will not impact the FY 2012/2013 budget since the additional Police Department union positions will not be eligible to be issued a vehicle until the successful completion of his/her probationary period). Please note that the vehicle costs will impact subsequent years. These longer-term cost impacts associated with the issuance of vehicles are now reflected in the attached spreadsheet. In addition, as noted above, the Police Department is withdrawing the second part of their recommendation for Internal Affairs at this time, pending evaluation for FY 2013/2014 after hiring of the existing Command position and the addition of the proposed new Investigative Supervisor.
- Potential Revenue Enhancements – No changes, as the estimated impacts of increasing the Rescue Transport Fees to Miami-Dade County levels is still pending evaluation.

As a result of these changes, the estimated surplus for FY 2012/2013, should these potential efficiencies and enhancements be incorporated, is approximately \$900,000. This surplus could be used to further reduce the millage; however, given that the one-time pension credit of \$2.2 million in the General Fund will expire for FY 2013/2014, an alternative for discussion is to set the surplus aside for FY 2013/2014.

KGB/CG

CITY OF MIAMI BEACH
 FY 2012/13 GENERAL FUND OPERATING BUDGET

Status as of August 22, 2012

Preliminary Current Service Level (CSL)Budget

Revenues	\$ 250,502,000
Expenditures	\$253,755,000
Net CSL Gap	\$ (3,253,000)

Employee Givebacks to Offset increases in health and pension costs
 (\$7.6 million in pension increases across all funds prior to a one time credit and \$6.1 million in the General Fund. \$1.9 million health increase Citywide and \$1.6 million in the General Fund, including the \$0.86 million impact of the expiration of the five percent of salaries giveback towards health for Police and Fire)

General Fund Employee Givebacks in General Fund	(3,000,000)
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Potential Additional Changes in Expenditures

Living Wage FY 2012/13 Increase	62,000
Landscape Maintenance Impact of New Capital Projects	81,000
Minimal Impact Reductions/Efficiencies	(932,000)
Service Reductions	-
Other Additions and Enhancements	
Additional Building Positions in Response to Increased Demand	702,000
Enhancements for Internal Affairs and Outside Audits	200,000
Transfer to Pay As You Go	1,400,000
Other Service Enhancements	1,253,000
General Fund Impacts of Internal Service Reductions	(21,000)
General Fund Impact of Internal Service Fund Enhancements	92,000
Impact of Efficiencies/Enhancements	\$ 2,837,000
Revised Net Gap	\$ (3,090,000)

Other Changes in Revenues

Resort Tax - transfer to GF	4,000,000
Additional CIP Chargeback Revenues	-
Revenue Enhancements	82,000
	4,082,000
Total Excess /(Shortfall)	\$ 992,000

POSITIVE IMPACT OR MINIMAL SERVICE IMPACT, EFFICIENCIES, ETC.

GENERAL FUND	Impact	Cumulative Dept. Impact	Position Impacts						
			Full Time	Part Time	Proj. Vacant	Filled	Mgt. & Admin	Non Mgt.	
Police									
Community Policing Reconfiguration- Eliminate 1 Police Commander in Technical Svcs plus 1 Administrative Aide I position in CID and replace with 3 Crime Analyst positions	(67,000)	(67,000)	1.0		1.0			(2.0)	3.0
Information Technology Enhancement- Add 1 Senior Systems Analyst, offset by \$80,000 reduction in overtime	(8,000)	(75,000)	1.0						1.0
Convert Emergency Manager from full-time to part-time effective 1/1/13 (filled Major position to be vacated 1/1/13)	(61,000)	(136,000)	(1.0)	1.0	(1.0)				
Parks & Recreation									
Eliminate (5) vacant positions (1 MSW I and 4 MSW II) for FY12 and utilize a portion of the funds, to obtain contractual professional irrigation services utilizing a contracted irrigation service provider for \$80,000. Assumes implementation October, 2013. Add list of positions	(43,000)	(43,000)	(2.0)	(3.0)	(5.0)				(5.0)
Eliminate (1) MSW III part-time	(21,000)	(64,000)		(1.0)					(1.0)
Public Works									
Eliminate 1 Street Operations Supervisor position	(71,000)	(71,000)	(1.0)		(1.0)				(1.0)
City Manager's Office									
Freeze one (1) Assistant City Manager (ACM) position and one (1) assistant for 6 months during interim transitional period - Assistant incumbent to be placed in existing vacancy	(132,000)	(132,000)							
City Clerk									
Transfer passport service function to the Customer Service Center eliminate 1 Office Associate II position	(57,000)	(57,000)	(1.0)				(1.0)		(1.0)
Citywide									
Replace CAC supplemental funding from General Fund with an increase in Quality of Life Funding (estimated increase of \$200,000 from FY12 to FY13)	(152,000)	(152,000)							
Total General Fund Without Transfers	\$ (612,000)	\$ (612,000)	(3.0)	(3.0)	(6.0)	(1.0)	(2.0)	(4.0)	
Transfers									
Reduced funding for IT Technology projects based on department requests	(320,000)	\$ (320,000)							
Total General Fund	\$ (932,000)	\$ (932,000)	(3.0)	(3.0)	(6.0)	(1.0)	(2.0)	(4.0)	
INTERNAL SERVICE FUNDS									
Risk Management -Insurance									
Implement a 90 day waiting period for newly hired unclassified employees enrolling in medical insurance plans this is the same as what currently exists for newly hired classified employees.	\$ (30,000)	\$ (30,000)							
Property Management									
Reclassify Data Entry Clerk position to Office Associate IV to increase efficiency by combining data entry duties and administrative support needed	\$ (6,000)	\$ (6,000)							
Total Internal Services Funds	\$ (36,000)	\$ (36,000)							

			Position Impacts							
GENERAL FUND	Impact	Cumulative Dept. Impact	Full Time	Part Time	Proj. Vacant	Filled	Mgt. & Admin	Non Mgt.		
			Position Impacts							
ENTERPRISE FUNDS	Impact	Cumulative Dept. Impact	Full Time	Part Time	Proj. Vacant	Filled	Mgt. & Admin	Non Mgt.		
Sewer										
Eliminate 1 Assistant Pumping Mechanic	(47,000)	(47,000)	(1.0)					(1.0)		
Sanitation										
Eliminate 1 Vacant Waste Driver Supervisor	(49,000)	(49,000)	(1.0)		(1.0)			(1.0)		
Reclassify 1 Administrative Aide I and replace with an 1 Office Associate V to provide an enhanced level of Administrative support required by Division	(14,000)	(63,000)								
Outsource Maintenance of Beachfront restrooms - 2 MSW II and 2 MSW III (Sanitation)	\$ (62,000)	\$ (125,000)	(4.0)		(4.0)			(4.0)		
Parking										
SIGN SHOP & METER SHOP UNITS - Convert 1 Parking Operations Supervisor from full time to part time. No decrease in Level of Service	\$ (18,000)	\$ (18,000)	(1.0)	1.0						
SIGN SHOP & METER SHOP UNITS - Convert 1 full-time Meter Tech II and 1 full-time Meter Tech I TO 3 PT Meter Tech Is No decrease in Level of Service	\$ (4,000)	\$ (22,000)	(2.0)	3.0						
ENFORCEMENT - Convert 3 full-time Pkg Enforcement Specialist Is to 4 part-time Pkg Enforcement Specialist Is. No decrease in Level of Service	\$ (16,000)	\$ (38,000)	(3.0)	4.0						
Total Enterprise Funds			\$ (210,000)	\$ (210,000)	(12.0)	8.0	(5.0)	0.0	0.0	(6.0)
Grand Total			\$ (1,178,000)	\$ (1,178,000)	(15.0)	5.0	(11.0)	(1.0)	(2.0)	(10.0)

POTENTIALSERVICE ADJUSTMENTS

GENERAL FUND	Impact	Cumulative Department Impact	Position Impacts					
			Full Time	Part Time	Proj. Vacant	Filled	Mgt & Admin	Non Mgt.
Police								
Eliminate 4 School Liaison Officers & 1 School Liaison Supervisor. These positions serve as liaisons to the public elementary and middle schools in Miami Beach. Elimination will result in no officers being assigned to the public schools in Miami Beach, which leads to a greater dissatisfaction from within the community. (\$228,000)		\$ -						
Eliminate one 1 Public Safety Specialist assigned to Criminal Investigation Division (CID)/Administration. The ability to review and enhance video from crime scenes will be impacted and may result in longer processing time. This will delay the solvability factors of certain types of crimes. (\$50,000)		\$ -						
Re-assign Officer assigned to the Police Athletic League and eliminate 1 vacant Officer position. The impact will be a loss in relationship with youth programs within the City (66,000).		\$ -						
Fire								
Reduce the Overtime Budgets (1210,1220) by amending the minimum staffing ordinance to set staffing levels to a minimum of 42 personnel when there are more than 3 unscheduled absences at the start of the shift. Note: There are no reductions to the number of firefighters assigned to shifts. Projection based on 07/08, 08/09 and 09/10 OT costs for 43rd and 44th person and shift strength of 184 (the same as the last three Fiscal Year). Annual estimated impact is \$800,000 but requires collective bargaining with the union. Implementation 7/1/12 is assumed.	PENDING STUDY AND CONTRACT NEGOTIATIONS							
Fire (Ocean Rescue)								
Reducing the Ocean Rescue Division schedule to better reflect usage	PENDING-FURTHER-EVALUTATION							
Total		\$ -	\$ -	-	-	-	-	-

PROPOSED ADDITIONS AND SERVICE ENHANCEMENTS	Fiscal Impact	Cumulative Impact	Positions	
			FT	PT
GENERAL FUND				
Potential Additions				
Living Wage - existing contracts with living wage	62,000	62,000		
Living wage - potential impact for expiration of current golf course management agreement (\$150,000 - pending contract negotiation/re-bid)	TBD	62,000		
Additions Since FY 2011/12 Budget				
Locations added to the Parks & Recreation's Greenspace Management Division's areas of responsibility after the completion of the budget process with additional costs identified at the following locations: CITYWIDE MOWING: • Dickens & Tatum Waterway 21 Bumpouts & Medians (CIP) - \$22,140 • Bonita Drive South - \$768 • North Shore Park & Youth Center (Sports Field) increase for Bermuda - \$34,001 • Miami Beach High School Swale, Dade Blvd N. to Par 3 - \$7,350 • Hibiscus Island Hurricane Evacuation Site - \$2,250 GROUNDS MAINTENANCE: • Flamingo Neighborhood Streetscape Swales & Bumpouts - \$3,500 • Washington Avenue Dog Park Increase - \$1,250 • Normandy Business District (FDOT/CIP) - \$3,000 • 71st Street Sidewalk Planters (FDOT/CIP) - \$6,000 In addition the following will be added to the RDA budget • Bass Museum (Renovated Site) CITY CENTER /RDA \$8,100 • Soundscape Park Special Events (additional service required to facilitate the 38 plus events held at this Park: Movies, Wallcasts, Opera Nights, etc) - \$19,200	81,000	81,000		
Total Additions	143,000	143,000		
Potential Enhancements				
Police				
Internal Affairs Reorganization - Add 1 Investigator Supervisor and eliminate a Major position after 5 months in FY 2012/13 through attrition- currently the Police Department has one Lieutenant position underfilling a vacant Major position due to Reorganization – when a Lieutenant position is vacated in February 2013, the Major position can be eliminated.	50,000	50,000		
Internal Affairs Reorganization – Adding 5 sworn investigators and 1 OAV. 1 Sergeant has already been assigned to the FBI. 1 Sergeant will be assigned to the Crime Suppression Team for the Entertainment District. 2 will be dedicated to Crime Investigations. These enhancements would be offset by the elimination of 1 Public Safety Specialist, as well as a \$79,000 reduction in overtime and 1 Sergeant would be eliminated through attrition before FY 2012/13 for a total of \$313,000		50,000		
Add 2 ATV Police Officers in the North area working 2200 to 0800 hours (10pm to 8am) to implement and enforce the beach closure. <i>This number has been refined to exclude new vehicles, fuel, maintenance and depreciation costs for the additional Police Department union positions being proposed, as they will not impact the FY 2012/13 budget. These vehicle costs of \$76,200 will impact subsequent years.</i>	165,000	215,000	2.0	
Add 4 Police Officers in the South and Citywide to form an additional Crime Suppression Team (Sergeant for the squad would be assigned from the IA reorg). This enhancement will be offset by the elimination of \$100,000 in overtime. <i>This number has been refined to exclude new vehicles, fuel, maintenance and depreciation costs for the additional Police Department union positions being proposed, as they will not impact the FY 2012/13 budget. These vehicle costs of \$152,400 will impact subsequent years.</i>	230,000	445,000	4.0	
Add 6 Police Officers in the South area for a walking beat along Washington Avenue.	461,000	906,000	6.0	
Add 1 Detention Officer to augment current staffing levels in all three shifts including weekends. <i>This number has been refined to exclude new vehicles, fuel, maintenance and depreciation costs for the additional Police Department union positions being proposed, as they will not impact the FY 2012/13 budget. These vehicle costs of \$38,100 will impact subsequent years.</i>	66,000	972,000	1.0	
Records Unit Enhancement - additional Records Technician and Data Entry Clerk will reduce the need for overtime in the unit by \$80,000.	5,000	977,000	2.0	
Additional Overtime for the Neighborhood Resource Officer for additional Homeless Outreach	20,000	997,000		
Fire/Ocean Rescue				
Conduct study to better determine beach usage by time of day, day of week and time of year in order to more efficiently allocate resources – \$25,000				

Building	Fiscal Impact	Cumulative Impact	Total	
			FT	PT
Increase temporary labor to provide support in the violations section of department to become more proactive in addressing construction without permits and unsafe structures.	106,000	106,000		
Improve inspection and plan review services by adding an inspector due to increased demand	149,000	255,000		
Add plan review position to continue to evaluate where permit fees appear to be in excess of 10 percent of the job value - this position will be done on contract rather than hiring a full-time employee	149,000	404,000		
Add a contracted Sr. Mechanical inspector and a contracted Sr. Building inspector to respond to increasing demand - contracting these positions rather than hiring full time employees provides for improved flexibility in response to market demands	298,000	702,000		
REHCD				
Add a full-time Leasing Specialist	66,000	66,000	1.0	
Convert part-time position shared with TCD for field monitoring to a full time position in each department. Also impacts TCD - see below	12,000	78,000	1.0	(0.5)
TCD				
Convert part-time position shared with REHCD for field monitoring to a full time position in each department. Also impacts REHCD - see above	32,000	32,000	1.0	(0.5)
Installation of exterior lighting at the Colony Theater	15,000	47,000		
Purchase of cleaning equipment, carpet cleaner/extractor, wet-vac and burnisher for the Colony Theater which currently does not have its own equipment	4,000	51,000		
OBPI				
Utilize outside audit contractor to review/audit one area of the city's operations per year, CIP and Planning anticipated for FY 2013.	150,000	150,000		
Procure Grants research software (6 city departments; including 2 licenses for OBPI, and 1 for Community Services who also requested similar software) - (based on 3yr contract)	8,000	158,000		
City Manager's Office				
Community Outreach - Condominium Ombudsman - <u>reassign duties to utilize existing resources to provide service and carry out functions - \$71,000</u>				
Citywide				
Increased Transfer to Pay-As-You-Go Fund	1,400,000	1,400,000		
Reinstate Festival of the Arts	55,000	1,455,000		
Additional Information Technology Funding For Automated Vehicle Locator (AVL) technology in Parks and Recreation vehicles, additional Fire vehicles and Public Works General Fund vehicles	114,000	\$1,569,000		
Total General Fund Enhancements	\$ 3,555,000	\$3,555,000	18.0	(1.0)
Total General Fund	\$ 3,698,000	\$3,698,000	18.0	(1.0)
INTERNAL SERVICE FUNDS				
	Fiscal Impact	Cumulative Impact	Total	
			FT	PT
Potential Additions				
Living Wage - existing contracts with living wage in Property Management	9,000	9,000		
Potential Enhancements				
Property Management				
Hand Sanitizers at City Facilities	\$ 29,000	29,000		
AVL Funding for Public Works Property Management Vehicles	30,000	59,000		
Information Technology				
Special Project Coordinator/Business Analyst to facilitate the review of business process requirement and data gathering for departments in order to identify technology improvements, focusing on customer solutions.	85,000	85,000	1.0	
Total Internal Service Funds	\$ 153,000	\$ 153,000	1.0	0.0

ENTERPRISE FUNDS	Fiscal Impact	Cumulative Impact	Total	
			FT	PT
Potential Additions				
Living Wage - existing contracts with living wage in Public Works Stormwater, Sewer, Sanitation, Parking and Convention Center	253,000	253,000		
Potential Enhancements				
Sanitation				
Washington Avenue Tourism Enhancement Initiative - Sanitation	\$ 115,000	\$ 115,000		
Sewer				
AVL Funding for Public Works Sewer Vehicles	\$ 18,000	\$ 18,000		
Water				
AVL Funding for Public Works Water Vehicles	\$ 25,000	\$ 25,000		
Stormwater				
AVL Funding for Public Works Stormwater Vehicles	\$ 6,000	\$ 6,000		
Total Enterprise Funds	\$ 417,000	\$ 417,000	0.0	0.0

Grand Total All City Funds \$ 4,268,000 \$4,268,000 19.0 (1.0)

RDA	Fiscal Impact	Cumulative Impact	Total	
			FT	PT
Potential Additions				
Living Wage - existing contracts with living wage	20,000	20,000		
Increase Security coverage on Lincoln Road between the hours of 1am-6am, allowing for 24 hour coverage between security and Police Officers.	35,000	55,000		
Addition of a Lincoln Road Mall Manager ("Point Person"- reassign duties to utilize existing resources to provide service and carry out functions—\$61,000		\$ 55,000		
Total RDA	\$55,000	\$ 55,000	0.0	0.0

Resort Tax	Fiscal Impact	Cumulative Impact	Total	
			FT	PT
Potential Additions				
Increased funding for Overtime for Spring Break and Memorial Day Weekend consistent with levels deployed in FY 2011/12	680,000	680,000		
Washington Avenue Tourism Enhancement Initiative - Marketing (\$73,000) and FIU-Wolfsonian (\$75,000 funded over 2 years)	148,000	\$ 828,000		
Enhance Holiday Decorations	40,000	\$ 868,000		
Sponsorship fee to help offset marketing and advertising expenses associated with the Ms. USA event	100,000	\$ 968,000		
Locations added to the Parks & Recreation's Greenspace Management Division's areas of responsibility: In the RDA + Bass Museum (Renovated Site) CITY CENTER /RDA \$8,100 + Soundscape Park Special Events (additional service required to facilitate the 38 plus events held at this Park: Movies, Wallcasts, Opera Nights, etc) - \$19,200	28,000	\$ 996,000		
Total Resort Tax	\$996,000	\$ 996,000	0.0	0.0

Special Revenue	Fiscal Impact	Cumulative Impact	Total	
			FT	PT
Potential Enhancements				
Sustainability Fund				
Enhance the environmental sustainability of the community through comprehensive citywide Recycling Program- Add 1Sustainability Officer	104,000	104,000	1.0	
Total Sustainability	\$104,000	\$104,000	1.0	0.0

POTENTIAL REVENUE ENHANCEMENTS					
			Fiscal Impact	Cumulative Department Impact	Cumulative Fund Impact
GENERAL FUND					
Police					
Charge for commercial false alarms consistent with Miami-Dade County which is to not start charging the \$100 penalty until the forth violation, and having it raise with additional violations and capped \$500.			\$ 7,000	\$ 7,000	\$ 7,000
Fire					
Increase Fire Transport Fees to Proposed Miami Dade County Levels for FY 12012/13 and add charges similar to Hialeah and Coral Gables			PENDING FURTHER EVALUATION		
SERVICES AND TRANSPORT					
	Miami Beach	Miami-Dade			
ADVANCED LIFE SUPPORT (ALS)	N/A	N/A			
ALS 1 TRANSPORT 1	\$600.00	\$800.00			
ALS 2 TRANSPORT 2	\$800.00	\$800.00			
SPECIALTY CARE TRANSPORT (ALS SCT)	\$0.00	\$900.00			
BASIC LIFE SUPPORT (BLS) TRANSPORT	\$500.00	\$800.00			
PROCEDURES AND EQUIPMENT					
BACKBOARD	\$25.00	\$25.00			
CARDIAC MONITORING	\$25.00	\$25.00			
CERVICAL COLLAR	\$25.00	\$25.00			
IV SOLUTIONS	\$25.00	\$25.00			
MILEAGE PER MILE OR FRACTION	\$10.00	\$15.00			
OXYGEN PER TANK OR FRACTION	\$30.00	\$30.00			
SPECIAL HANDLING (EXTRICATION, ETC.)		\$25.00			
CARDIAC ARREST RATES					
		Coral Gables/ Hialeah			
AUTO PULSE LIFE BANDS		\$175.00			
RESCUE POD		\$100.00			
DEFIBRILLATION PADS		\$100.00			
EZ-IO		\$100.00	\$ -	\$ 7,000	
Parks and Recreation					
Increase Resident Staff Rental Rates. (See attached rental increase schedule.) Example below show est. rental revenues collected in FY11 & compare them to est. proposed rates for the total est. increases in revenues. Staffing: \$63,000 est. collected in FY 11; Proposed 40% Increase (from \$25 to \$35 p/hr) in FY 13 is \$88,000. Difference (Est. Revenue Increase) = \$25,000			\$25,000	\$ 25,000	
Increase Resident Pavilion Rental Rates for 4 hour Rental, including Normandy Isle, Muss Park, Palm Island. Rental revenues collected in FY11 and compare them to est. proposed rates for the total estimated increases in revenues. Proposed increase from \$100 to \$125 in FY 13			\$1,000	\$ 26,000	
Proposed Increase in Resident North Shore Open Space Pavilion Rental Rates. (See attached rental increase schedule.) Examples below show est. rental revenues collected in FY11 & compare them to est. proposed rates for the total estimated increases in revenues. Pavilions: \$21,000 est. collected in FY 11; Proposed 100% Increase (from \$75 to \$150) in FY 13 is \$42,000. Difference (Est. Revenue Increase) = \$21,000			\$21,000	\$ 47,000	\$ 54,000
TCD					
Add a \$1 facility processing fee for all tickets at the Colony Theatre			\$ 5,000	\$ 5,000	TOTAL POTENTIAL GENERAL FUND
Establish a \$0.25 "comp" ticket order processing fee			\$ 3,000	\$ 8,000	
Co-produce events charging 30% of ticket sales rather than theatre and equipment rental			\$ 20,000	\$ 28,000	