

Memorandum



Date: May 16, 2022

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: FY22-23 Budget Update

As we develop the Proposed Fiscal year 2022-23 budget, it’s clear we have made great progress to recover from the worst impacts of the pandemic and resulting economic fallout. The strategic investments we made in last year’s budget helped to strengthen and accelerate our economic recovery – making struggling families and small businesses whole, while also funding critical infrastructure projects and economic and social programs to sustain a recovery in the long term.

To protect both lives and livelihoods, we deployed \$100 million in federal relief through the Emergency Rental Assistance Program to keep tenants in their homes and provide up to a year of back rent owed to struggling landlords. Thanks to strategic investments in housing and streamlined processes, we are on track to create 14,000 new affordable and workforce units across the County. We made great strides to tackle the gun violence crisis that exploded nationwide, investing in strategic enforcement programs and long-term prevention and intervention through the Peace and Prosperity Plan.

Now, as our economy rebounds, our community continues to face a deepening housing and affordability crisis – we’ve become one of the most unaffordable places to live nationwide. To truly sustain economic growth and capture the forward momentum of growing new industries, it’s critical that we invest in solutions to tackle this crisis head-on and ensure Miami-Dade is a place where all residents can afford to live and thrive. We have the opportunity and responsibility to deploy new revenue sources back into our community to lay the foundation for a more affordable Miami-Dade in the long term, and I am committed to dedicating resources and supporting solutions to address the affordability crisis in this year’s proposed budget.

At the same time, we must navigate unprecedented new challenges impacting communities around the country and the world – such as disruption to the global supply chain and an extremely competitive labor market – to ensure we can continue to move forward critical capital projects and provide essential services to residents and visitors. Attached is an update from the team at the Office of Management and Budget on how we can invest in our community to tackle these extraordinary challenges and ensure Miami-Dade is a place where every resident can thrive.

I look forward to working alongside this Board to develop a budget for the coming fiscal year that makes essential investments in affordability, to provide relief to struggling residents and lay the foundation for a thriving economy in years ahead.

Attachment

c: Honorable Harvey Ruvin, Clerk of the Courts
Geri Bonzon-Keenan, County Attorney
Gerald Sanchez, First Assistant County Attorney
Jess McCarty, Executive Assistant County Attorney Office of the Mayor Senior Staff
Department Directors
Jennifer Moon, Chief, Office of Policy and Budgetary Affairs
Yinka Majekodunmi, Commission Auditor
Basia Pruna, Director, Clerk of the Board

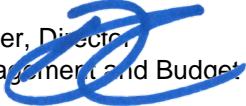
Memorandum



Date: May 6, 2022

To: Daniella Levine Cava, Mayor
Office of the Mayor

Through: Edward Marquez, Chief Financial Officer
Office of the Mayor

From: David Clodfelter, Director, 
Office of Management and Budget

Subject: Update on development of the Proposed Fiscal Year 2022-23 Proposed Budget

As we continue to develop the Proposed Fiscal Year 2022-23 Budget, I would like to provide an update on progress, trends, and potential challenges we have identified during our analysis thus far. South Florida's economy continues to show signs of a robust and strengthening recovery and several revenue sources such as sales tax, revenue sharing, and tourist taxes are currently trending higher than budgeted. As we receive the new receipts through the next few months, we will be able to produce an updated forecast, and it is important to note that while these revenues are currently stronger than anticipated, we must be cautious, as these trends may not continue, and our county faces unprecedented times.

You outlined several priorities in your budget message to the residents of Miami-Dade County, with a special emphasis on quickly deploying solutions to the affordable housing crisis. The projected robust revenue sources mentioned above lead us to expect that housing prices will continue to be high, underscoring even more the need for the county to commit resources to address the affordability crisis facing our residents.

Your budget message also highlighted the need for other ongoing initiatives to build a more resilient, prosperous community; any organizational and administrative changes that can be made in anticipation of the establishment of the Constitutional Offices; and any priorities identified by the Board through legislation. When we meet with you in the coming weeks, we will detail our analysis so far with the anticipation of receiving the estimated tax roll values to be released on June 1st and preliminary tax roll to be released on July 1st.

In addition to the affordability crisis, national and global trends are creating new challenges for County operations. Several departments have identified operational challenges such as difficulties hiring new employees and overall higher costs of providing the same level of service, due to an extremely competitive labor market. We have discussed several options for certain job classifications to ensure departments can remain competitive and continue to hire necessary staff to provide essential services for our residents and visitors, such as providing signing bonuses to new employees and possible changes to starting salaries. Additionally, you have provided direction to begin the process of adjusting those County classifications whose wages are below the living wage which the Board has required all of our contractors to pay their employees.

The COVID-19 pandemic also created unprecedented disruption in the global supply chain impacting communities and industries worldwide. Some products the County purchases, such as computer equipment, parts for vehicles, etc., have increased significantly in cost or continue to face supply issues. Some departments have given examples of contract pricing for certain commodities increasing by up to forty percent. These rising costs could also have an impact on the County's ability to fund and complete our capital projects, as the cost of construction materials and labor have also increased. We have begun to update capital projects with current pricing as available and will continue to monitor in order to mitigate any possible issues impacting these critical projects.

As directed by the Board, we will work to identify any potential budget shortfalls that may occur as a result of the pandemic and to develop solutions that have the least impact possible on our current level of service.

I look forward to meeting with you in coming weeks to finalize the Proposed FY 2022-23 budget, to continue funding vital services for our residents and visitors and building a stronger, more resilient Miami-Dade.

- c: OMB Business Analyst Staff
 - Jorge Fernandez, Deputy Director, Office of Management and Budget
 - Dan Wall, Assistant Director, Office of Management and Budget
 - Rasha Cameau, Assistant Director, Office of Management and Budget
 - Carlos Maxwell, OMB Coordinator, Office of Management and Budget
 - Johanna Cervone, Chief of Staff, Mayor 's Office