

MEMORANDUM

Agenda Item No. 7(C)

TO: Honorable Chairman Jose “Pepe” Diaz and Members, Board of County Commissioners

DATE: July 8, 2021


FROM: Geri Bonzon-Keenan
County Attorney

SUBJECT: Ordinance relating to County’s annual budget; amending sections 2-1796, 2-1799, and 17-132.1 of the Code (“Code”); requiring County Mayor to place quarterly budget reports on an agenda of the Board, and to prepare and present a mid-year budget amendment between April 1 and May 31 of each fiscal year; providing for creation of countywide and unincorporated municipal service area revenue shortfall reserve funds and for allocation of unallocated countywide and unincorporated municipal service area revenue shortfall reserve funds under certain circumstances and otherwise to certain funds and purposes; amending section 2-1 of the code relating to the Board’s rules of procedure to make revisions to conform to process and timeframes in section 2-1795 of the Code

This item was amended at the 6-10-21 County Infrastructure, Operations and Innovations Committee. The amended item differs from the original in that the creation of the countywide and unincorporated municipal service area revenue shortfall reserve funds was deleted from section 2 of the ordinance along with the required allocation of monies to those funds under certain circumstances and the use thereof. Additionally, the 5th through 17th whereas clauses addressing the same subject matter were deleted.

Rule 5.06(h) of the Board’s Rules of Procedure provides that differences between an original item and an item amended at committee should be uniquely identified in the item by double underlining and double strike-through in the case of an ordinance, or where such approach would not clearly show the committee amendments or is not practical, by providing footnotes or comments on the item. Based on Rule 5.06(h), the preceding comprehensive description of the differences between the original item and the amended item is provided in lieu of double underlining and double strike-through.

The accompanying resolution was prepared and placed on the agenda at the request of Prime Sponsor Senator René García.


Geri Bonzon-Keenan
County Attorney

GBK/uw

Memorandum



Date: July 8, 2021

To: Honorable Chairman Jose "Pepe" Diaz
and Members, Board of County Commissioners

From: Daniella Levine Cava
Mayor

A handwritten signature in blue ink that reads "Daniella Levine Cava".

Subject: Fiscal Impact Statement for Ordinance Relating to County's Annual Budget Amend Sec. 2-1795, 2-1799 17-132.1

The implementation of this ordinance may have a fiscal impact to Miami-Dade County. The County will be utilizing funding from the American Rescue Plan Act (Act) to cover revenue shortfalls in FY 2020-21 and FY 2021-22 that may result in unanticipated carryover. If this item is approved, any unanticipated carryover would be placed into a revenue shortfall reserve. The County's designation of federal funds into a revenue shortfall reserve may result in a violation of the United States Treasury's guidelines which govern the Act.

If implemented this ordinance will prioritize reserving unallocated Countywide General Fund over the current distribution of 50% unallocated carryover to the Affordable Housing Trust Fund by eliminating the transfer in years where the Five-Year Financial Outlook anticipates a budget gap within either or both succeeding two fiscal years. This will result in less affordable housing funding.

A handwritten signature in blue ink that reads "Edward Marquez".

Edward Marquez
Chief Financial Officer

Memorandum



Date: July 8, 2021

To: Honorable Chairman Jose "Pepe" Diaz
and Members, Board of County Commissioners

From: Daniella Levine Cava
Mayor

A handwritten signature in blue ink that reads "Daniella Levine Cava". The signature is written in a cursive, flowing style.

Subject: Social Equity Statement for Ordinance Relating to County's Annual Budget Amend Sec. 2-1795, 2-1799 17-132.1

This ordinance requires a mid-year amendment and creates a countywide and unincorporated area revenue shortfall reserve. The mid-year amendment will allow for public access to budget transactions required as a result of certain actions that may occur during the fiscal year. Additionally, this ordinance will create a revenue shortfall reserve that will set aside funding to address future anticipated revenue reductions or anticipated demands on County services that cannot be absorbed through historical methods.

The ordinance requires that all unanticipated carryover be placed in the shortfall reserve if there is an anticipated future revenue gap. Currently, half of the unanticipated carryover is placed into the Affordable Housing Trust Fund. The adoption of this ordinance will impact future deposits into the Affordable Housing Trust Fund, which will reduce available funding for affordable housing, and adding to hardships for those who would qualify. Affordable housing funding resulting from unanticipated carryover would be placed in the revenue shortfall reserve instead.

A handwritten signature in blue ink that reads "Edward Marquez". The signature is written in a cursive, flowing style.

Edward Marquez
Chief Financial Officer



MEMORANDUM
(Revised)

TO: Honorable Chairman Jose "Pepe" Diaz
and Members, Board of County Commissioners

DATE: July 8, 2021

FROM: 
Gen Bonzon-Keenan
County Attorney

SUBJECT: Agenda Item No. 7(C)

Please note any items checked.

- "3-Day Rule" for committees applicable if raised
- 6 weeks required between first reading and public hearing
- 4 weeks notification to municipal officials required prior to public hearing
- Decreases revenues or increases expenditures without balancing budget
- Budget required
- Statement of fiscal impact required
- Statement of social equity required
- Ordinance creating a new board requires detailed County Mayor's report for public hearing
- No committee review
- Applicable legislation requires more than a majority vote (i.e., 2/3's present ____, 2/3 membership ____, 3/5's ____, unanimous ____, CDMP 7 vote requirement per 2-116.1(3)(h) or (4)(c) ____, CDMP 2/3 vote requirement per 2-116.1(3)(h) or (4)(c) ____, or CDMP 9 vote requirement per 2-116.1(4)(c)(2) ____) to approve
- Current information regarding funding source, index code and available balance, and available capacity (if debt is contemplated) required

Approved _____ Mayor
Veto _____
Override _____

Agenda Item No. 7(C)
7-8-21

ORDINANCE NO. _____

ORDINANCE RELATING TO COUNTY’S ANNUAL BUDGET; AMENDING SECTIONS 2-1796, 2-1799, AND 17-132.1 OF THE CODE OF MIAMI-DADE COUNTY, FLORIDA (“CODE”); REQUIRING COUNTY MAYOR TO PLACE QUARTERLY BUDGET REPORTS ON AN AGENDA OF THE BOARD, AND TO PREPARE AND PRESENT A MID-YEAR BUDGET AMENDMENT BETWEEN APRIL 1 AND MAY 31 OF EACH FISCAL YEAR; PROVIDING FOR CREATION OF COUNTYWIDE AND UNINCORPORATED MUNICIPAL SERVICE AREA REVENUE SHORTFALL RESERVE FUNDS AND FOR ALLOCATION OF UNALLOCATED COUNTYWIDE AND UNINCORPORATED MUNICIPAL SERVICE AREA REVENUE SHORTFALL RESERVE FUNDS UNDER CERTAIN CIRCUMSTANCES AND OTHERWISE TO CERTAIN FUNDS AND PURPOSES; AMENDING SECTION 2-1 OF THE CODE RELATING TO THE BOARD’S RULES OF PROCEDURE TO MAKE REVISIONS TO CONFORM TO PROCESS AND TIMEFRAMES IN SECTION 2-1795 OF THE CODE; PROVIDING SEVERABILITY, INCLUSION IN THE CODE, AND AN EFFECTIVE DATE

WHEREAS, section 5.03(B) of the Home Rule Charter (“Charter”) requires the County Mayor to prepare, between June 1, and July 15, a proposed budget for the ensuing year and to present the proposed budget to the Board of County Commissioners (“Board”) on or before the Board adopts the tentative millage rates for the ensuing fiscal year; and

WHEREAS, section 129.01, Florida Statutes, requires that the County prepare its budget to include 95 percent of all receipts reasonably anticipated from all sources, including taxes to be levied; and

WHEREAS, section 129.06, Florida Statutes, authorizes the County to amend its budget throughout the fiscal year; and

WHEREAS, it is fiscally prudent, and in the best interest of the County, to have the Board periodically apprised of the status of the County’s budget through quarterly reports and needed

revisions to the County budget through one or more mid-year budget amendments,

**BE IT ORDAINED BY THE BOARD OF COUNTY COMMISSIONERS OF
MIAMI-DADE COUNTY, FLORIDA:**

Section 1. Section 2-1796 of the Code of Miami-Dade County, Florida, is hereby amended to read as follows:¹

**Sec. 2-1796. Managerial Accountability and
Performance, authority to make certain
intradepartmental budget amendments,
proscription on allowing departmental
expenditures for any line item to exceed
appropriations therefor, notification of
possible deficiency and quarterly
reporting >>and mid-year budget
amendment<< required.**

- (a) Managers shall be held accountable for the achievement of performance objectives, as outlined in the strategic plan and departmental business plans, through performance evaluation and other appropriate managerial tools.
- (b) Management and staff shall employ progressive techniques to ensure continuous efficiency and effectiveness in County operations.
- (c) Managers and staff shall not allow the expenditures for any line item (as specified in Section 2-1795(b)) for their department or agency to exceed the total amount appropriated for such line item by the approved budgets providing revenues to that department or agency, as same may be administratively amended in accordance with subsection (d) below.
- (d) The Mayor or ~~[[his or her]]~~>>Mayor's<< designee shall have the authority to make intradepartmental budget amendments that reallocate appropriations amongst a department's line item appropriations in each fund provided such reallocations do not cumulatively exceed ten percent of that fund's total appropriations to the department and, further provided that that fund's total appropriations to the department may not be

¹ Words stricken through and/or ~~[[double bracketed]]~~ shall be deleted. Words underscored and/or >>double arrowed<< constitute the amendment proposed. Remaining provisions are now in effect and remain unchanged.

changed. Reallocations amongst a fund's line item appropriations for expenditures in excess of ten percent of that fund's total appropriations to a department, or which reallocate line item appropriations from personnel services to any other line item, or which cause an increase in a fund's total appropriations to a department must be approved by the County Commission.

- (e) Any department director, executive director or individual with the responsibility of budget development and monitoring who anticipates or has reason to believe that the annual budget of a department or agency may exceed the sum appropriated in the approved budget shall immediately provide written notification to the Budget Director. If verified, this information would then be forwarded to the Mayor, the County Commission, and Clerk of the Board.
- (f) The Mayor or ~~[[his or her]]~~>>Mayor's<< designee shall ~~[[present]]~~>>prepare<< quarterly, except during the month of the Commission's summer recess, a written report on the status of the County's budget ~~[[to the Commission Committee having oversight of the budget]]~~ >>and such report shall be placed on the next available agenda of the County Commission for its review<<. At a minimum, this report should generally include, but not be limited to, the following information in a form acceptable to the ~~[[Committee]]~~>>County Commission<<; fund summary, revenues by category and expenditure by major object, and revenues by category and expenditure by department, and the number and budgeted value of vacant positions.
- (g) >>Not earlier than April 1 of every year and not later than May 31 of every year, the Mayor or Mayor's designee shall prepare and present to the County Commission a mid-year budget amendment setting forth any necessary revisions to the then-current fiscal year's budget, including but not limited to, to appropriations and expenditures, and to account for increased or decreased revenues and source of funds, provide for allocations or appropriations from reserve funds, and make any other amendments in accordance with applicable law. Nothing contained herein shall prohibit the Mayor or Mayor's designee from presenting additional budget amendments to the County Commission.
- (h)<<In the case of those administrative departments of the County under the management of the Mayor, the Mayor and those assisting the Mayor in the management of such departments (including any responsible Deputy Mayor and the department directors) shall comply with the requirements of this section.

Section 2. Section 2-1799 of the Code of Miami-Dade County, Florida, is hereby amended to read as follows:

Sec. 2-1799. Reserve Funds.

* * *

(f) *Disposition of unallocated carryover funding in the countywide general fund and unincorporated municipal service area general fund budgets.* Unallocated carryover funding in the countywide general fund and unincorporated municipal service area general fund budgets shall be allocated as follows:

1. Fifty percent (50%) shall ~~[[revert to the capital outlay reserve fund in the fiscal year following the fiscal year the funds were identified to support County services, including information technology needs and facility repair and replacement requirements]]~~ >>be allocated in accordance with section 17-132.1 of the Code<<.
2. The remainder of such unallocated carryover funding may be applied in the discretion of the County Commission for all or any of the following uses: i) tax relief; ii) profit sharing with the departments who generated additional revenues or under expended authorized budgets as a result of departmental initiatives resulting in unallocated carryover; ~~[[and;]]~~ iii) build up of reserves >>; and (iv) for placement into the capital outlay reserve fund in the fiscal year following the fiscal year where the funds were identified in order to support County services, including information technology needs and facility repair and replacement requirements<<. The Mayor shall recommend to the County Commission how such remainder of unallocated carryover funding should be applied as amongst the foregoing uses specified in this subsection (f)2.

Section 3. Section 17-132.1 of the Code of Miami-Dade County, Florida, is hereby amended to read as follows:

Sec. 17-132.1. Revolving loan fund.

~~[[Notwithstanding any other provision of this article or the Code or resolution to the contrary,]] >>All<< [[all]] general fund revenues>>, << as defined herein [[:]] as 50 percent of [[actual]] >>the unallocated<< carryover funds in >>the countywide general fund budget which are in<< excess of the adopted budget, up to \$10,000,000.00 >>, shall be allocated<< to the Affordable Housing Trust Fund, subject to appropriation each year, >>and<< shall be placed into the Trust on an annual basis and shall be used for a revolving loan fund ("Revolving Loan Fund") to be operated as set forth in this section and section 17-132 of the Code. The general fund revenues, all repayments of general fund revenues, and all interest paid on loans made from the Revolving Loan Fund shall be deposited into a separate interest-bearing account. All funds deposited into the account shall be used solely for the purposes of making eligible loans to developers and for administration of the Revolving Loan Fund, including payment of the outside administrator. The Revolving Loan Fund shall operate as follows:~~

* * *

Section 4. Section 2-1 of the Code of Miami-Dade County, Florida, is hereby amended

to read as follows:

Chapter 2. ADMINISTRATION

ARTICLE I. IN GENERAL

Sec. 2-1. Rules of Procedure of County Commission.

* * *

PART 9. ADDITIONAL ORDINANCES PRESCRIBING COUNTY COMMISSION PROCEDURE

* * *

Rule 9.01. Annual budget.

* * *

- (d) At the first budget hearing, a separate motion and vote on any part of the proposed budget shall be held upon the request of any Commissioner. In addition, a separate motion and vote shall be held on any amendment to the Mayor's proposed budget that:

- (1) Addresses an issue raised by a Commissioner at a >>meeting of the Board or any of its committees<< [~~Committee of the Whole meeting held in conjunction with the budget approval process~~], including a request by a Commissioner to propose or recommend funding alternatives for the Board's consideration;
- (2) Proposes or provides for the appropriation of funds from the County's reserves to fund any activity, program or matter; or
- (3) Proposes or provides for increased or decreased funding for a countywide service or countywide program funded in the Unincorporated Municipal Service Area General Fund budget.

If any of the foregoing amendments are recommended or provided by the County Mayor, such amendments shall be set forth in detail in a separate section of the Mayor's memorandum relating to information for the first budget hearing (the "First Changes Memorandum").

The Commission Auditor shall prepare and maintain a list of all issues raised in conjunction with the budget approval process as set forth in subsection (d)(1) above. The Commission Auditor shall distribute such list to each member of the Board no later than forty-eight (48) hours prior to the scheduled commencement of the first budget hearing.

After a separate vote on each proposed amendment but before the Board's adoption of each ordinance adopting a tentative millage rate, the Mayor or the Mayor's designee shall, for each such ordinance, recompute the tentative millage rate, and publicly announce the name of the taxing authority, the rolled back rate, the percent, if any, by which the recomputed tentative millage rate exceeds the rolled-back rate, and the tentative millage rate to be levied. The tentative budget ordinances shall be adopted by separate vote after the tentative millage rate ordinances are adopted.

- (e) At the second budget hearing, a separate motion and vote on any part of the proposed budget shall be held upon the request of any Commissioner. In

addition, a separate motion and vote shall be held on any amendment to the Mayor's proposed budget that:

- (1) Addresses an issue raised by a Commissioner at a >>meeting of the Board or any of its committees<< [~~Committee of the Whole meeting held in conjunction with the budget approval process~~], including a request by a Commissioner to propose or recommend funding alternatives for the Board's consideration;
- (2) Proposes or provides for the appropriation of funds from the County's reserves to fund any activity, program or matter; or
- (3) Proposes or provides for increased or decreased funding for a countywide service or countywide program funded in the Unincorporated Municipal Service Area General Fund budget.

If any of the foregoing amendments are recommended or provided by the County Mayor, such amendments shall be set forth in detail in a separate section of the Mayor's memorandum relating to information for the second budget hearing (the "Second Changes Memorandum").

The Commission Auditor shall prepare and maintain a list of all issues raised in conjunction with the budget approval process as set forth in subsection in subsection (e)(1) above. The Commission Auditor shall distribute such list to each member of the Board no later than forty-eight (48) hours prior to the scheduled commencement of the second budget hearing.

After a separate vote on each proposed amendment but before the Board's adoption of each ordinance adopting a final millage rate, the Mayor or the Mayor's designee shall, for each such ordinance, recompute the final millage rate, and publicly announce the name of the taxing authority, the rolled back rate, the percent, if any, by which the recomputed final millage rate exceeds the rolled-back rate, and the final millage rate to be levied. The final budget ordinances shall be adopted by separate vote after the final millage rate ordinances are adopted.

- (f) The Mayor shall distribute the First Changes Memorandum and the Second Changes Memorandum to each member of the Board and shall post a copy thereof on the County's website no later than ~~[[forty-eight (48) hours]]~~ >>four business days<< prior to the scheduled commencement of the first and second budget hearings, respectively.

* * *

Section 5. If any section, subsection, sentence, clause or provision of this ordinance is held invalid, the remainder of this ordinance shall not be affected by such invalidity.

Section 6. It is the intention of the Board of County Commissioners, and it is hereby ordained that the provisions of this ordinance, including any sunset provision, shall become and be made a part of the Code of Miami-Dade County, Florida. The sections of this ordinance may be renumbered or relettered to accomplish such intention, and the word “ordinance” may be changed to “section,” “article,” or other appropriate word.

Section 7. This ordinance shall become effective ten (10) days after the date of enactment unless vetoed by the Mayor, and if vetoed, shall become effective only upon an override by this Board.

PASSED AND ADOPTED:

Approved by County Attorney as to form and legal sufficiency:

GKS for GBK
MRP

Prepared by:

Monica Rizo Perez

Prime Sponsor: Senator René García