



MESSAGE

FROM MAYOR DAN GELBER

This morning, Friday April 10, the State Department of Health has reported that COVID-19 cases in Miami-Dade County surpassed 6,100 and 108 people in our County have succumbed to the virus. While I still question the reliability of these infection numbers, they do, I believe, reflect trendlines. This week the growth of positive cases, for instance, has been more linear in that there is not a continuous upward increase in the number of new positive tests each day despite the fact that more testing is going on. Early on the numbers were increasing at a much higher rate sometimes even doubling. That points to the possibility that our efforts are having a real impact and the peak of this pandemic may be on the horizon. But that would also mean this would be the worst time to ease up. If anything please redouble your efforts at social distancing, wearing masks, washing hands, and most importantly staying home.

A couple of announcements. Beginning Monday, April 13, we will offer in-home COVID-19 testing for homebound Miami Beach seniors that are 65 years and older and are experiencing symptoms associated with the coronavirus. Testing is by appointment only and residents who meet this criteria can call the City's customer service center to request an appointment.

Also, this week our requirement for the wearing of masks at groceries, pharmacies and restaurants went into effect. I'm happy to report that compliance with masks and spacing has improved markedly. So thank you. The County has also implemented a similar order -- but the County also had the jurisdiction to require masks when using public transportation and vehicles for hire -- so if you are taking an Uber or Lyft please be aware you should be wearing a mask -- as must your driver.

While I know the fiscal health of our City is probably not foremost on everyone's mind -- I did want to take a moment to talk about what we are doing to make sure that the City can navigate the economic challenges of this pandemic. I don't want anyone to worry that our fire, our police, or other essential services will be impaired by this economic standstill -- and you should know the steps we are taken to assure when this is over our quality of life will return quickly.

First, our City's \$669 million operating budget comes from property taxes, resort taxes and other sources. Most of our property tax actually comes from non-homesteaded property, one of the advantages of residing in a destination community.

So first, the bad news. The impact of the closures on our budget will be severe. The hit to resort taxes, and other income sources like parking will cause total expected revenue losses of about \$3.6

million per week. We expect these losses to continue over the upcoming weeks and months until we begin to return to normalcy.

The good news is that we have reserves -- rainy day funds -- for just these moments. Last year we had a surplus of \$16 million so rather than spend it we increased our reserves. So fortunately we have approximately \$80 million in our general fund reserves and about \$15 million in our resort tax reserves. Kudos to Commissioner Ricky Arriola and CFO John Woodruff for implementing these fiscally sensible measures.

While we can rely on our reserves, we shouldn't deplete them -- especially with hurricane season coming upon us. So our City Manager Jimmy Morales has implemented a variety of cost cutting measures to help us navigate through the next few months and beyond without any serious disruption of services.

Some of these measures include a hiring freeze, eliminating overtime, cancelling City related travel and non-essential expenditures. We have laid-off virtually all part time and temporary positions as with our beach and other closures there is no real work for them. We have also furloughed 35 full time positions in the parking department as that revenue was down over 90%. We will still need to curtail or defer some of our expenditures for some programs or projects to the next fiscal year. These issues and others will be discussed at our next virtual finance committee meeting on April 17th.

You should also know that our City Manager and his management team took substantial furlough days themselves and declined all merit pay and cost of living increases. Our City Attorney and his office staff, and our City Clerk, have also taken furlough days.

Given all these cost saving measures and others, I believe we will be able to get through this while maintaining reserves that will still provide the necessary cushion for hurricane season. Also some good news is that the 57 capital projects that you approved as part of the City's G.O. Bond Program should not be impacted at all.

So while we are definitely not out of this yet -- it does seem the top of the hill is within sight. So very soon we will begin planning for how we emerge. How we regain our footing as a community and a nation. I am entirely optimistic that day is soon. But it will be sooner if we continue to do our part.

Thanks for your calm and patience. Stay healthy and at home. For those celebrating Passover and Easter - have a blessed week and Chag Sameach. And to Poppy Silverstein -- we love you!