




MEMORANDUM  
OFFICE OF THE MAYOR

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**DATE:** July 12, 2007

**TO:** Honorable Chairman Bruno A. Barreiro  
And Members, Board of County Commissioners

**FROM:**   
Carlos Alvarez, Mayor  
Miami-Dade County

**SUBJECT:** Response to FY 2007-08 Proposed Budget

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Section 5.03 of the Miami-Dade County Charter requires that I issue a written response to the Proposed Budget. This is the first budget proposed by the County Manager subsequent to the Charter revisions approved by the electorate this past January. I have worked closely with the Manager and his staff in the development of the FY 2007-08 Proposed Budget and, thus, this memorandum is not as much a response as an affirmation of my support for the FY 2007-08 Proposed Budget. I believe the budget is a sound financial plan that minimizes service impacts as a result of property tax relief initiatives, continues to fund priority services and reserves, and makes investments for the future. That is not to say that this budget was not extremely challenging to prepare. Certainly, difficult decisions had to be made to submit a responsible, balanced spending plan.

As in previous years, the Board of County Commissioners (Board) has also been heavily involved in the development of the FY 2007-08 Proposed Budget through numerous one-on-one meetings, Committee workshops, and other opportunities for input. Staff will continue to work closely with the Board to ensure the most informed decisions can be made as the millage rates are set at the end of the month and the final budget is adopted in September.

Pursuant to action taken by the State Legislature, the tax-supported budgets have been reduced to rollback levels with additional reductions, depending upon the taxing jurisdiction. I recommend the Board adopt millage rates consistent with the Proposed Budget. While significant service impacts will not be realized across the majority of our service areas, continued compounding of rollbacks coupled with the potential property tax revenue losses due to the constitutional amendments to be considered by the electorate in January 2008 will make it necessary to make more significant reductions in the future. We must start now to identify those areas in which service adjustments can be made, as well as ensure that our delivery of services is as efficient and effective as possible. We simply will not be able to enhance services in the future, increase facilities, or address new needs, unless we are willing to prioritize those increases against something we are already providing.

While it has been a challenge to balance the budget given the revenue impacts of property tax reforms, I am pleased that the Manager was able to address critical priorities for our community in the Proposed Budget. I outlined several of my priorities in my State of the County and my Budget Message earlier this year. Among them:

- Promoting services for seniors
- Supporting development at our Airports and Seaports
- Delivering additional affordable housing units
- Maintaining public safety
- Protecting our environment
- Providing effective public transportation

By implementing organizational changes, reducing administrative expenses and improving the processes associated with the delivery of service, while making targeted reductions, the Proposed Budget addresses these priorities as indicated below.

**Services for Seniors:**

The Proposed Budget continues funding for senior programs in the Park and Recreation Department, as well as programs in the newly-aligned Department of Community Services (DCS) including adult day care for 300 elderly residents; assistance with care planning for 420 elders and their caregivers; operation of the Helen Sawyer Assisted Living Facility for 10 months for 100 residents; providing more than 1.2 million meals including 433,630 for elderly at high risk of not receiving proper nutrition; home delivery of meals to 275 elderly unable to travel to centers; providing 370 elderly residents with at-home assistance with their daily chores; training 1,510 retired seniors to participate in voluntary programs, such as foster grandparents, center assistants, and senior companions; and transporting 1,285 seniors to activity centers. The Senior Advocate will be working directly in DCS to coordinate the effective delivery of services to seniors. Support for the Golden Passport and Hurricane Shutter programs also continues.

**Support Development at our Airports and Seaports:**

Development of Miami International Airport (MIA) continues in FY 2007-08. The South Terminal will begin limited operations by the fall of 2007, operating 27 gates of which 21 will be used as both international and domestic, five as domestic only, and one will be solely designated for the new Airbus A-380. In addition, the South Terminal will contain 124 ticketing positions and is expected to handle 25 percent of the passenger volume at MIA. The North Terminal is currently under construction and is temporarily closed. Program completion is expected in June 2011. The completed terminal will have 48 international and domestic gates plus two regional jet gates, a Federal Inspection Services facility capable of processing 3,600 passengers per hour, and 173 ticketing positions. The new terminal will be able to handle 250 flights per day. When the capital improvement program is completed, MIA will have a total of 130 gates, an increase from the current 107, with a total of 556 ticket counters and 120 self-service check-in devices, up from the current 450 ticket positions. MIA will service 110 airlines, an increase from the current 95 airlines.

It is also critical that we continue to fund improvements at the Port of Miami. In addition to the proposed Port Tunnel, which, if approved, will be a joint project with the State and the City of Miami, renovation of the existing facilities and development of new facilities at the Port must continue. In order to have funding available to support these activities, additional cruise and cargo customers need to be attracted and current operational and maintenance costs at the Port must be controlled, including the increasing cost of security.

**Affordable Housing:**

Much work has been done in the past year to identify and address issues and concerns within the Miami-Dade Housing Agency (MDHA) and the County's provision of affordable housing programs in general. I am supportive of the Manager's recommendations to relocate the State Housing Initiative Program (SHIP), Surtax, and Building Better Communities bond program development funding to the Office of Community and Economic Development (OCED) and the SHIP and Surtax funding for homebuyer programs to the Housing Finance Authority (HFA). This will allow MDHA to focus on the provision of public and affordable housing. In the coming year, it is anticipated that 1,983 new units will be coming on line. Over the span of FY 2006-07 and FY 2007-08, nearly 700 units will be added specifically for the elderly. While more work needs to be done in the area of affordable housing, I am satisfied that we are moving in the right direction.

**Public Safety:**

Resources allocated to public safety became a rallying point during the discussions related to the property tax reforms under consideration by the State Legislature during their session this year. At the most draconian levels of cuts first proposed, it would have been necessary to make significant reductions to the Fire and Police departments. Because of the extraordinary efforts by our local elected officials and staff throughout the legislative session and during the special session last month, we were able to preserve much of the services we are currently providing. The Fire Department budget does not reduce current service levels, but new units that were planned for deployment beginning this summer will not be initiated. Firefighters brought on board to staff these units will instead be used to provide transport services in an effort to improve timeliness of transports and free up existing units to respond to calls more quickly.

There will be targeted reductions to the Miami-Dade Police Department (MDPD), including reduced overtime for enhanced enforcement initiatives and non-sworn personnel, elimination of certain civilian positions, and reductions in funding for capital projects. Overtime reductions will be partially mitigated once staff currently providing local patrol service under contract to Miami Gardens and Doral return to serving the Unincorporated Area at the end of those contracts. MDPD will continue efforts to deliver service in a more effective manner, including the implementation of the Electronic Document Management System (EDMS) to reduce the research and wait time for citizens requesting reports and allow citizens to obtain police reports from district stations, as well as the headquarters complex. MDPD will also continue operation of the e-Police system to meet emergency response time goals in FY 2007-08; a total of 1,083 mobile computing units (MCUs) are currently in service in patrol vehicles for uniformed officers, supervisors, and investigative district personnel, and emergency response time has been reduced to eight minutes. In addition, MDPD will purchase and deploy seven mobile storefront vehicles (mobile police stations) to increase

police presence in the community and provide flexibility in targeting high-crime areas to improve safety and prevent crimes. MDPD will also continue the Gun Bounty Program to reduce gun violence by awarding \$1,000 for the identification of an individual illegally possessing a firearm, which results in an arrest and recovery of the firearm.

I am extremely pleased with the progress we have made in regards to providing treatment services to the mentally ill. The Mayor's Mental Health Task Force led by Judge Steve Leifman released its final report last month, which was a response to the Spring 2004 Grand Jury Report on mental illness and the criminal justice system. Nearly all recommendations have been implemented or are in the process of being implemented. To date, over 1,000 law enforcement and correctional officers have completed training to more effectively respond to calls involving mental health emergencies. The number of mental health professionals in jails has been increased and a self-replenishing fund has been established to provide housing and critical support services for people with mental illnesses leaving the jail. During the past legislative session, the County was able to secure a long-term lease for a healthcare complex that will be home to a first-of-its-kind mental health diversion facility serving individuals who are involved in or at risk of becoming involved in the criminal justice system as the result of untreated mental illnesses. Judge Leifman is now heading up a monitoring committee to oversee the remaining implementation of the Task Force's recommendations. Funding to support these efforts continues in the Proposed Budget.

While substantial improvements have been made and resources directed to the Corrections and Rehabilitation Department (C&R) in the past few years, additional enhancements are simply not possible under the current budget constraints. I recognize the need to close the Boot Camp and the North Dade Treatment Centers and consolidate services in other facilities to reduce costs. The Boot Camp facility will be used for overflow inmate housing, particularly to address needs during times of facility repairs, and revenue from the sale of the North Dade facility will be used to fund renovations at other C&R facilities.

#### **Protecting the Environment:**

Even during a time of limited financial resources – and because of limited natural resources – it is important that we continue to support sustainability and conservation efforts in the County. The Sustainability Office is budgeted as part of the General Services Administration (GSA), and the Department of Environmental Resources Management (DERM) will also continue to provide support to the Climate Change Advisory Task Force and Chicago Climate Exchange initiatives. Miami-Dade County is poised to be a leader at a national level in these efforts and it is vital that we work together to continue to develop policies to protect our environment. Funding is also included in the Proposed Budget to proceed with planning and construction of water and waste-water capital projects, including alternative water supply and water-reuse projects.

#### **Providing Effective Transportation:**

Just this month, I appointed Harpal Kapoor as the new Director of Miami-Dade Transit (MDT). While serving as the Interim Director, Mr. Kapoor has already identified a number of ways to reduce costs while providing quality transit services. He has been charged with continuing these initiatives, completing land sales to close transit fund deficits, and expediting transit capital development projects. The Proposed Budget reduces bus revenue service by 1.4

million miles in order to focus resources on the most utilized routes. This action, along with other administrative and service reductions will be necessary in order for MDT to operate within the revenues available through the Transit surtax and General Fund maintenance-of-effort support. In order to maintain support for regional transportation initiatives, funding is continued to the South Florida Regional Transportation Authority (SFRTA) funded in part by savings identified within MDT.

**Other Priority Issues:**

The Proposed Budget contains a maintenance-of-effort contribution to the Public Health Trust that is \$8.725 million higher than in FY 2006-07, which is important as the demands for charity care in our community continue to increase. However, reductions in funding for community-based organizations (CBOs) could not be avoided given the revenue constraints. This will have a significant impact on a large number of organizations that provide valuable services to our residents, and I am particularly concerned about the impacts to the neediest segments of our population. I am further concerned with the reductions required in our cultural programs, but expect these civic organizations to take a more prominent role in funding their operations. It is difficult to decide between reducing services delivered directly by the County and allocations to organizations that provide services. I am hopeful that through improved competitive allocation processes, the reduced funding will be targeted to those agencies who will use the funds in the most effective manner and to services that will further our Social Services Master Plan. I am supportive of the department reorganization proposals included in the Budget and encourage the Manager to identify more opportunities to revise organizational structures to improve service delivery. To increase the integrity of our County operations, I am also supportive of the addition of three Auditor positions to the Audit & Management Services department.

The Board will be adopting the tentative millage rates on July 24, 2007. Different from years past, these rates will actually be set as a product of the legislation approved in Tallahassee last month. As stated earlier, I recommend that the Board adopt these rates as included in the Proposed Budget. It has been a challenge to develop a resource allocation plan within these constraints, and I am proud to have worked with the Manager and his staff throughout this process. They are passionate public servants, and we are all privileged that they work for Miami-Dade County. I look forward to working with the Board through the completion of the budget process.

c: Honorable Harvey Ruvlin, Clerk of Courts  
Honorable Joseph P. Farina, Chief Judge, Eleventh Judicial Circuit  
Honorable Bennett H. Brummer, Public Defender  
Honorable Katherine Fernandez-Rundle, State Attorney  
R.A. Cuevas, Jr., Acting County Attorney  
Marvin O'Quinn, President/CEO, Public Health Trust  
George M. Burgess, County Manager  
Denis Morales, Chief of Staff  
County Manager's Assistants  
Department Directors  
Charles Anderson, Commission Auditor