



# City of Miami Gardens, Florida

## Annual Operating Budget

*The Betty J. Ferguson*

*Recreation Center*

Opened: September 25, 2010



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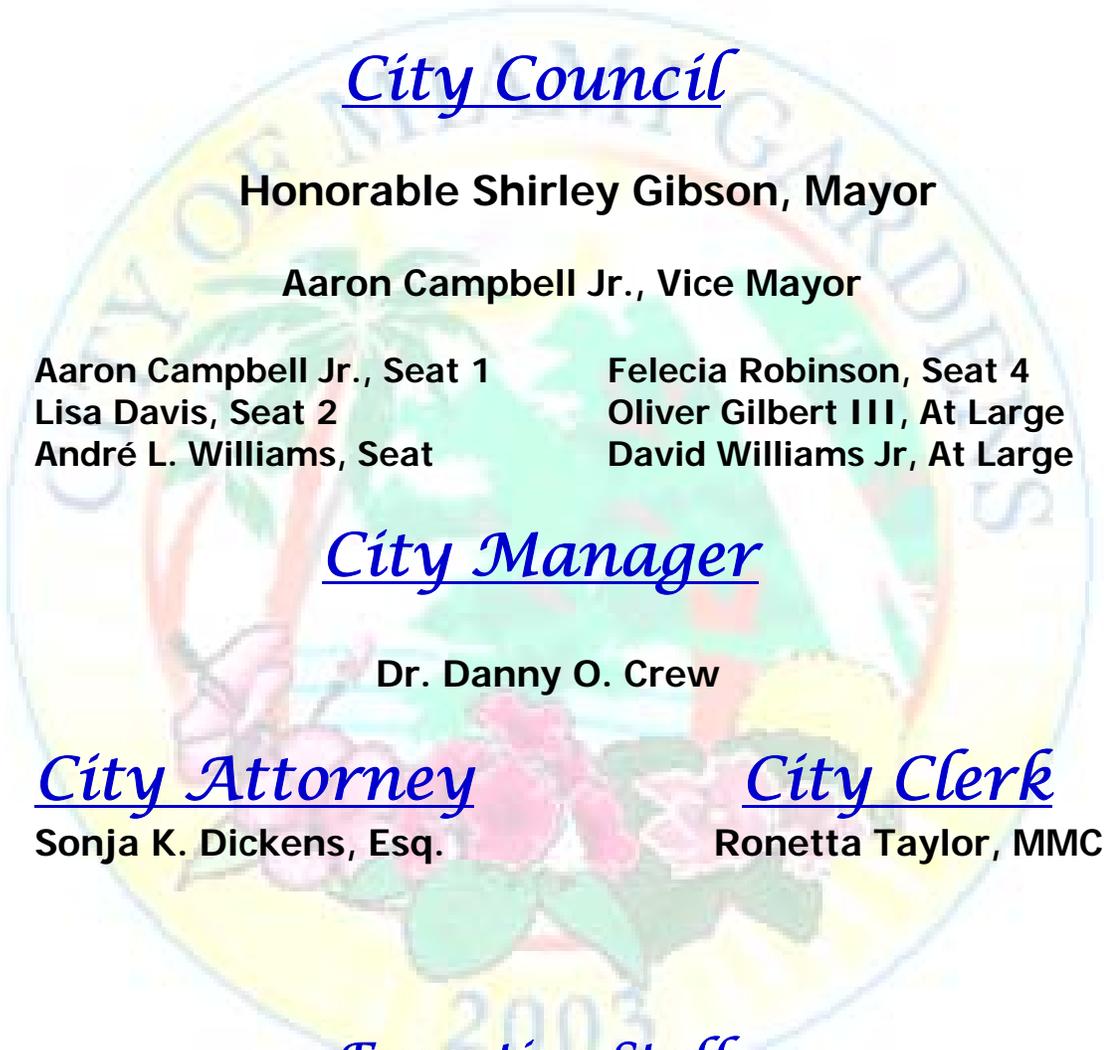
**FY 2011 - FY 2012**

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**COVER:** The 55,000 square foot recreation center was opened to the public in FY-11. It was the culmination of over 12 years of planning, design and construction, bridging the area's pre-incorporation era to today. Instrumental in the initiation and funding for the Center was former District #1 County Commissioner Betty T. Ferguson, for whom the facility is named.

The Center includes an indoor pool and basketball court, a large fitness center, dance rooms, an auditorium and various classrooms. The \$18 million Center is situated on 24 acres with also include a state-of-the-art football field, funded in part by the National Football League/Miami Dolphins, and a \$1,000,000 outdoor amphitheatre. Almost the entire \$19 million campus was paid for by grants.



*City Council*

**Honorable Shirley Gibson, Mayor**

**Aaron Campbell Jr., Vice Mayor**

**Aaron Campbell Jr., Seat 1**

**Lisa Davis, Seat 2**

**André L. Williams, Seat**

**Felecia Robinson, Seat 4**

**Oliver Gilbert III, At Large**

**David Williams Jr, At Large**

*City Manager*

**Dr. Danny O. Crew**

*City Attorney*

**Sonja K. Dickens, Esq.**

*City Clerk*

**Ronetta Taylor, MMC**

*Executive Staff*

**Renee Crichton, C.M., Deputy City Manager**

**Vernita Nelson, Assistant City Manager General Services**

**Daniel Rosemond, Assistant City Manager for Business Services**

**Patricia Varney, C.G.F.O., Finance Director**

# *City of Miami Gardens, Florida*

## **Vision Statement**

*The mission of the City of Miami Gardens, Florida, is to enhance the quality of life through the efficient and professional delivery of public services. We are committed to fostering civic pride, participation and responsible development for the community.*

## **Mission Statement**

The City will deliver superior services designed to enhance public safety and quality of life while exercising good stewardship through open government and active civic business and resident involvement.

Miami Gardens is and will be a vibrant and diverse City with a strong sense of community ownership, civic pride, abundant employment opportunities and cultural and leisure activities for its residents. We will provide continued economic viability through well planned, responsible and sustainable growth and redevelopment.



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished  
Budget Presentation  
Award*

PRESENTED TO

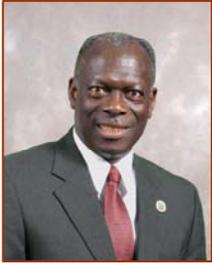
**City of Miami Gardens  
Florida**

For the Fiscal Year Beginning

**October 1, 2010**

President

# Mayor and City Council



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# City of Miami Gardens

Office of  
The City Manager

## **CITY MANAGER'S PRELIMINARY BUDGET MESSAGE FOR FY 2011-2012**

Dear Mayor and City Council:

I am pleased to present herein Miami Garden's FY 2011-2012 annual budget. FY-2011 was never very far from new and difficult challenges: The continuing story of an economy in decline was certainly our greatest challenge, but others such as attacks on our municipal sovereignty by the County and the State also made for interesting learning experiences.

In developing this budget message, I have attempted to better identify how our spending is linked to our various strategic planning processes. At various places throughout the message, you will see superscript abbreviations identifying a particular action or expenditure with the corresponding strategic plan that is addressing. These abbreviations are:

(CDMP) = Comprehensive Development Master Plan	(CVS) = Community Visioning Study	(ITSP) = Information Technology Strategic Plan
(441CS) = US 441 Corridor Study	(RTP) = Recreational Trails Plan	(TCMP) = Town Center Master Plan
(TMP) = Transportation Master Plan	(PMP) = Parks Master Plan	(SSA) = Street & Sidewalk Assessment Study

### **The FY-2012 Budget Process and the Principal Financial Challenges and Issues Facing the City**

While still a relatively new city, Miami Gardens faces the usual municipal challenges found in older cities throughout the nation, and some more unique 'growing' related challenges. The number one challenge and priority as expressed by residents through workshops, surveys and word-of-mouth is crime. A key priority to our residents is the challenge of dealing with the ever present threat of crime. Despite the unprecedented success of our new police department during its initial three years of operations (a 40+% reduction in serious, Part I offenses), crime remains at the

top of our residents' concern <sup>(CVS)</sup> and is addressed in the budget as our top funded municipal activity at almost 50% of the total General Fund expenditures.

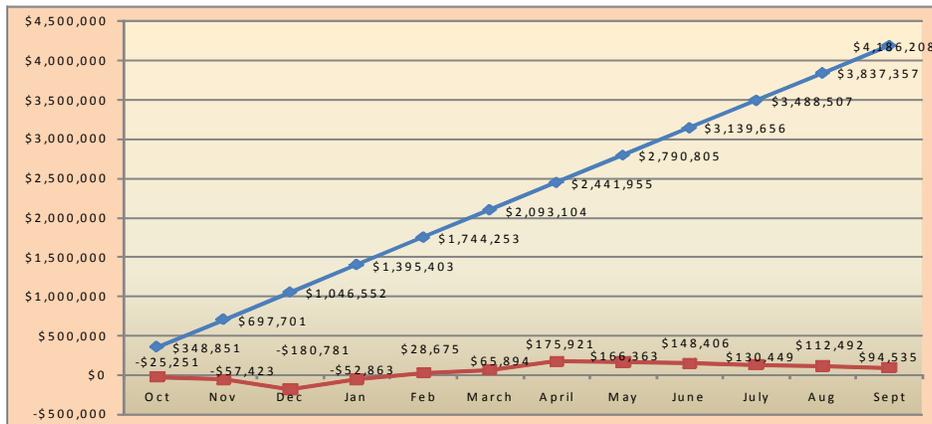
The Federal stimulus initiative was also an important in FY-11, especially with public safety. Miami Gardens was the second year of a major stimulus grants for that allowed us to hire nine additional officers for our community policing effort. However, due to the economic impact on our budget, we have been required to un-fund seven sworn positions thus affecting our service levels.



Overall, FY-11 was a very tough year financially. Several unforeseen factors lead to a drop in expected revenues that was not foreseen at the time of the budget's adoption in 2010. The largest of these is the continued, precipitous drop in the city's taxable value. As you know, the property appraiser last year reported a drop in the City's taxable value of 17.5%. While this was in the moderate range for the County as a whole, it was more than we had anticipated. The effect of this drop was that our FY-10 budget was adopted with an expected \$23 million in tax revenue when we received only \$22 million in revenue. It was impossible to make up this loss in the three months remaining of the fiscal year following the announcement. This drop also impacted the FY-11 budget when Council chose to adopt a millage rate that was less than the roll-back rate (the rate needed to bring in the same amount of tax revenue as in the year before). This reduced the proposed budget by almost \$2,000,000.

All during the past fiscal year, staff has been preparing for another tight year. Early in the year, the budget was cut by nearly \$1 million in anticipation of changes in the Red Light Camera program that were being made at the State Legislature. By February 2011, it was becoming clear that the red light changes adopted by the Legislature were going to impact revenue far greater than anticipated. This coupled with the local Court's interpretation of red light violations, lead to an approximate \$4,000,000 shortfall in the anticipated revenue for FY-11.

**Chart #1: Aggregate Net Revenue by month on Red Light Camera Net Revenue**



Facing this potential shortfall, as well as additional unexpected revenue loss, staff took several steps to reduce the shortfall, including furloughs (Table #1 below).

**Table #1: Unpaid Time-Off Savings**

Employee Class	Furlough Hours	Savings
City Manager	15 days (120 hours)	(\$14,240)
Deputy/Asst City Managers	12 days (96 hours)	(\$27,151)
City Attorney	12 days (96 hours)	(\$10,645)
City Clerk	10 days (80 hours)	(\$5,166)
Department Heads/Asst DH	10 days (80 hours)	(\$54,534)
Employees > \$80,000	6 days (48 hours)	(\$52,767)
Employees \$40,000-\$80,000	2 days (16 hours)	(\$63,305)
Employees <\$40,000	0 days (0 hours)	(\$0)
Chief & Deputy Chief	10 days (80 hours)	(\$16,414)
Police Majors/Captains	6 days (48 hours)	(\$45,936)
Police Sergeants	2 days (16 hours)	(\$26,099)
Police Officers	1 day (8 hours)	(\$52,930)
<b>TOTAL SAVINGS</b>		<b>(\$369,187)</b>

Other changes were announced that would help reduce expenditures by some \$2.2 million including elimination of the City’s match of discretionary contributions to employees’ 457 deferred compensation accounts and the elimination of approximately 20 additional positions through attrition. (Table #2 below).

**Table #2: Mid-Year Budget Adjustments**

Action	Savings/Revenue
Monthly Budget cuts to date	\$ 667,287
Current Frozen Positions	\$ 426,461
Continue Hiring Freeze	\$ 150,000 Additional Vacancies
Suspend Match to Employee 457 Plan	\$ 314,061
Revised ATS Rates	\$ 128,000
Pending ATS rate reductions	\$ 75,000
Change in leave accrual policy	\$ 0
Changes in Police Hiring Incentives	\$ 0
Lien amnesty program Re-mailing	\$ 20,000
Change in Gas purchasing policy	\$ 2,000
Unpaid time off	\$ 369,187
Additional Monthly budget cuts	\$ 100,000
<b>TOTAL SAVINGS</b>	<b>\$ 2,251,996</b>

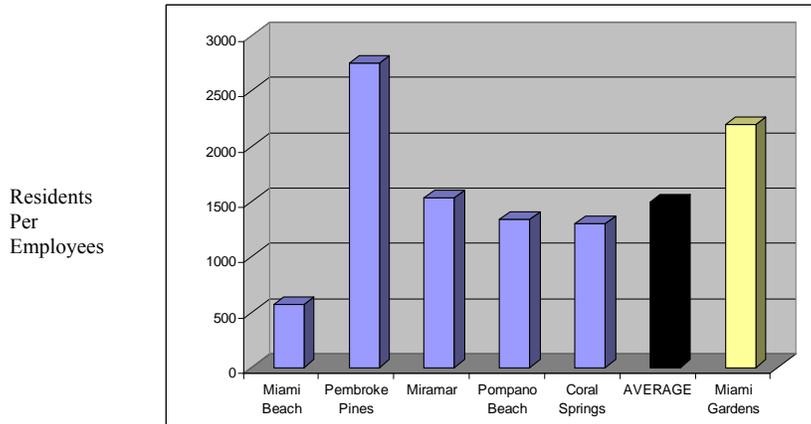
Council was asked to raise certain fees including planning and zoning fees and false alarm fees, as well as impose a new fee on abandoned/foreclosed homes. Council was also asked to support the contracting out of certain parks and recreations services such as summer camp and the City’s after school program. Even with these savings, a year-end shortfall is expected.

While the City ended the FY-11 year with a balanced budget, it took some \$5.5 million of our fund reserve to accomplish this. This equates to about 8% of our total General Fund revenues. As discussed later in this message, City Council took positive action to begin restoring our reserve to the minimum 16% level set as a goal.

FY-12 appears to be the worst year yet for financial impact. Over the past year and one half, Miami Gardens has eliminated some 120 staff positions. This is almost 25%

of our workforce. As you know, we already had a small staff compared to other cities our size. This is devastating on our ability to provide the level of services demanded by our residents. FY-12 will further exacerbate this trend.

**Chart #2: Residents per Employee**



In order to balance the proposed FY-12 budget, significant additional cuts have to be made. Many of the cuts will affect operations. They cannot be sustained forever; however, we can live with them for a year or until revenues pick up.

**Table #3 - Major Cuts for FY-12**

	<u>SAVINGS</u>	
1 in City Manager's Office (Vacant)	-\$83,497	} 27 ½ positions. No Full Time Employee layoffs
5 in School crossing guards	-\$43,897	
5 in Parks & Recreation	-\$241,404	
7 Police (Sworn) (Total of 11 positions)	-\$519,907	
3 Police (non-Sworn)	-\$159,895	
½ Electrical inspector	-\$27,976	
1 Code enforcement officer	-\$55,675	
1 Code Data Entry Clerk	-\$37,408	
½ Events & Media position to part-time	-\$32,377	
½ Finance Accountant	-\$44,000	
3 vacant positions during the year	-\$110,000	
<b>Total Personnel Related Cuts</b>	<b>-\$1,312,036</b>	
Planned Furloughs	-\$824,297	
3% Merit	-\$997,591	
3% deferred Match	-\$743,212	
<b>Total Other Personnel Cuts</b>	<b>-\$2,565,100</b>	
Council Community Account	-\$25,000	} No lobbyists for FY-12
Special Events	-\$278,052	
Lobbyists	-\$80,000	
Education/Training	-\$50,550	
Computer Hardware	-\$91,818	
<b>Total Operating Expense Cuts</b>	<b>-\$525,420</b>	
<b>TOTAL MAJOR CUTS</b>	<b>-\$4,402,556</b>	

In addition to the cuts outlined above, the City's budget had to absorb a number of automatic increases and one positive decrease. Table #4 below outlines the larger of these automatic increases/decreases.

**Table 4#: Automatic Increases/Decrease in the FY-12 Budget**

10% increase in Medical Insurance	\$288,653
City Hall Rent	\$26,170
Liability Insurance	\$38,921
End of Police Grant	\$350,000
State Pension Cost	(\$2,041,865)
<b>Total Auto. Increases/Decrease</b>	<b>+ \$1,338,121</b>

The City's FY 2011-2012 budget reflects the funding necessary to continue forward on our vision for Miami Gardens and to provide for the continued fiscal vitality of the City. The budget is balanced without layoffs; however significant cuts have been made that will negatively reflect in our operations. Although the City has a decrease of approximately \$2 million in pension contributions, the rate the State provided for FY 2013 will be increased and will have a negative impact of approximately \$1 million.

Despite the loss of significant revenue from the State, the proposed budget reflected our maintaining the City's tax rate pursuant to the State's roll-back rules: In order to bring in the same amount of tax revenue as the prior year, this year the roll-back rate actual dictates an increase in the millage rate. Our millage would have to go from 5.7141 mills to 5.9112 mills. This budget as proposed was balanced at 5.9112. However, I proposed and City Council approved a real tax rate increase of 11% to 6.5616 mills. This will generate an additional \$2,142,314. Council approved using \$1.5 million to replenish the fund balance and the remaining \$642,314 be used to rehire nine currently frozen police positions. This will accomplish two goals: Bringing our fund balance back to minimum standards, and addressing the on-going policing challenge with a full complement of officers. While this will cost the average homeowner about \$20 per year, most residents will still see a decline in their total tax bill as both Miami-Dade County and the School Board reduced their FY-12 millage..

The proposed budget is based on a level of service comparable to FY-11. It is my belief that our current challenges are externally created and temporary. The past eight years have been overwhelming, starting with nothing and developing a vibrant city. We seem that we thrive on such challenges.

## **GENERAL FUND**

Staff began the FY-2011 budget process unsure about a number of revenue issues - the continuing economic slowdown and its impact on State revenues and the uncertain status of the red light camera program being the two most significant. This uncertainty has required us to use prudent judgment on budgeting expenditures, especially ones that are not one-time expenditures.

Six years ago, we established an emergency reserve fund to help us reach a minimal responsible reserve within five years. This goal was to have a reserve equal to between 16% and 25% of our budgeted General Fund expenditures. We managed to build this consistently over this period until two years ago. Our projected fund balance for September 30, 2011, is \$1,823,358. [See Table #5 below].

**TABLE #5: Undesignated Unrestricted General Fund Fund Balance: FY-04 - FY-11 (est)**

	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Estimated
	FY 02-03	FY 03-04	FY 04-05	FY 05-06	FY 06-07	FY 07-08	FY 08-09	FY 09-10	FY 10-11
Tax Allocation			\$500,000	\$500,000					
Year- End Reverted Funds			\$320,802	\$ 1,169,189	\$4,257,711	\$700,762	\$403,885	(\$2,736,736)	(\$4,624,292)
Cumulative Total in the Reserve 6/30	\$1,415,211	\$1,362,037	\$2,681,219	\$3,852,028	\$8,109,739	\$8,810,501	\$9,214,386	\$6,447,650	\$1,823,358
General Fund Total Expenses***	\$192,187	\$11,175,161	\$33,279,050	\$38,106,974	\$42,385,717	\$51,740,428	\$56,467,792	\$56,266,009	\$54,371,473
% Reserve	n/a*	12.19%	8.06%	10.11%	19.13%	17.03%	16.32%	11.5%	3.35%

\* Partial year. City incorporated May 2003

\*\* Estimated

\*\*\* Excluding budgeted fund balance and internal transfers.

### Budget Priorities in Difficult Times

The budget presented here provides for the addressing of the challenges we face though not necessarily at the levels that we would like. We have to accept that these are extraordinary times and prudence dictates that we not make commitments or take on challenges that we cannot hope to meet until the financial picture improves. The visioning process that City Council undertook in FY-2010 will continue to help clarify our goals and priorities for the coming year and for future years. <sup>(CVS)</sup>

FY-12's most visible accomplishment will be the commencement of construction on the City's new City Hall and Police Headquarters complex on five acres on NW 27<sup>th</sup> Avenue. <sup>(CVS) (PMP)</sup> Though scheduled to begin in 2011, final completion will take place in early 2013. This construction project will not have any budget implications for the FY-12 budget as only bond money will be utilized. The complex is being designed as a LEED<sup>®</sup> Platinum project. This is the highest sustainability rating that is offered by the U.S. Green building Council. If completed as a platinum rated project, it will be the largest, new construction Platinum LEED<sup>®</sup> City Hall complex in the world.

In FY-10, the City received a major stimulus grant for the addition of nine (9) new police officers to restart the old community policing program which was ended when we became a city. <sup>CVS</sup> This grant continues until June of 2012. It has allowed us to hire a cadre of officers dedicated specifically to this approach; however, we have an obligation to employ these officers for a one year period beyond the grant and this

requires us to raise approximately \$350,000 to cover the cost in the FY-12 budget and the full \$800,000 in the FY-13 budget.

Other planned initiatives that will begin in FY-12 include renovations to the Old Archdiocese building for a dedicated senior center<sup>(CDMP)(CVS)(TMP)</sup>; and the renovation of North Dade Optimist Park using grant funds<sup>(CDMP)(CVS)</sup> and installation of dozens of new bus shelters.<sup>(CDMP)(CVS)</sup>

FY-12 will see the City make some major progress in “greening” itself. The City will begin the conversion of a number of city vehicles to more green-friendly cars using propane. The proposed City Hall will include including partial power generation through a solar array on the roof and Keep Miami Gardens Beautiful will continue its re-canopy program through interlocal efforts with the County and State.<sup>(CDMP)(CVS)</sup>

In our NSP grant program, the foreclosed homes purchased in FY-10 and FY-11 under this program are being renovated and sold to eligible first-time homebuyers. This program continues for FY-12.

### **Major Revenues**

In building a budget, we usually look at revenues first. This is what we currently know about FY-12 revenue: [For detail information on all revenues, see Revenue Manual, page 333].

- **Ad Valorem or Property Tax:** Ad valorem or property taxes are taxes levied against the taxable value of real and certain personal property. In Miami-Dade County, each municipality sets a tax rate based on its needs and levies this as a dollar cost per \$1,000 of taxable valuation. Our FY-11 tax rate was 5.7141 mills. The FY-11 City taxable value estimated by the Property Appraiser Office in July 2010 was \$3.717 million; however, the current final taxable value reflects \$3.545 million, a decrease of 4.7%. The taxable value provided by Property Appraiser’s Office for FY 2012 operations is \$3.467 million, a further decrease of 2.3%. Using the July 1 taxable value, our roll back millage rate would be 5.9112 which would generate \$19,470,550. Our FY-12 adopted rate is 6.5616, reflecting Councils approval of the extra funds to replenish the reserve and add additional police officers.
- **State Revenue Sharing:** Created by the State of Florida to ensure revenue parity among local governments statewide, State Revenue Sharing is comprised of various State-collected revenues including a portion of the State’s sales and gas taxes. The State Department of Revenue estimates that State Revenue Sharing, because of the continuing poor statewide economy, will decrease by approximately \$20,154 from FY-11 projection. The General Fund expects to receive \$2,414,830 for FY-12. This represents

70% of the total received. State law requires the balance (30%) go to the Transportation Fund.

- **Utility Franchise Fees:** Franchise fees are locally levied taxes designed to compensate the municipality for allowing private utility businesses to use the City's rights-of-way to conduct their business. The Utility Franchise Fee is economy-based revenue. As an area's growth increases, so does the revenue. They are also affected by weather, especially electric and water. We were informed in June 2011 that due to onetime rebate adjustment and lower fuel rate charges, the City will receive \$2.7 million in electric franchise fees instead of our budgeted \$4.4 million. We were informed that the City should expect the FY 12 revenue to be consistent with FY 11 revenue. Therefore, Utility Franchise fee receipts are expected to decrease by \$1.6 million next year when compared to FY 11 budget. Solid Waste and natural gas franchise fees are collected by Miami-Dade County on our behalf and remitted back to the City.
- **Utility Taxes:** Utility taxes are paid by the utility customer as a percentage of their bill for using the various utilities services – water, sewer, electric and communications. These taxes are collected by other local governments and remitted to the City. The portion remitted to the City by the Miami-Dade Water-Sewer Department is net after the City's portion of a past General Obligation Bond payment is deducted (QNIP Bond). The cities of North Miami Beach and Opa Locka are the other providers in Miami Gardens. Overall Utility Tax budgeted revenue is expected to increase by \$353,292 or 3.45% from \$10,240,750 to \$10,594,042. The Communications Services Tax is collected by the State and remitted to the City monthly. This revenue is expected to be \$3,859,042 for FY-12.
- **Half-Cent Sales Tax:** The Half-Cent Sales Tax is levied as a percentage of the retail sales price on all goods and many services purchased in the private sector. For Miami-Dade County, the tax rate is 6½%. This tax is collected by the State of Florida and allocated to cities and counties by statutory formula based largely on population rather than point-of-sale. Because of the economic downturn, the City of Miami Gardens expects to receive \$6,844,985 from this source in FY-12. This is approximately the same received during FY-11.
- **Other Local Revenues:** Locally derived revenues form a major component of our City budget. These revenues include business tax (occupational)



*In FY-11 the City built several new playgrounds in various parks. These were funded by local park's impact fees. (PMP)*

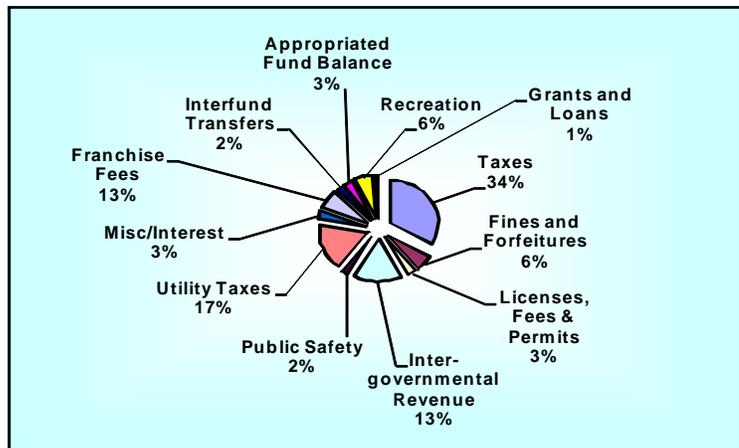
licenses, alarm and landlord permits, certificates of use, parks and recreation fees, interest earnings, other operational revenues, and fines and forfeitures. Some of these revenues are collected by the County, while others are directly collected by the City. Because FY-11 was only our sixth year in collecting many these revenues, we have been conservative in forecasting a modest increase based on limited trend information. As part of the FY-12 budget process, staff will be bringing forward various fee increases for recreation due to first year's experience with the BTF center.

Many local revenues are population sensitive and we believe that they will remain fairly steady for the coming year. Total other local revenue is estimated at \$10,295,100 or a decrease of 35% over FY-11 budget. This decrease is primarily due to a major change in the red light camera program when it was taken over by the state.

The above represent 97% of total General Fund Revenues. Other smaller revenues include such items as internal service charges, and miscellaneous state and County-shared revenues.

Chart #3 below, depicts the breakdown of the various revenue types as a percentage of total General Fund revenues by general revenue type.

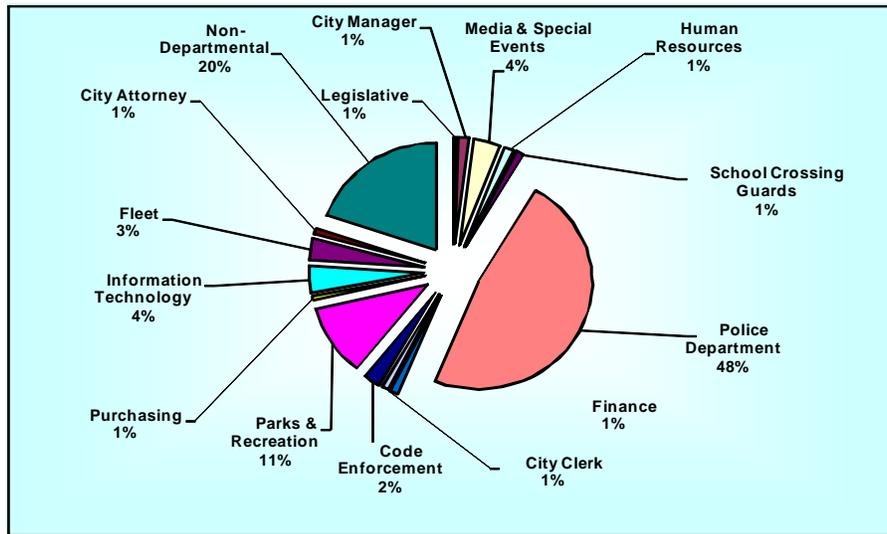
**Chart #3: General Fund Revenues for FY-12**



**Expenditures**

The other side of constructing a budget is expenditures. Some increases in expenditures are automatically built into any subsequent year's budget. Usually, the largest of these are generally employee costs such as merit increases, and increases in employee benefit expenses. However, the FY-12 budget does not include funding for the City's merit plan or the 3% matching 457 retirement program.<sup>(CVS)</sup> In addition, no cost of living increase is budgeted for FY-12.

**Chart #4: General Fund Expenditures for FY-12**



**Transfers**

Transfers represent internal transactions between budget Funds. Transfers may appear as revenues or expenditures, depending on whether a Fund is making or receiving a transfer. One of the largest of these transfers is the General Fund administrative charge to non-General Fund activities. This charge is based on actual past usage of General Fund assets (personnel, finance, legal, management and legislative support, purchasing, fleet and Information Technology, etc.) and is charged to the Transportation Fund, Development Services Fund, CDBG Fund, and the Stormwater Fund. The Debt Service Fund also accepts transfers for bond payments based on actual debt service attributable to each fund’s usage of bond proceeds.

**Changes in the FY 11-12 Budget**

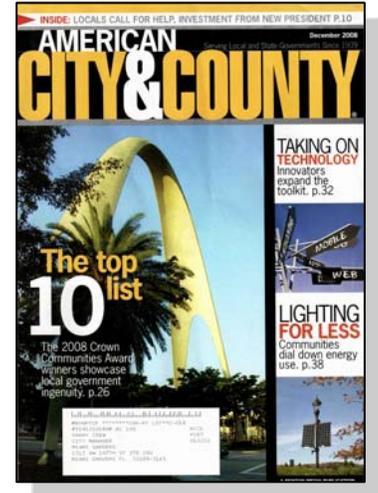
The following areas involve major changes over the FY-12 budget.

- **Equipment.** In order to balance the budget for FY-12, no new or replacement vehicles were included in the budget. The City may have to issue a small, \$2 million, 5-year equipment bond towards the end of FY-12 so that we can continue to replace old vehicles, especially high mileage police vehicles.
- **Supplies.** Supplies, computers and other office-type expenses have been reduced for FY-12. They should still be adequate to carry out routine activities. In general, these categories are equal to or less than in FY-11 as a result of belt-tightening.

- **Personnel.** The budget provides for an overall decrease in approved Full-Time Equivalent (FTE) positions, not counting grant funded positions, from 545 in FY 10-11 to 528 in FY 11-12. While there was no hard “freeze” on positions in FY-11, each vacancy was evaluated only replaced if it was critical to operations. This will continue into FY-12. When the economy picks up again, some of these positions will have to be re-added to handle the increase in work.

### General Fund Summary

The FY 11-12 budget provides what I believe is the minimum level of City operations necessary to responsibly carry out our duties, to address our fiscal and fiduciary responsibilities, and to provide the foundation for the vision our residents had when they incorporated. The staffing levels and some of the cuts made in the FY-12 budget due to lower revenues cannot be sustained in the long term; however, I believe that we will be able to operate effectively for the coming year. Miami Gardens remains one of the lower taxed cities of our size in the Miami-Dade or Broward County area. Despite what we see happening all around us in terms of layoffs and other drastic budgetary actions, Miami Gardens remains financially strong and continues to be able to withstand the financial assault on our revenues by the State and the economy.



*Cover of American City & County Magazine featuring the Miami Gardens' arch at the Sunshine International Park*



*Hurricane Wilma hit Miami Gardens extremely hard in October, 2005. The City expended over \$8 million in cleanup.*

## TRANSPORTATION FUND

Six years later and the Transportation Fund is still dealing with the effects of Hurricane Wilma. Responding to Wilma’s damage impacted the finances of the Transportation Fund very hard, spending over \$8 million on clean-up but

recouping only about 93% of our costs from the state and F.E.M.A. We ultimately lost of over \$500,000 and were left without a Fund reserve. In addition, Miami-Dade

County, while required to by their own ordinance, has yet to negotiate a share of the ½-cent transit tax that all cities before us got as a right. This has cost the City over \$20 million in transportation funds over the past six years. These issues, coupled with the economic downturn, has lead to the General Fund subsidizing the budget for FY-12. As the economy starts to pick up, a major priority will be to re-rebuild its reserve.

As indicated above, one aspect that could help this is if the City begins to receive its share of the County's Transportation sales tax revenue. In the 2009 State Legislative session, the City was able to get a special act passed that directed the County to share this tax revenue with all cities.<sup>(CVS)</sup> For Miami Gardens, this would mean between \$2.5 and \$3.5 million a year. Several meeting with the County have been held, but to date, they have not committed to this obligation. In FY-11, the City Council authorized staff to file a lawsuit against the County for its refusal to negotiate these funds. Thus far, the district court has rejected the County's motion to dismiss.

An overall decrease in road travel has also impacted the City's receipt of gas taxes and the Fund's largest source of revenue – State Revenue Sharing. Because of these factors, we have had to cut back on our street paving and sidewalk improvement programs. FY-11 saw some help on these items via ARRA stimulus funds. Such funds are not available for FY-12.

Phase 2 beautification program for NW 183<sup>rd</sup> Street was completed in FY-11 and several other minor beautification projects are planned for FY-12 using grant funds.<sup>(CDMP) (CVS) (TMP)</sup> Also, FY-12 should see the NW 7<sup>th</sup> Avenue reconstruction project completed.<sup>(TMP)</sup> This project is being funded out of County transportation impact fees. We continue to look for grants to enhance this and other projects.

### Revenues

The Transportation Fund has three principal sources of operating revenue that comprise 93% of the Fund operating revenue. Two of these are local gas taxes enacted by the County and state and shared with the municipalities. The First Local Option Gas Tax is a 6-cent per gallon levy by the County Commission that is expected to bring the City \$1,576,000 in revenue for FY-12, \$73,000 less than FY-11 budget. This estimate is provided by the state. The Second Local



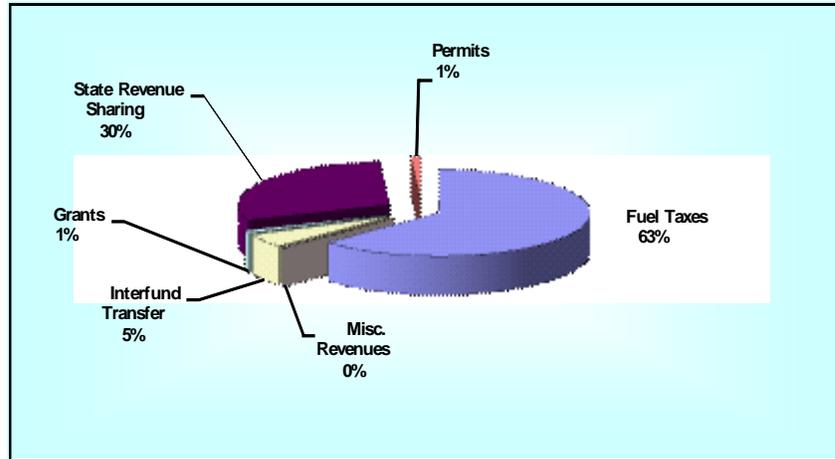
*Proposed NW 7<sup>th</sup> Avenue (Under Construction)*

Option Gas Tax is also estimated by the State. This 3-cent per gallon tax allocation to the City is expected to be \$602,032 for FY-12, about the same as last year.

The third major revenue in the Transportation Fund is State Revenue Sharing. State statutes require that 30% of all City allocated State Revenue Sharing must be used for transportation expenses. The other 70% is revenue to the General Fund.

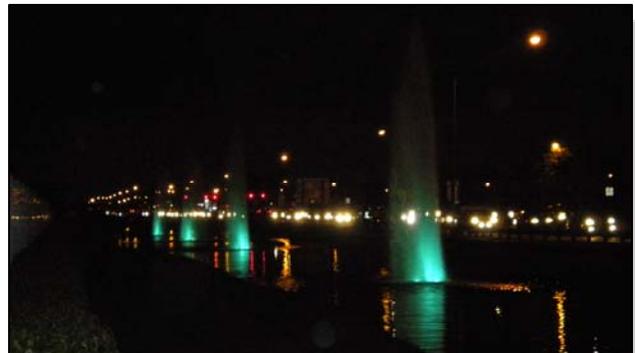
State Revenue Sharing for transportation purposes is estimated by the State at \$1,034,927 for FY-12.

**Chart #5: Transportation Fund Revenues by Percentage**



### Expenditures

Because almost all of the activities of the Public Works Department concern roads and road rights-of-way, the entire operation of the Public Works Department is budgeted within the Transportation Fund. The only public works-type activity not funded in the Transportation Fund is the City's stormwater activities. These employees are housed in public works and work under the supervision of public works but are funded from the City's Stormwater Utility Fund.



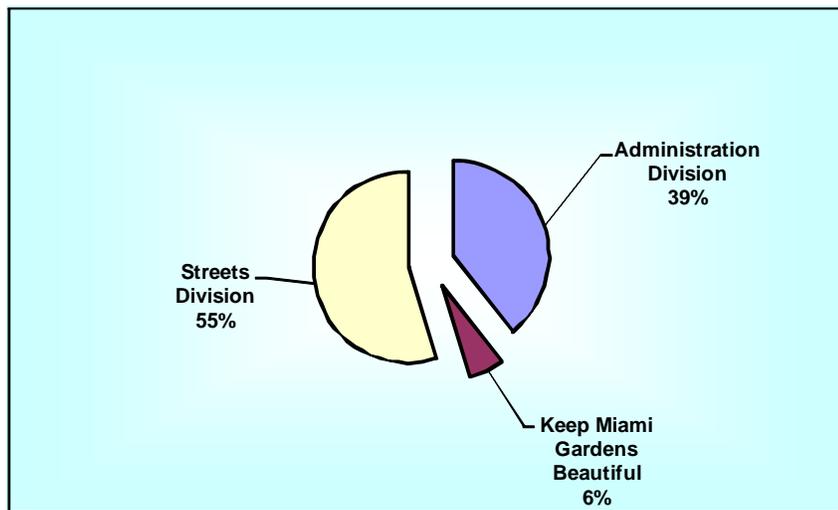
*In FY-10, Keep Miami Gardens Beautiful installed four fountains at the north 27<sup>th</sup> Avenue entrance to the City. This project was match dollar-for-dollar by Calder Casino and Race Course.*

The *Keep Miami Gardens Beautiful* (KMGB) program continues in the new budget at reduce levels; however, sufficient funds are available in their operating account, Stormwater Utility, and the CIP

Fund to continue their present activities and enhance their tree planting efforts. <sup>(CVS)</sup> KMGB has had an extremely successful year in working with community groups to enhance the looks of many neighborhoods. KMGB has been very aggressive in seeking sponsors and grants to maintain and enhance their program success. During FY-11, Miami Gardens' beautification program was recognized nationally by winning the Outstanding Urban Forestry Program – Large Community. We also received the national Tree City designation for the sixth straight year and received the Tree Growth Award for the second year. The Division works extensively with local schools for its Earth Day and other environmental programs.

The Transportation Fund operating budget contains no funds for street paving in FY-12. ARRA funds covered some re-paving in FY-11, but only on federally assisted roads. We are using developer funds to make some improvements on the 12<sup>th</sup> Avenue Palmetto entry ramp and this project should be completed in FY-12. (CVS) (TMP) We hope that this will serve as a template for future Palmetto projects. If the County relents and grants us our share of the Transportation tax, we can undertake an aggressive road improvement program. The previously funded \$3 million 7<sup>th</sup> Avenue reconstruction project should also be completed in FY-12.

**Chart #6: Transportation Fund Expenditures by Division**



## DEVELOPMENT SERVICES FUND

The City’s Development Services Fund was created to account for those activities that are principally designed to serve the City’s development community. The Fund consists of the two operating departments: The Planning and Zoning Services Division and the Building Services Division of the Department of Building and Code Compliance.

The Planning & Zoning Services Division is divided into the Comprehensive Planning and Current Planning. The Comprehensive Planning Division was responsible for developing the City’s first Comprehensive Development Master Plan (CDMP) and for processing amendments to the Comprehensive Plan. In FY-07, the Department completed and received approval by the State for the CDMP. It also won a state planning award for innovation in land use. The Current Planning Division handles re-zoning requests, plan



*The \$85million new Calder Casino and Race Course addition was completed in FY-10 (See front cover photo)*

amendments and general development approvals, and other development-related activities.

The Building Services Division of the Department of Building and Code Compliance is responsible for all administering the Florida Building Code. Its activities include development plan review, building inspections during construction, and unsafe structures enforcement.

Because of the sharp building downturn, it has become necessary to make some adjustments in the staffing in the City's Building Services area.

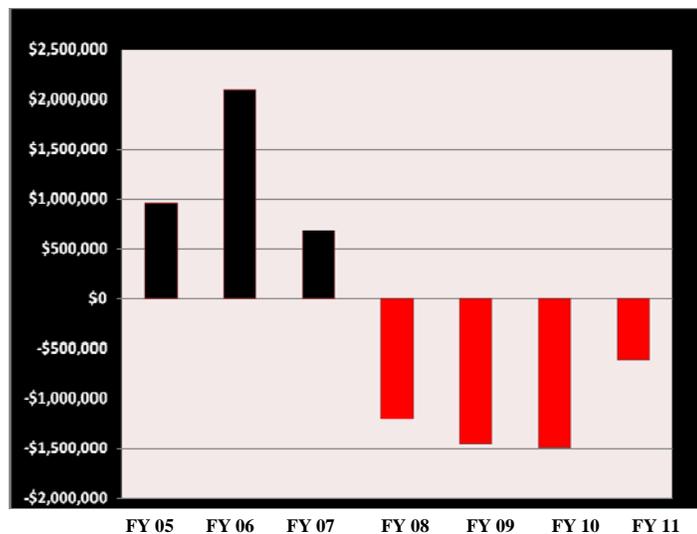
In creating the Department of Building and Code Compliance, a new director was hired to oversee these operations. The emphasis is on executive management skill rather than programmatic skill. Technical administrative skill will be vested in two division heads, the Building Official and the Code Enforcement director.



*Starting FY 07-08 and still continuing today, growth in the City suffered a conspicuous downturn, following the national trend. One bright spot has been Coconut Cay which continues to experience slower but steady sales.*

**Revenues:** In 'normal' times, these developer-related activities generate sufficient income to cover their associated costs; however, since the economic slowdown began, not only has the Fund utilized all of its reserves, but it has required major subsidies from the General Fund to balance. The Fund is ended FY-11 with a deficit of some \$650,000. This is on top of a \$1.49 million subsidy for FY-10, \$1.45 million for FY-09 and \$1.2 million in FY-08. (Chart #7 below)

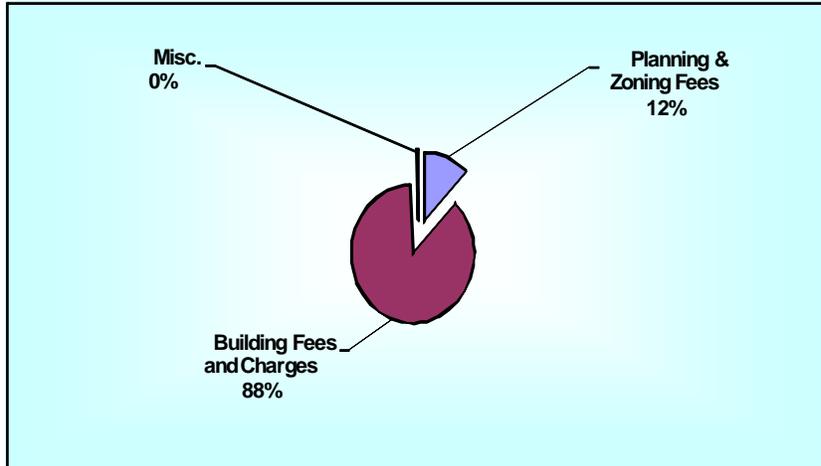
**Chart #7: General Fund Subsidy to the Development Services Fund**



There are actually several pieces of good news in the above chart. First, there is a clear trend back to “normal”, though normal may never be like FY-06; Second, once the Fund begins to show a positive year-end balance, it can begin to repay the General Fund for its advances (subsidies).

Total budgeted revenues are \$2,474,810 which will be breakeven for FY-12.

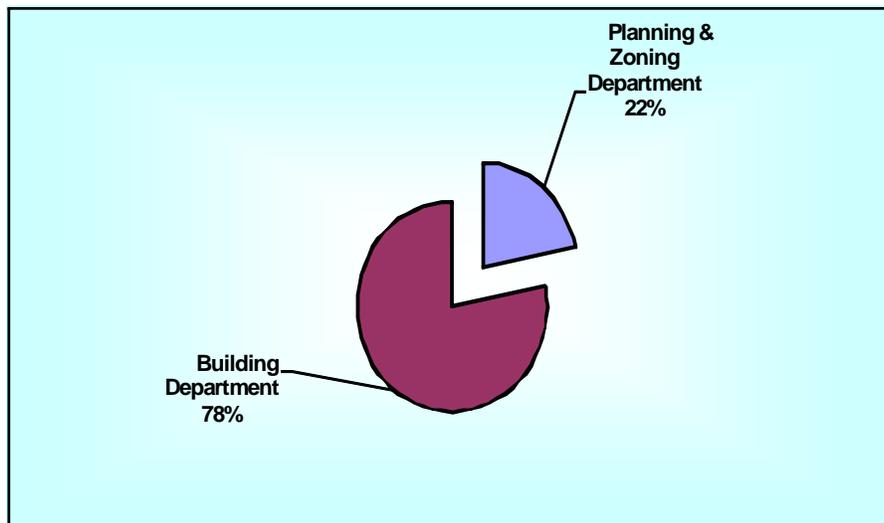
**Chart #8: Development Services Fund Revenues by Percentage**



**Expenditures**

Most expenditures in the Development Services Fund are salary related. Expenditures for the Fund are anticipated to decrease by \$589,070 from \$3,063,880 to \$2,474,810 for FY-12 over FY-11.

**Chart #9: Development Services Fund Expenditures by Percentage**



## STORMWATER UTILITY FUND

Operation of the City of Miami Gardens Stormwater Utility was assumed from Miami-Dade County in March 2007. Eleven (11) staff persons were hired in FY-08 to begin field operations. These employees operate through the Public Works Streets Division. For FY-12, the division still has twelve (12) employees, though 2 additional positions have been requested to start mid-year in order to carry out its responsibilities which include street cleaning, drainage basis cleaning, canal cleaning, and repair of existing drainage facilities.

The City has been successful in receiving a number of grants to supplement City funds for stormwater projects. A top priority for FY-12 will be to get several earlier grant award projects completed. <sup>(TMP)</sup>



*Street Flooding in Coconut Cay after a 2" rain event.*

The City's Stormwater fee is currently \$4 per month for each Equivalent Residential Unit (ERU), or approximately 1,500 square feet of impervious surface. This fee has not been increased since 1991.

### Revenues

100% of the operating revenue for the Stormwater Utility comes from the Stormwater Utility Fee imposed on resident's utility bills. There are approximately 70,000 REUs in Miami Gardens. Fees are expected to generate \$3,225,250 in revenue. This revenue is collected on behalf of the City by either the City of North Miami Beach's Water Utility or by the County's Water & Sewer Department on their bills. A small number of residents are not on either system and are billed directly by the City.

### Expenditures

Expenditures in the Stormwater Utility involve operations (staff) and projects. For FY-12, the largest non-capital expenditure is for canal cleaning.

## SPECIAL REVENUE FUND

The Special Revenue Fund was established in FY-06 to assist in the accounting for and tracking of certain revenues that come to the City that have restricted uses. These include parks and police impact fees. For FY-12, it is anticipated that we will spend some of these funds on recreation capital needs and on police equipment for the new police headquarters.

## CAPITAL PROJECTS FUND



*Entrance Sign and landscaping installed as part of the NW 27<sup>th</sup> Avenue Beautification project. The project was funded in the CIP with local bond funds and DOT and County grants.*

The City has been very successful in securing outside financial commitments for its future capital projects. Most capital-related grants are accounted for in this fund. The FY-12 budget also includes a transfer of \$845,817 from the General Fund to the CIP Fund for operating expenses.

### Revenues

Revenues in the Capital Project Fund generally consist of four types: Grants, Bonds, transfers from operating departments and interest earnings. The major project for the Fund in FY-12 is the new government complex that includes a new City Hall, Police Headquarters and parking structure. It is being developed as a LEED<sup>®</sup> Platinum project.

### Expenditures

There are four employees budgeted in this fund: A Capital Projects Manager, two projects managers and one administrative position. In that the City has embarked on almost \$100 million worth of capital improvements in our seven years of existence, professional management for these projects was added in FY-09 to ensure timely completion and follow up on grant requirements and building quality. Many of the capital projects are multi-year projects. The funds for previous scheduled projects are carried over to the subsequent year's budget until used or released.

## COMMUNITY DEVELOPMENT BLOCK GRANT FUND

A new Fund established in mid-year FY-2007 was the Community Development Block Grant Fund. The City is designated an entitlement city for the purposes of receiving Community Development Block Grant funds from USHUD. The City was notified by HUD that our allocation For FY-12 will be \$1,263,947 slightly less than FY-11.

Projects and programs in the CBDG Fund are based on the priorities established by City Council in the yearly Action Plan as approved by HUD.



*In FY-09, the City received \$6.7M in funds from the Federal Neighborhood Stabilization Program as will be purchasing 35 foreclosed homes for rehabilitation and resale to qualified buyers during FY-2010.*

## DEBT SERVICE FUND

In FY-09, the City established a consolidated Debt Service Fund from which all bonded debt and capital lease payments are made. Individual operating funds transfer their proportionate share of such debt through the budgetary process. This fund provides the public with a quick view of the City's outstanding debt obligations in any particular year. Additional detail on the City's debt can be found in the Appendix titled *Budget-Related Tables and Graphs*.

## BUDGET SUMMARY

Fiscal Year 2010-2011 proved to be a tough year for the City. The nationwide recession has, and continues to have, a significant negative effect not only on the activity level of the City's planning and building departments, but is now extending its effects on the balance of City operations. Dealing with this issue has been challenging to say the least, but we are now moving forward.



*The new Betty T Ferguson Recreation Center. It opened in September 2011 and has been running at capacity ever since. (PMP)*

FY-11 also marked the completion of projects on which we have worked for since the City's incorporation: two new playgrounds in our parks, the completion of construction of the Betty T Ferguson Community Center, (CDMP) (PMP) (CVS) and the commencement of the new city hall complex, (CVS) among others.

Challenges for FY-12 include dealing with Legislative mandates especially the new statewide tax initiative placed on the ballot that will have another devastating effect on municipal revenue, and municipal revenue reduction schemes that seem to pop up in every session. Finding sufficient funds to improve infrastructure will remain a key challenge.

### **Initiatives New For FY 2011-2012**

Despite the setback caused by the recent recession, the future of the City of Miami Gardens continues to be full of promise and hope. Maintaining a moderate tax rate while providing the services needed and demanded by our residents is an important guiding principal in preparing our FY-12 budget.<sup>(CVS)</sup> This is good for our residents, and good for the future. This enables us to remain fiscally strong with the flexibility to deal with whatever challenges and opportunities that we may face in the future. The City's recent upgrade from our initial "A" bond rating to A+ by Fitch supports this assessment.

Unfortunately, the State Legislature will not let cities, counties and school boards carry out their constitutional responsibilities without petty interference and assaulting our revenue base. Their "we know better than local officials" actions have placed all local governments in jeopardy of fiscal decline.

While containing many austerity measures, the budget also features several new initiatives for the coming year, the most ambitious of which is the City's commitment to begin construction on a new City Hall<sup>(TCS)</sup><sup>(CDMP)</sup> and Police Headquarters on land it owns on NW 27<sup>th</sup> Avenue.



*The NW 7<sup>th</sup> Avenue project will transform the area with medians, traffic circles and other amenities.*

In addition to the City Hall, the completion of the NW 7<sup>th</sup> Avenue road reconstruction project<sup>(TMP)</sup> and the renovation of one of the buildings on the new 14 acre site for the senior center<sup>(PMP)</sup><sup>(CVS)</sup> will help keep the momentum moving forward. Funds for these projects are already secured.

Beautification also continues as an important priority City. Funds have been reserved to undertake the Palmetto Expressway's NW 17<sup>th</sup> Avenue entrance ramp the US 441 median improvement program.<sup>(CVS)</sup><sup>(TMP)</sup><sup>(441CS)</sup> Also, remaining AARA transportation funds will allow the City to add additional bus shelters throughout the City in FY-12.

The ARRA, in conjunction with the earlier federal Neighborhood Stabilization Program (NSP), has enabled the City to purchase 40+ foreclosed properties, renovate them, and beginning in FY-11, sell these homes to qualified buyers, including first time homebuyers.<sup>(CVS) (CDMP)</sup> This will continue in FY-12, significantly strengthening our neighborhoods and community.

**Taxes and Taxpayers**

Of interest to almost any taxpayer reading the budget is “how does this affect me?” The good news is that Miami Gardens remains one of the lowest taxed, major cities in Miami-Dade or Broward counties (see Table #6 below). Table #6 below illustrates the relative tax burden on residents of Miami Gardens as compared to surrounding cities. The per capita tax burden is the amount that each resident pays on the average.

When looking at your tax bill, it is important to remember that 28% of your tax bill goes to the City of Miami Gardens; 72% goes to Miami-Dade County, the School Board, the County Fire District and to several other special taxing districts. The City tries hard to get the most from each tax dollar.

**Table #6: Comparative Tax Burden, Selected Miami-Dade Cities\***

City	Population	Tax Rate in Mills	Per Capita Tax Burden
Miami Beach	87,779	6.5039 mills	\$1,628
Miami	396,991	8.501 mills	\$650
North Miami	58,786	8.4143 mills	\$298
North Miami Beach	41,253	9.6777 mills	\$409
Hialeah	224,669	6.5400 mills	\$212
<b>Miami Gardens</b>	<b>107,167</b>	<b>6.5616 mills</b>	<b>\$212</b>

\* FY 2012 Proposed Millage Rate

Another question often asked is: “Is the City borrowing too much and putting us in debt?” Below are the two key statistics used to evaluate whether a city is borrowing too much. The first, TABLE #7, is the City’s Taxable Value-to-Debt Ratio. A ratio of 0.0 to 3.0 is considered low; 3.0 to 6.0 is considered moderate; and above 6.0 is considered high. In spite of our many start-up costs, our ratio is still low, even after the City Hall project is added.

<b>Table #7: General Fund Debt to Taxable Assessed Value Ratio (Including City Hall)</b>			
	Taxable Assessed Value	Bonded Debt	Debt Ratio
<b>Miami Gardens</b>	<b>\$3,467,200,467</b>	<b>\$ 103,892,095</b>	<b>3.0 %</b>

Another recognized measure of whether a city is carrying too much debt is the per capita debt ratio. In the table below, we have a relatively low per capita debt burden.

**Table #8: Debt Burden Per-Capita Florida Cities Over 100,000**

City	Debt Per Capita	City	Debt Per Capita
Gainesville, Alachua County	\$8,226	Pembroke Pines, Broward County	\$2,515
Tallahassee, Leon County	\$5,636	Tampa, Hillsborough County	\$2,410
Port St. Lucie, St. Lucie County	\$4,853	Palm Bay, Brevard County	\$2,023
Orlando, Orange County	\$4,576	Miami, Miami-Dade County	\$1,763
West Palm Beach Palm Beach County	\$4,469	Miramar, Broward County	\$1,645
Fort Lauderdale, Broward County	\$3,170	St. Petersburg, Pinellas County	\$1,460
Jacksonville, Duval County	\$3,030	Cape Coral, Broward County	\$1,408
Hollywood, Broward County	\$2,921	<b>Miami Gardens *</b>	<b>\$1,043</b>
Clearwater, Pinellas County	\$2,524	Coral Springs city, Broward County	\$495

2010 City's Financial Statement  
 \*Calculated based on FY 11 debt

**Final Thoughts for FY-12**

Because of the City's young age, and the necessity to build up an emergency reserve fund, the City has not had the luxury of hiring any but essential employees. This is why it is so difficult to balance a budget when cutting a position may mean cutting a program. We are constantly reorganizing to take advantage of special skills and to reduce overhead. This will continue. As they say, the only constant is change.

Finally, I want to thank the Mayor and City Council for the continuing opportunity to serve you and the residents of Miami Gardens as your City Manager. It is a privilege and honor I share with the other members of your City staff. I know that by working together, we can make the future of Miami Gardens truly something special. I also especially want to thank Patricia Varney and the finance staff for their assistance in this effort.

Respectfully Submitted,

*Danny O. Crew*  
 Dr. Danny O. Crew  
 City Manager

# Users Guide to the FY 11-12 Preliminary Budget Document

## The Budget

The budget is the spending plan for all financial resources available to the City. Through these resources, services are provided that attempt to meet the needs and desires of Miami Gardens' residents. The City Council and City staff responds to the community's needs in large part through the budget. It balances not only revenues and costs, but also actualizes community priorities and desires. The preliminary budget document is divided into sections as outlined below. Each section provides the reader with important information on the City and its spending priorities. A glossary is provided at the end of the document so that readers can easily find the definition of unusual or unfamiliar words and acronyms.

## Table of Contents and Users Guide to the Budget

This introductory section is designed to familiarize the reader with the City of Miami Gardens and the budget process itself. Governmental budgeting can be confusing maze of actions, deadlines and legal requirements. This section provides the reader with an overview of the process and summaries of the critical policy issues that drive the budget.

## City Manager's Budget Message

The Charter of the City of Miami Gardens charges the City Manager with the preparation of the City's annual budget. The Manager's budget message contains a summary of the upcoming budget and the issues and challenges faced in its development. It also presents an overview of the budget format and a detailed explanation of property taxes as they apply to Miami Gardens.

## Fund and Departmental Detail

This section comprises the heart of the proposed budget. Divided by fund, each section presents a detailed summary of expected revenues and expenditures by department and operating division, including historical information about each revenue source and proposed expenditure line item for personnel, operating and capital expenditure line items. At the end of each Fund detail, there is a Fund summary. The historical data provides the reader with a good view of trends and assists in developing meaningful projections.

In addition to the financial data, the section provides a brief narrative description of the duties and responsibilities of each department and Fund, a listing of major accomplishments for the preceding year, and goals for the coming year. Also provided is a staffing

history for the department and an organizational chart. Finally, a millage equivalent has been calculated for each department in order to give the reader a different perspective on the cost of running the various operations.

## Appendices

### **1. FY 2011-2012 Revenue Manual**

The City's revenue manual provides all the information one needs to understand the various sources of revenue the City receives. Every revenue source is detailed including the legal basis, general definition, payment schedules, and a graphic history of the revenue.

### **2. Glossary**

Municipal finance and budgeting is at best, a bewildering process of terms, acronyms and processes. Even seasoned staff often finds it difficult to keep up with the latest terms and definitions. It is almost impossible for the lay reader of a municipal budget to fully understand all of the jargon. A Glossary is presented as a helpful guide for residents and others who are not familiar with government terminology.

### **3. Form 420, Tax Rate Resolution and Budget Ordinance**

This appendix consists of the principal approval documents used to establish the annual budget. The Form DR-420 is the required form to set the City's millage. It is sent to the County Tax Collector immediately after the adoption of the final tax resolution. The tax rate resolution is the document that actually establishes the tax rate for the coming year. It must be read and approved at two separate public hearings prior to adoption. The budget ordinance is the formal approval of the actual FY 10-11 operating and capital budget. This ordinance also must be approved at two separate public hearings prior to adoption. The ordinance adopts the actual appropriations for each fund and established the rules for budget administration

## City Overview

The City of Miami Gardens, Florida, was incorporated on May 13, 2003, as the 33<sup>rd</sup> municipality in Miami-Dade County, and at a population of 109,200, is the county's third largest city after the cities of Miami and Hialeah. Located in North-Central Miami-Dade County, it stretches from I-95 and NE 2<sup>nd</sup> Street on the East, to NW 47<sup>th</sup> and NW57 Avenues on the West, and from the Broward County line on the North, to 151<sup>st</sup> Street on the South. The City comprises approximately 20 square miles.

Miami Gardens is a solid, working and middle class community of unique diversity. It is the largest predominately African-American municipality in the State of Florida, and boasts

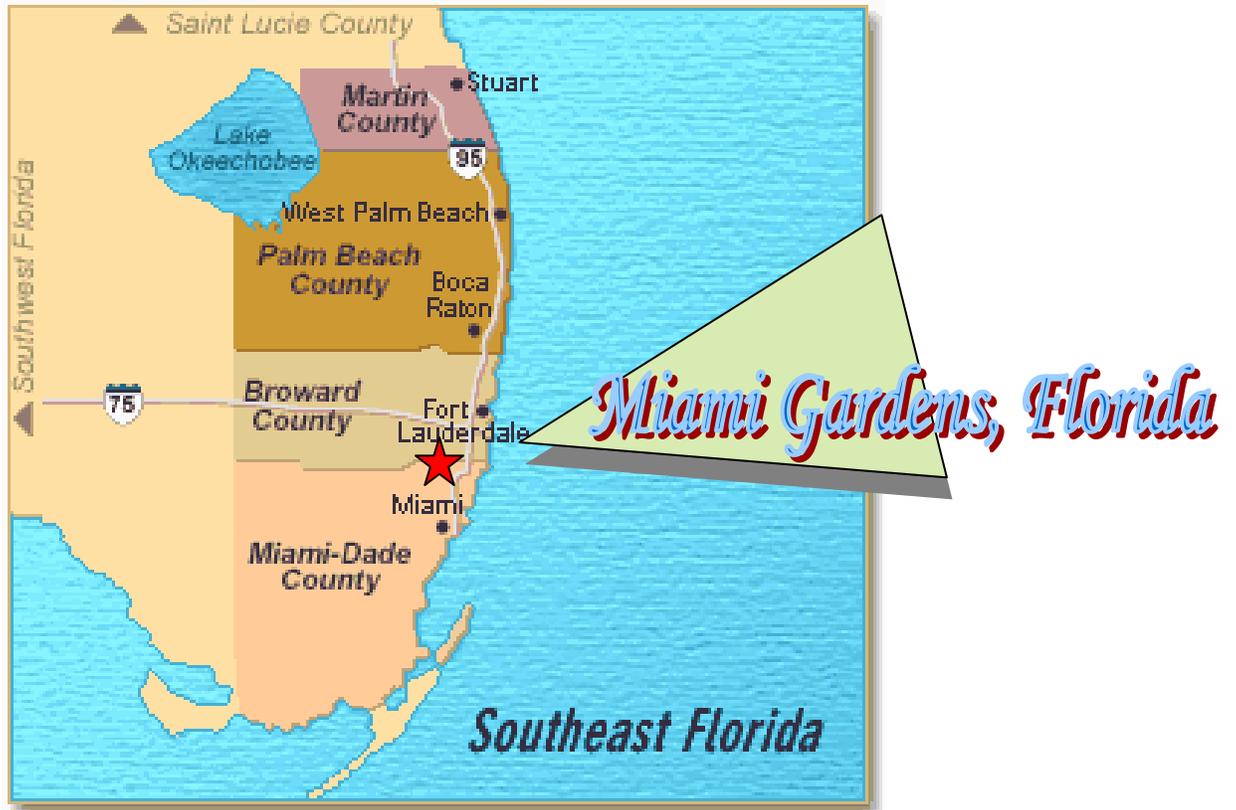


*The arch at the entrance to the Sunshine International Business Park was built in 1964 and is 110' high. The City chose this highly identifiable landmark to be part of its official logo.*

many Caribbean residents. It is the home to the Miami Dolphins and the Florida Marlins' at Dolphin Stadium and to Calder Race Track. It has vibrant commercial corridors along the Palmetto Expressway serving as a central shopping district for the furniture trade, and along North U.S. 441 serving the automobile trade.

The City is blessed with a central location being midway between the cities of Fort Lauderdale and Miami, and is traversed by I-95, the Palmetto Expressway (SR 826), and the Florida Turnpike. It has rail access through the Florida East Coast Railway and the South Florida Tri-rail system. There are three high schools and two universities within the City.

The City provides various municipal services to its residents including police, planning and zoning services, building code services, public works, stormwater utility, community development, parks and recreation, code enforcement, and school crossing guards. Fire rescue services, sanitation and library services are provided by Miami-Dade County.



## Quick City Facts & Photos

Number of Residents	107,167
African-American	76.3%
Hispanic	22%
Other	4.6%
Number of Schools	
Elementary	18
Middle	4
High School	3
Colleges/Universities	2
Number of budgeted City Employees	
Total F.T.E. regular positions	519
Police, City of Miami Gardens	
Number of budgeted positions	248
Vehicular patrol units	128
Public Works	
Miles of Streets	350

Miles of Canal	10
Parks and Recreation:	
Number of parks	18
Playgrounds in City parks	11
Number of City Pools	5
Tennis courts	7
Basketball Courts	17
Special Recreation Facilities	
Miami Gardens Community Center	1
Dolphin Stadium	1
Calder Casino and Race Track	1
Libraries (County):	
North Dade Regional	1



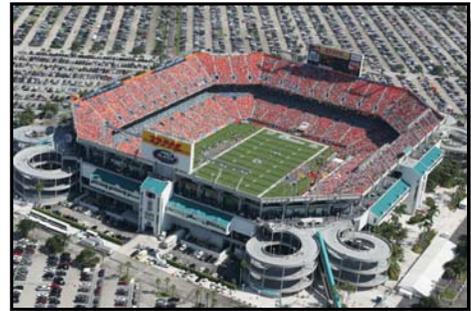
*Lou Rawls Performing Art Center  
Florida Memorial University*



*Chapel at St. Thomas University*



*Calder Race Track*



*Dolphin Stadium*

## Structure of the Government Body

The City of Miami Gardens, Florida, operates under a Mayor-Council-Manager form of government. Elected officials include the mayor and six council members. There are four single-member, resident districts from which four council members are chosen, with the

remaining two council members being elected at-large by citywide vote. The mayor is also elected at-large. The citywide organizational chart, shown on page 45 of this book, displays the relationships between the various organizational units of the City government.

The Mayor nominates and the City Council appoints three staff members – The City Manager, the City Clerk, and the City Attorney. All other departments and employees report to the City Manager. As shown in the organizational chart, there is a deputy city manager and two Assistant City Managers who are responsible for overseeing the various departments.

## Population Projections

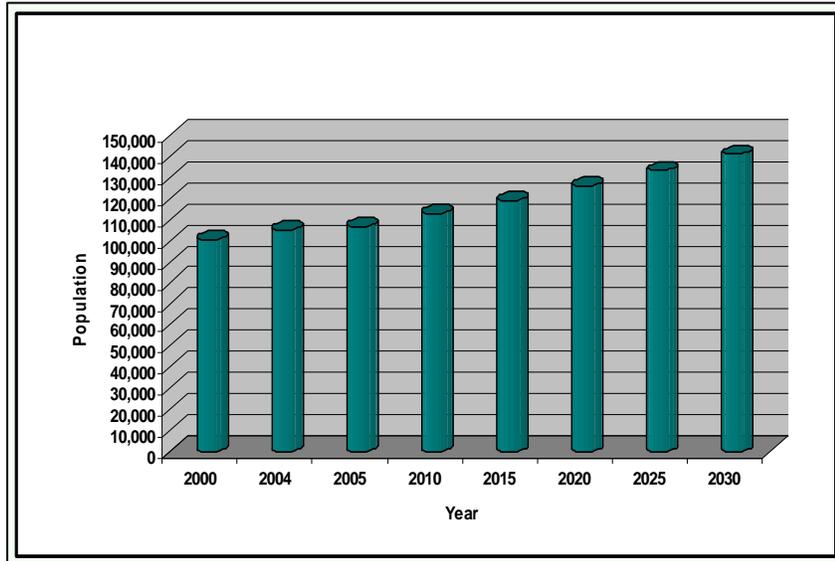
The future population of Miami Gardens was estimated using the shift-share approach and mathematical extrapolation method.

- This methodology utilizes statistical evaluation and analyzes the appropriateness of each extrapolation into the future, from a mathematical measure. It also looks at the extent to which a given extrapolation technique corresponds to the historic and estimated population perspective.
- The extrapolation technique assumes that Miami Gardens future population estimates would remain constant based on the growth rates at the 2000 Census level.

**Table #9: Population Estimates & Projections - Miami Gardens**  
Per U.S.Census Data (2000- 2030)

Year	Miami Gardens Population	Miami Gardens Estimated Growth Rate	Miami Gardens Actual Growth Rate
2000	100,809		
2004	105,414	4.57%	4.57%
2006	107,567	1.14%	2.05%
2007	109,200	1.50%	1.52%
2008	111,171	1.11%	1.81%
2011	107,167	-1.78%	-3.6%
2015	<b>113,568</b>	<b>4.00%</b>	
2020	<b>118,111</b>	<b>4.00%</b>	
2025	<b>121,654</b>	<b>3.00%</b>	
2030	<b>125,304</b>	<b>3.00%</b>	

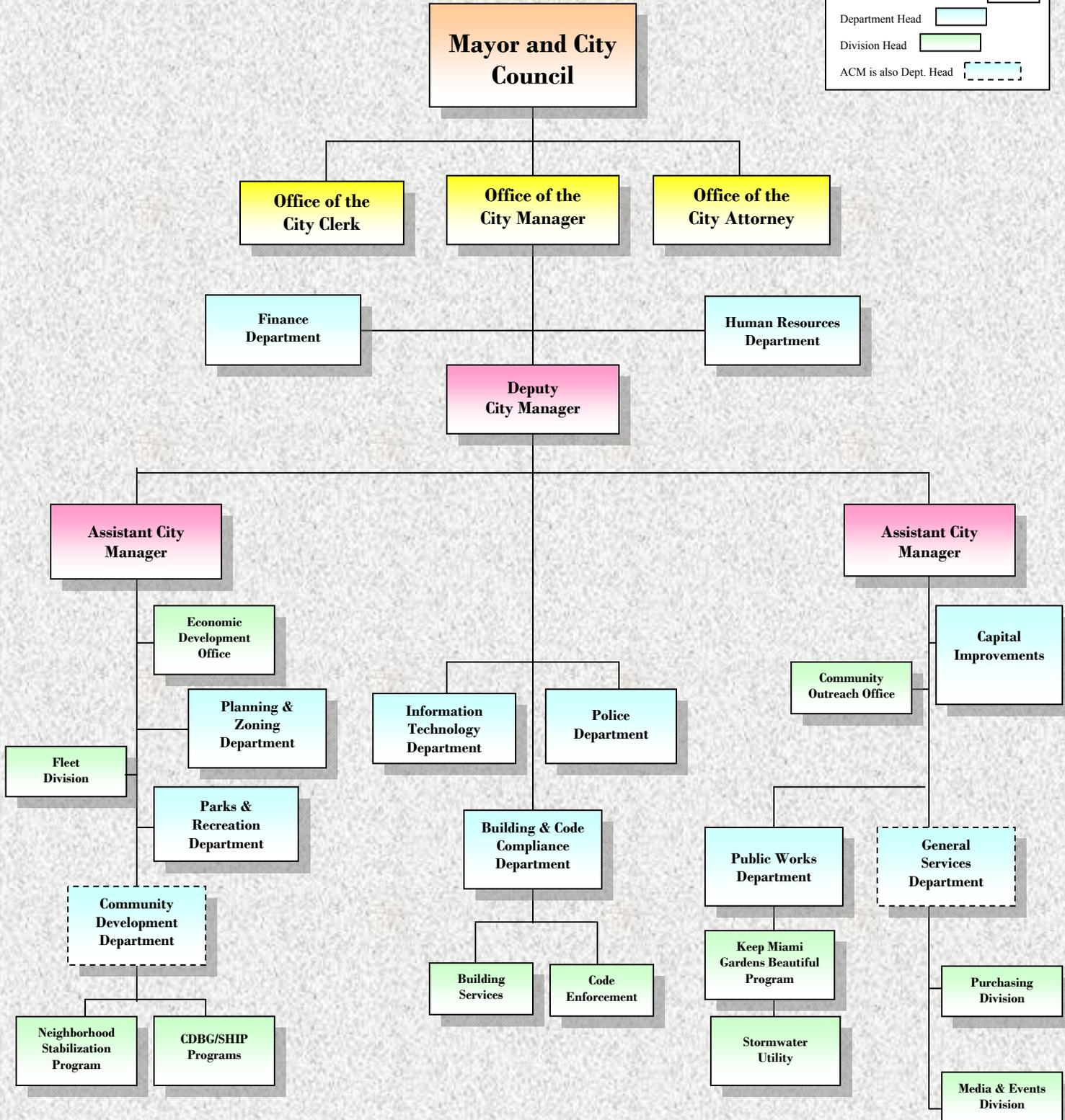
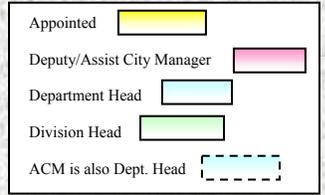
**Chart #10: Population Increase in Visual Format**



## Aerial Map of Miami Gardens



# Miami Gardens Organizational Relationship Chart



# Miami Gardens' 2012 Budget Process

## Budget Process and Calendar

A large portion of the budget process in Florida is statutorily driven as outlined in the timetable below. The formal budget policy can be at page 47, Financial Policies. Immediately following this timetable is the specific budget calendar for the City of Miami Gardens. Utilizing this timetable, the City Manager and his staff prepare a tentative budget for consideration by the Mayor and City Council. For Miami Gardens and the FY 11-12 budget, this process was challenging due to the total impact of the statewide property tax reduction, reduction in franchise fee, and one time refund of telecommunication taxes. Nonetheless, the process went forward and will conclude in the presentation of the preliminary budget at the July 27th City Council meeting.

## The Planning Phase

In October of each fiscal year, plans are set forth for next year's budget process by the City Manager; however, the actual budget formulation process began in March 2011. Prior to March, the City Manager and finance staff reviewed the GFOA comments from the prior year's budget and began developing the data necessary to address those comments and suggestions.

## The Preparation Phase

In March, the beginning phase of budget preparation involved staff preparing updates to the City's anticipated revenues and major equipment needs. This involved developing accurate projections of traditional revenues and estimating any new revenues expected in the subsequent year. Since Miami Gardens still has little, long term reliable revenue history for most of its revenues, it fell to staff to estimate these revenue streams as accurately as possible.

Also during this phase, staff began to develop expenditure profiles for each City department and operation. Again, as a relatively new City, this continued to be a difficult task. Having little or no experience in operating some programs (police for example), and receiving little historical information from the County, estimating proved to be a difficult task.

## The Review Phase

This phase involved the City Manager and the various department heads reviewing the submittals from their respective departments. Changes and updates were made to the

proposed revenue and spending levels based on overall city priorities and as a result of these one-on-one meetings. Matching proposed services levels with the necessary personnel and other resources was an on-going process that demanded considerable investigation and focus on the multiple missions.

Final refinements continued until the preparation of the tentative budget was completed and submitted to the Mayor and City Council for their consideration at the July 28<sup>th</sup> meeting.

### **The Adoption Phase**

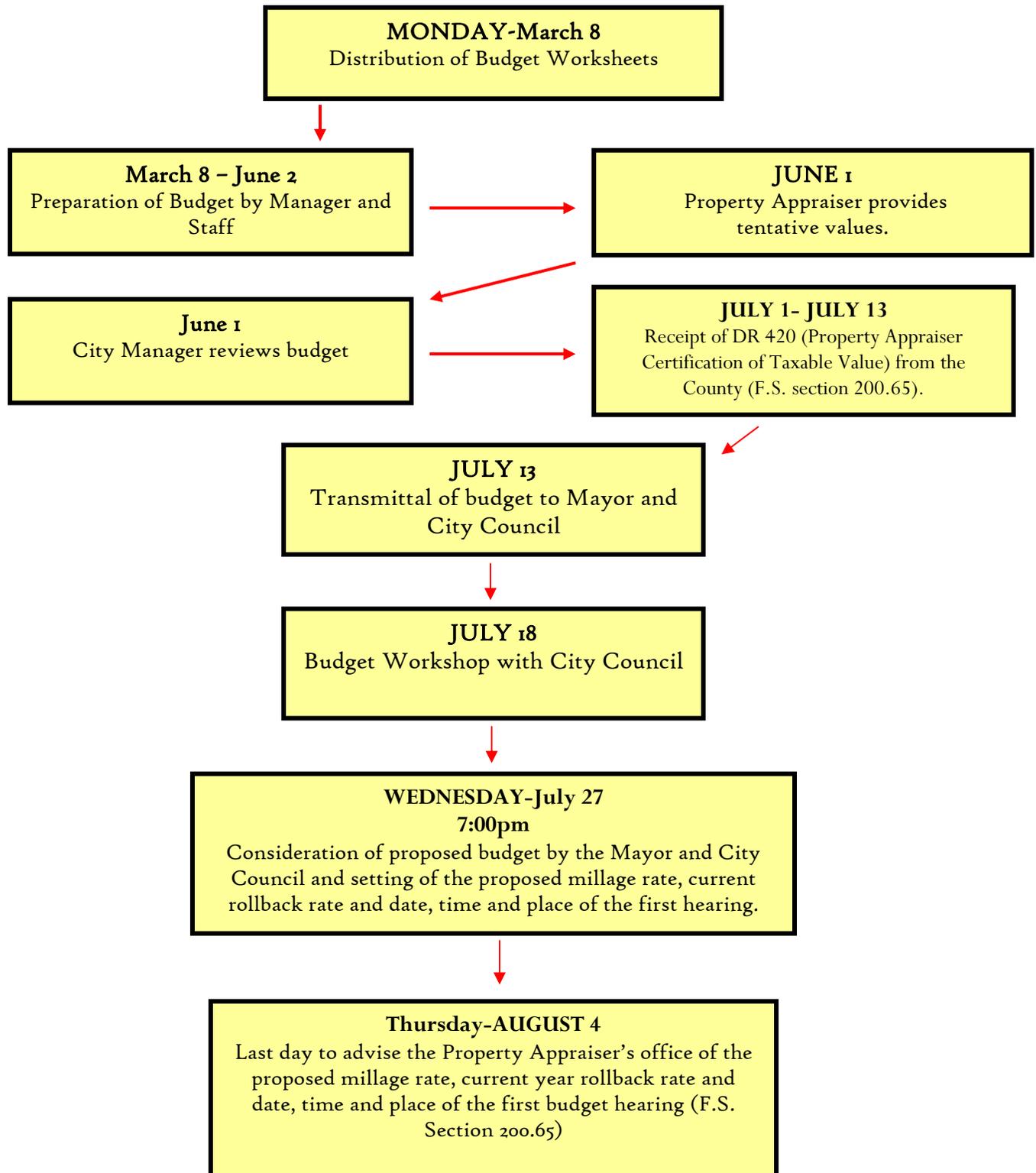
At their July 27<sup>th</sup> regular City Council meeting, a tentatively balanced budget was presented to the Council. At this meeting, which is open to the public, the City Council must adopt a tentative millage rate for the coming year. This is a requirement of state statutes. The adopted rate is then the maximum millage rate that can be included in the coming year's budget. The City Council may, at a later budget hearing, reduce the rate if it so desires, but cannot raise it above the adopted tentative rate.

At this July's meeting, Council will be requested to set the tentative millage rate at 5.9112, or the current roll-back millage rate. State law requires that two formal public hearing be held in September and neither can conflict with the hearing dates established by the County School Board or the County Commission. The recommended dates are September 14<sup>th</sup> and September 28<sup>nd</sup>.

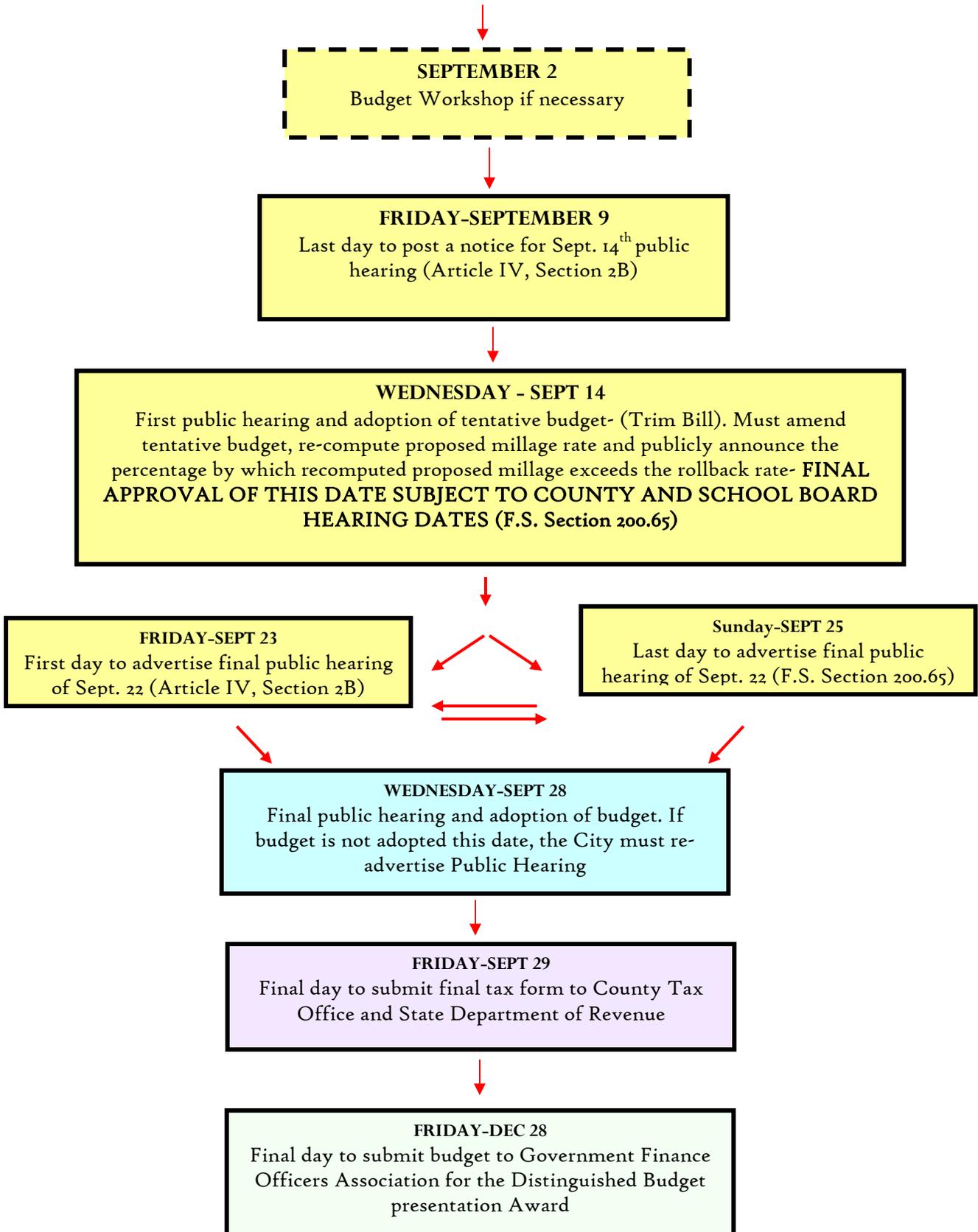
Subsequent to the July vote, the Notice of Proposed Property Taxes, otherwise known as TRIM (Truth in Millage) notices, are prepared and mailed to taxpayers by the County Property Appraiser. Printed on the TRIM notice is the date of the first scheduled public hearing to adopt the tentative budget and the tentative millage rate. This meeting is recommended to be set for the evening of September 14, 2011. The purpose of the public hearing is to give the general public an opportunity to speak for or against the proposed budget and millage rate. At the end of the first public hearing, a date and time will be set for the final public hearing, this being recommended for September 28, 2011. An advertisement will then be prepared and placed in a local newspaper. This ad contains summary budget information along with the tentative millage rate and the tentative approved budget based on the first hearing. Also noted are the time, date and location for the final hearing.

The purpose of the final public hearing is to once again give the general public an opportunity to speak for or against the budget and proposed millage rate. At this meeting, the City Council will adopt the final budget and millage rate. Within three days of that adoption, the City must notify the County Property Appraiser, County Tax Collector and the State Department of Revenue, of the adopted millage rate. Final tax invoices are mailed to property owners by the Tax Collector at the beginning of November. The budget is effective on October 1st of each year.

# FY 2011-2012 Budget Schedule



**FY 2011/2012 Budget Schedule (Con't)**



# Significant Financial Policies

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## General Financial Policies

1. The annual operating budget of the City of Miami Gardens, Florida, shall balance the public service needs of the community with the fiscal capabilities of the City. It is intended to achieve those goals and objectives established by the City Council for the following fiscal year. Service programs will represent a balance of services, but with special emphasis on the City public safety, quality of life, and compliance with various state and federal mandates. Services shall be provided on a most cost effective basis. A balance between personnel and other classes of expenditures will also be achieved.
2. The City recognizes that its citizens deserve a commitment from their local government to fiscal responsibility, and that a balanced operating budget is the cornerstone of fiscal responsibility. Annual operating expenditures (personal services, contracts, commodities and supplies, and capital outlay) will be fiscally balanced with revenues or income estimates that can reasonably and normally be projected to be received during the fiscal year. New programs or changes in policies which would require the expenditure of additional operating funds will either be funded through reductions in existing programs of lower priority or through adjustments to fee rates, service charges, or taxes.
3. Requests for new or changes to programs or policies will be accompanied by an analysis of the short and long-term impact on the operational budget caused by such changed or new program or policy. When possible, a standard format using this procedure shall be routinely provided to the Council when requesting approval of each new or changed program or policy.
4. New programs, services, or facilities shall be based on general citizen demand or need.
5. The City shall prepare and implement a Capital Improvement Budget (CIP), consistent with state requirements, which shall schedule the funding and construction of projects for a five-year period. The Capital Improvement Budget shall balance the needs for improved public facilities, as identified in the City's comprehensive plan, within the fiscal capabilities and limitations of the City.
6. The City shall maintain its accounting records in accordance with generally accepted accounting principles (GAAP), applied to governmental units as promulgated by the Governmental Accounting Standards Board (GASB) and the Financial Accounting Standards Board (FASB).
7. The City shall provide funding for public services on a fair and equitable basis, and shall not discriminate in providing such services on the base of race, sex, color, religion, sexual orientation, national origin, physical handicap or other non-merit basis.
8. Budgets for all City Funds and all other City expenditures, shall be under City Council appropriation control.

9. Inter-fund loans must be supported by a fiscally sound source of funds available for repayment.

10. Copies of the tentative and final budgets shall be provided at the North Dade Regional Public Library, posted on the City's website, and shall be available for inspection and copying at the office of the City Clerk. Copies of the tentative budget shall be provided at no charge at all public hearings and workshops.

## Balanced Budget

1. **Balance Budget Requirement**: The operating budget of the City of Miami Gardens shall be balanced using current year revenues to finance current year expenditures. Fund balances shall not normally be budgeted as a resource to support routine annual operating expenses. Fund balances may be budgeted as a resource to support capital, debt, or extraordinary major maintenance needs on a non-recurring basis, or as reserves to be carried forward. Under ordinary economic conditions, the use of fund balance forward should not exceed .25 mills equivalent.

2. Revenue projections will be based on an analysis of historical trends and reasonable assumptions of future conditions.

3. Revenue estimates will be made on a reasonable conservative basis to ensure that estimates are realized.

4. The operating budget will be prepared based on 95% of the certified taxable value of the property tax roll revenues.

5. The City will not use long-term debt to finance expenditures required for operations.

6. As early as practical in each annual budgeting cycle, the City Council shall give direction to staff as to the circumstances under which an ad valorem tax millage increase would be considered. Normally, such direction should be given in conjunction with the setting of a tentative budget calendar.

7. Fees should be collected on all City-provided services for which specific users may be readily identified and use may be reasonably quantified. The amount of the fee should be based on actual costs incurred in providing the services (or facility), and shall be reviewed at least biannually. The degree to which fees shall recover full costs shall be a policy determination of the City Council.

## Funds and Fund Types

Government resources are allocated to and accounted for in individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled. All Funds in Miami Gardens are appropriated. The various funds are grouped within three broad categories as follows:

- Governmental Fund Types:
  1. **General Fund (01)** - The General Fund is the general operating fund of the City. It is used to account for all financial resources except those required to be accounted for in another fund.
  2. **Special Revenue Funds (10s)** – Special Revenue Funds are used to account for the proceeds from specific revenue sources (other major capital projects) that are legally restricted to expenditures for specified purposes. The City currently has three special revenue funds as described immediately below.
    - A. **Transportation Fund (10)** – The Transportation Fund is used to account for the revenues the City receives from the State-shared local option gas funds, and other revenues designated for transportation purposes. It is the operating fund for the City’s Public Works Department.
    - B. **State Housing Initiative Partnership Grant (SHIP) Fund (13)** – The State Housing Initiative Partnership Grant (SHIP) Fund is used to account for revenues and expenditures of the City’s SHIP Program.
    - C. **Community Development Block Grant (CDBG) Fund (14)** – The Community Development Block Grant Fund is used to account for revenues and expenditures of the City’s CDBG Department. The City is an entitlement community under the U.S. Department of housing and Urban Development (HUD).
    - D. **Development Services Fund (15)** – The Development Services Fund is the accounting entity for the City’s Building, Planning and Zoning Departments. The fund was established to capture a record of fees and expenses oriented toward the building and development industry to ensure that these service costs are largely recaptured by the users.
    - E. **Special Revenue Fund (16)** – The Special Revenue Fund is used to account for the proceeds from specific, earmarked revenues such as impact fees and donations.

F. **Law Enforcement Trust Fund (17)** – The Special Revenue Fund is used to account for funds and property seized or confiscated by either Federal, State, and/or local law enforcement agencies.

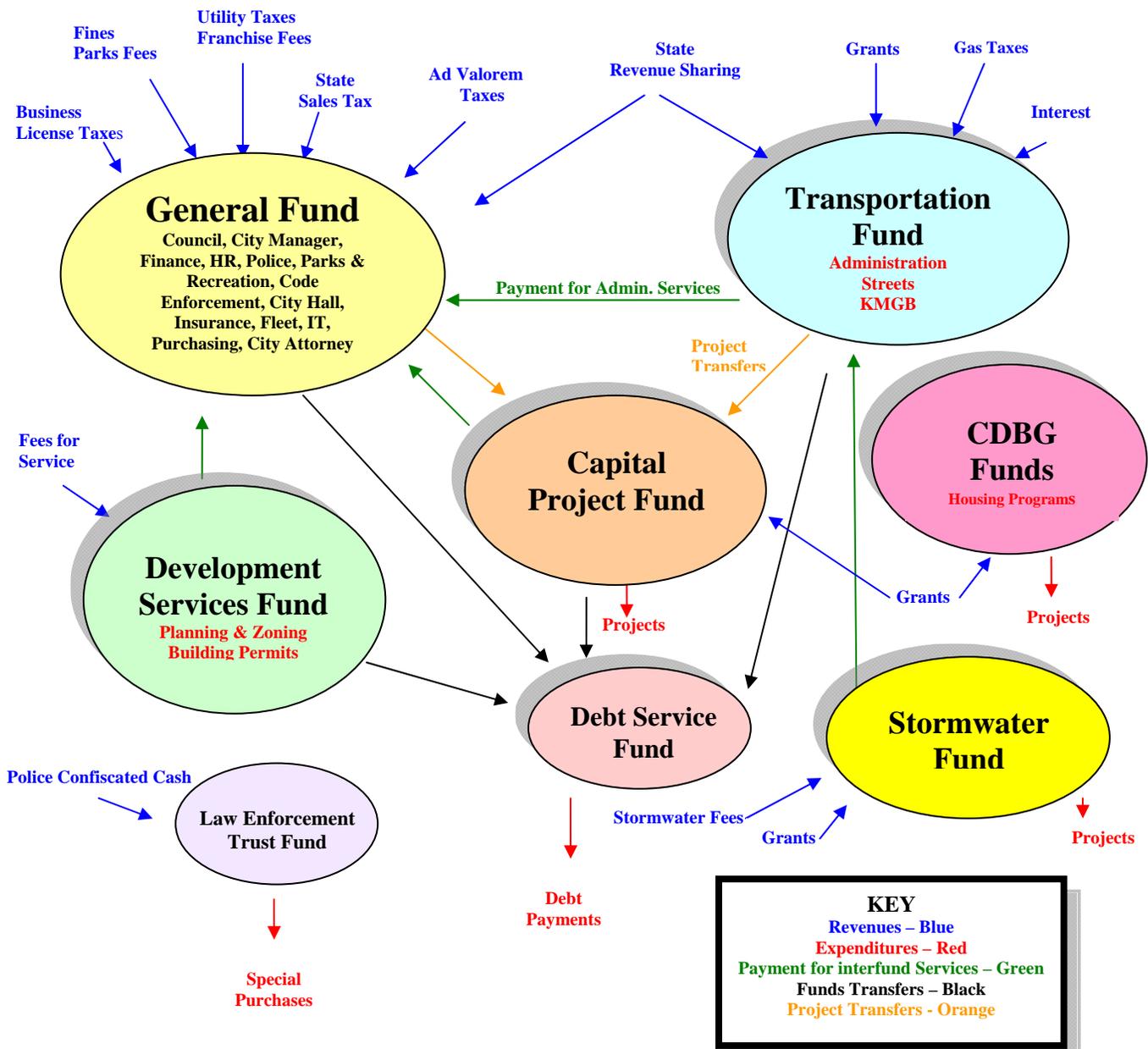
3. **Capital Project Fund (30)** – Capital Projects Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds and trust funds). The City’s Capital Project Fund was established with the FY 04-05 budget through a dedicated property tax transfer of \$500,000 per year into the fund. This fund serves as an operating fund for the construction of various projects and will receive grants and other project-oriented revenues.
4. **Debt Service Funds (21)** - Debt Service Funds account for the accumulation of resources for, and the payment of, principal, interest, and related costs on general long term debt (other than those payable from the operations of enterprise funds). The City currently has one debt service Fund.

- Proprietary Fund Types:

1. **Enterprise Funds** - Enterprise Funds are used to account for operations that are financed and operated in a manner similar to private business enterprises, where the intent of the governing body is that the costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes. The City does not anticipate having any enterprise funds.

**A. Stormwater Utility Fund (41)** – The Stormwater Utility Fund is used to account for revenues and expenditures related to the City’s stormwater utility operation. Major revenues include the \$4 per month stormwater utility fee and grants.

# Major Operating Funds Relationship Chart



**KEY**  
 Revenues – Blue  
 Expenditures – Red  
 Payment for interfund Services – Green  
 Funds Transfers – Black  
 Project Transfers - Orange

To the layman or the uninitiated, municipal budgeting is at best confusing. The use of separate “Funds” to account for operations is conceptually it is similar to a group of unrelated businesses that each has their own unique product, revenues and expenditures; however, they may “buy” certain “services” from each other but must pay for these services as would any business who, say hired another company to do its payroll or maintenance.

Some of these relationships are mandated by law (i.e. gas taxes must go into the Transportation Fund) while others are for convenience (i.e. Payment to the Capital Projects Fund for a specific project to be completed).

The concept that cities have one large pot of money that can be used for anything is widely held but erroneous.

## Expenditure Policies

The City shall operate on a current funding basis. Expenditures shall be budgeted and controlled so as not to exceed current revenues plus planned use of fund balance accumulated through the prior years.

1. The City Manager shall take immediate corrective actions if at any time during the fiscal year expenditure and revenue re-estimates are such that an operating deficit is projected at year-end. Expenditure deferrals into the following fiscal year, short-term loans, or use of one-time revenue sources shall be avoided.
2. The City manager shall undertake periodic staff and third party reviews of City programs for both efficiency and effectiveness. Privatization and contracting with other governmental agencies will be evaluated as alternatives to service delivery. Programs that are determined to be inefficient and/or ineffective shall be reduced in scope or eliminated.
3. The City shall make every effort to maximize any discounts offered by creditors/vendors. Staff shall also use competitive bidding to attain the best possible price on goods and services.
4. Normal maintenance requirements necessary to sustain the basic asset value will be included in the budget of the proper operating fund.
6. Contractual obligations and compensation plans for employees will be provided, including estimated pay-out amounts for accrued personal leave.
7. Capital for major improvements and automation of services will be based on multiple-year planning and cost benefit analysis.
8. Working Capital Reserve - This reserve should be established in all operating funds where emergencies may occur. The amount recommended is a minimum of \$50,000 to \$250,000 depending on the size of the fund.
9. Each year, the risk manager shall prepare an estimate of amounts to be budgeted for workers' compensation, self-insured, and malpractice claims.

## Fund Balance Policy

### Purpose

In 2009, the Governmental Accounting Standards Board (GASB) issued GASB Statement 54 *Fund Balance Reporting and Governmental Fund Type Definitions*. This statement substantially changes how fund balances are categorized. This policy establishes procedures for reporting fund balance classifications, and establishes prudent reserve

requirements also authorizes and directs the Finance Director to prepare financial reports, which accurately categorize fund balance according to GASB 54.

### **Definitions of Fund Balance**

Fund balance is the difference between the assets and liabilities reported in a governmental fund. GASB 54 established the following definite, each of which identifies the extent to which the City is bound to honor constraints on the specific purposes for which amounts can be spent.

A. Non-Spendable Fund Balance

The non-spendable fund balance classification includes amounts that cannot be spent because they are either (a) not in a spendable form or (b) legally or contractually required to be maintained intact. The “not spendable form” criterion includes items that are not expected to be converted to cash, for example, inventories and prepaid amounts. It also includes the long term amount of loans and notes receivable.

B. Restricted Fund Balance

This classification includes amounts that reflect constraints placed on the source of resources, other than non-spendable items that are either (a) externally imposed by creditors (such as through bonded debt reserve funds required pursuant to debt covenants), grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

C. Committed Fund Balance

This classification includes amounts that can only be used for specific purposes pursuant to constraints imposed by formal action (an ordinance or resolution) of the government’s highest level of decision making authority. The committed amounts cannot be used for any other purposes unless the government removes or changes the specific use by taking formal action. Committed fund balance also incorporate contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

D. Assigned Fund Balance

The assigned fund balance classification includes amounts that are constrained by the government’s intent to be used for specific purposes, but that are not restricted or committed. Such intent needs to be established by (a) the governing body itself for (b) a body or official to which the governing body has delegated the authority to assign amounts to be used for specific purposes. The authority to “assign” fund balance is delegated to the City Manager or his designee. A few examples for assigned fund balance is as follows:

Continuing Appropriations: Fund balance levels must be sufficient to meet funding requirements for projects approved in prior year and which must be carried forward into the next fiscal year.

Funds set aside for equipment replacement according to the City’s Capital Improvement Plan.

E. Unassigned Fund Balance

This classification is for the government’s General Fund and includes all spendable amounts not contained in the other classification, and therefore not subject to any constraints. Unassigned amounts are available for any purpose.

**Stabilization Arrangements**

Included in the City’s Adopted Budget each year, it is the City’s goal to maintain an unassigned general fund balance equal to 16% to 25% of the annual budgeted general fund expenditures. All unassigned general fund balance should be appropriated into the succeeding year’s budget and identified as “working capital reserve”.

**Comparison of Past Practice and GASB 54 Fund Balance Types**

<b>Past Practice</b>	<b>GASB 54 Format</b>
<b>Reservations:</b>	
Inherited: Inventories, Prepaids	<b>Non Spendable</b>
Legal restriction:	<b>Restricted</b>
Special Revenue Fund: Impact Fees	<b>Restricted</b>
Special Revenue Fund: Grants	<b>Restricted</b>
Development Service Fund	<b>Restricted</b>
Transportation Fund: Gas Tax	<b>Restricted</b>
Contractual restriction: Encumbrances	<b>Committed:</b> Contractual obligated
Capital Projects Fund	<b>Restricted:</b> Grant
<b>Unreserved, reported in</b>	<b>Assigned:</b>
Special Revenue Funds	Special Revenues with the exception listed above
Capital Projects Fund	Capital Projects with the exception listed above
Debt Service Fund	Debt Service
<b>Unreserved, undesignated:</b>	<b>Unassigned:</b> General Fund Only*

\*Exception: Other governmental funds have Expenditures that exceed the restricted or committed fund balance.

## **Specific Guidelines For Individual Funds**

**General Fund:** It is the objective of the City to pay as great a portion of operating expenses of the General Fund as possible from sources other than ad valorem taxes. Only to the extent that non-ad valorem tax sources of revenue are inadequate to support services at desired levels should ad valorem taxes be considered for an increase. Service charges and fees for all general fund services will be analyzed to ensure an appropriate proportional recovery of direct costs and overhead from Proprietary Funds.

The annual operating budget of any enterprise or special revenue operating fund shall pay the appropriate general fund operations for a portion of the cost of general administrative departments and a payment-in-lieu-of taxes which will be computed on the latest un-depreciated value as established in the latest C.A.F.R. Services charges, rent, and fee structure will be established so as to ensure recovery of all costs for these funds to the fullest extent possible, considering public benefit. All capital projects and capital bonds shall pay a one-time 2 ½% administrative fee to the General Fund for administration and accounting for such project.

## **Capital Asset Management Policies**

- **Threshold:** The City will capitalize all individual assets and infrastructure with a cost of \$5,000 or more and a life of 5 years or more (except computers at 3 years).
- **Asset categorization:** The City shall account for assets and infrastructure meeting the minimum dollar and life thresholds in the following categories:
  - Land
  - Buildings
  - Improvements
  - Equipment
  - Infrastructure
    - Roads
    - Stormwater system
    - Sidewalks
  - Construction in progress
- **Infrastructure Accounting:**
  - Pre-2003 valuations. Prior to the incorporation of the City in 2003, the City has used the estimated historical cost method of valuation.
  - Method:
    - The City determined the estimated cost of road replacement by using the Florida Department of

Transportation Statistics Unit Prices and then applied the US Bureau of Labor Statistics price trend Information for asphalt, concrete, paving mixtures and blocks weighted average deflator index in determining the present value of the roads.

- The Stormwater system estimated cost is based upon the Florida Department of Transportation Statistics Unit Prices and then applied the US Bureau of Labor Statistics price trend Information for storm sewer pipes and concrete pipes weighted average deflator index in determining the present value of the stormwater system.
- The City determined the estimated cost of sidewalks by using the Florida Department of Transportation Statistics Unit Prices and then applied the US Bureau of Labor Statistics price trend Information for asphalt, concrete, paving mixtures and blocks weighted average deflator index in determining the present value of the sidewalks.
- **Capital Expenditure/Capital Outlay** – Budget vs. GAAP (Generally Accepted Accounting Principles). Only assets or infrastructure with a value over \$5,000 will be budgeted as a capital item in the budget. Short lived assets which do not meet the capital asset threshold will be budgeted as operational materials and supplies.
  - Deprecation Method: GASB (Governmental Accounting Standards Board) Statement 34 requires governments to depreciate capital assets with a defined estimated life.
  - The City will use the straight line depreciation method.
  - There will be no depreciation on land or other assets with an indefinite life.
  - Construction in progress projects are not subject to depreciation until the projected is completed.
  - Depreciation expense is not calculated on the salvage value (value which the asset will not fall below).
- **Capital Assets** – Assets vs. Repair & Maintenance: GASB 34 requires that repair and maintenance items are expenses rather than capitalized assets.

- The criteria determining whether an item is capitalized or expensed is whether the service life of the assets will be extended.
  - The City will adapt this definition and capital expenditures that extend the life of the asset will be classified as capital assets.
- **Estimated useful assets life:** The estimated useful lives of the assets are based on City experience and established projections reflected in the 5 year capital plan. The useful life will be used when determining depreciation expense. The useful lives are:
  - Land – indefinite
  - Buildings – 40 years
  - Improvements – 15 years
  - Equipment :
    - Cars – 5 years
    - Trucks – 10 years
    - Equipment – 5 years
    - Computer equipment – 3 years.
  - Infrastructure:
    - Roads – 25 years
    - Stormwater system – 50 years
    - Sidewalks – 20 years
- **Five year capital plan:** The City prepares a 5 year capital plan which reports the capital asset budget needs for the City.
- **Fixed Asset Accounting.** The City will comply with the standards established by GASB 34 (Governmental Accounting Standards Board) and all subsequent pronouncements with forth by GASB or its successor organization.

## Capital Expenditures & Debt Policies

### All Funds

**Revenue:** Revenue projections for the Capital Improvement Budget shall be based on conservative assumptions of future earnings and bond market conditions.

**Requirements:** Capital projects shall be justified in relation to the applicable elements of the City’s comprehensive plan or other requirements or needs. Estimated

requirements for capital projects shall include all costs reasonably associated with the completion of the project. The impact of each project on the operating revenues and requirements of the City shall be analyzed as required by the general fiscal policy stated above.

**Long Term Debt:** Long term borrowing will not be used to finance current operations or normal maintenance. A policy of full disclosure will be followed in all financial reports and official statements for debt.

**Medium Term Debt:** Capital lease purchase methods, bonds, or other debt instruments may be used as a medium-term (5 to 8 years) method of borrowing for the financing of vehicles, other specialized types of equipment, or other capital improvements. The equipment or improvement must have an expected life at least equal to the years leased or financed. The City will determine and utilize the least costly financing methods available and where practical, shall use an open bid system for such financing. Such debt arrangements will be repaid within the expected life of the equipment or improvement acquired.

**Short Term Debt:** Short-term borrowing may be utilized for temporary funding of anticipated tax revenues; anticipated grant payments, anticipated bond proceeds, or other expected revenues. Such debt should normally be made from pooled cash; however, in rare circumstances, it may be by the use of the line-of-credit at the City's depository or other financial institution, utilizing a short-term note maturing before the end of the current appropriation period. Other short-term debt, such as tax exempt commercial paper, bond anticipation notes, tax anticipation notes, or grant anticipation notes, may be used when it provides immediate financing and an interest advantage, or the advantage to delay long-term debt until market conditions are more favorable. The City will determine and utilize the least costly method for short term borrowing. Short-term debt may be refunded in accordance with applicable federal laws. Anticipated funding is defined as an assured source with the anticipated amount based on conservative estimates.

### **Specific Guidelines**

**1. General Capital Improvements:** General capital improvements, or those improvements not related to City-owned enterprises, shall be funded from general operating fund revenues or fund balances, the sale of revenue or general obligation bonds, and from special assessments and grants.

**2. Pay-As-You-Go Capital Improvements:** Pay-as-you-go capital improvements shall be funded from general operating fund revenues or fund balances, state and federal grants, special assessments, or other sources of revenue which may become available to the City. Major capital projects related to the delivery of general public services shall be paid from general purpose revenues.

**3. Special Assessments:** When special assessments are used for pay-as-you-go general capital improvements where the City as a whole receives the benefit, the interest rate charged will be established by the City consistent with state law.

**4. Revenue Bond Debt Limit:** Sale of revenue bonds shall be limited to that amount which can be supported by user fees and other associated revenues. Revenue bond coverage shall not be less than parity required coverage or as fixed in the approving bond documents. *While the City has no legal debt limit*, it is the City's policy that the total net annual general revenue bond debt service should not exceed 15% of the total net general purpose revenue and other funds available for such debt service. Net annual debt service shall be gross annual debt service less estimated interest on debt service reserve accounts and funds from other governmental units designated for payment of such debt service.

**5. Enterprise Capital Improvements:** Enterprise revenue bond coverage shall not be less than parity or the required coverage, whichever is greater.

**6. Miscellaneous:** The maximum of net bonded debt per capita shall be \$1,000. The maximum percentage of annual debt service to general expenditures shall be 10%.

**7. Types of Debt Pledges:** There are different types of debt available to finance the City's needs. They are as follows:

- A. General obligation bonds: These bonds are secured by ad valorem tax beyond operating levels. All General Obligation Bond issuance must be approved by voters through a referendum. The State of Florida limits the General Obligation debt service not to exceed a tax of 2 mills.
- B. Covenant to Budget and Appropriate: This is a pledge that the City will consider making payment of debt service annually through budget process.
- C. Special Revenue Bonds: These bonds are repaid by the pledge of specific governmental revenue such as public service tax, gas tax or sales tax. This bond requires that the revenue stream be used first to satisfy the bond covenants and then used for other governmental purposes.
- D. Special Assessment Bonds: This bond is secured by special assessments that the City can levy. This includes any improvements to streets, such as sidewalk program, lighting program, traffic calming devices etc.
- E. State Revolving Loan: This is a low interest loan offered by the State for water, sewer and stormwater improvements. This loan is secured by user fees charged by the jurisdiction.

**7. Final Maturity:** The following is the guideline and is not a mandatory schedule; however, in no circumstances should the maturity of the loan be longer than the life of the assets.

- A. Vehicles/Equipment: 3-5 years
- B. Heavy Equipment such as loader, dump truck: 5-8 years
- C. Building: 20 – 30 years
- D. Infrastructure Improvement: 10 – 20 years
- E. Land: 20-30 years

**8. Debt Instruments:** The Finance Director shall choose the best structure of debt warranted by the market conditions and the project to be financed and recommend to Council for approval. The City also has the option of participating in one of the many pool bonds, where local government have joined together to issue debt to gain economy of scale to reduce issuance costs and to obtain better interest rate.

- A. Fixed Rate Bonds: Fixed rate bonds have the future principal and interest payments scheduled until maturity from the time of issuance.
- B. Variable Rate Notes: Variable rate notes are when the amount of interest paid changes in reaction to market demands and investor's preference. Variable rate debt should be used for two purposes: (1) as an interim financing device (during construction periods) and (2) subject to limitations, as an integral portion of a long-term strategy to lower the City's effective cost of capital. Under either circumstance, when the cycle of long-term rates moves down to or near historic lows, consideration should be given to converting to a fixed rate.
- C. Line or Letters of Credit: When the use is considered prudent the City can enter in agreements with local banks or other financial entities to acquire loans or letters of credit that provide City access to funds under emergency circumstances to fund temporary cash flow demands.

**10. Measures of Future Flexibility:** As the City addresses its needs at any one period in time, the Mayor and City Council must be prepared to ensure the flexibility to meet the present needs and challenges which face the community. Since neither State law nor the City Charter provide any fixed limits on the amount of debt which may be incurred (other than the requirement to have General Obligation debt approved in advance by referendum), the following targets or limits are established to ensure future flexibility. The following goals/targets are set to ensure the current and future flexibility, and financial vitality of the City.

Description	Ceilings
General Government Debt Service as a percentage non-ad valorem General Fund expenditures	
Debt Limit (net of General Obligation Bond)	10%
Goal/Target	8%
Weighted Average Maturity of Debt Programs:	
Self Supporting	10 years
Non-self-supporting	20 years
Weighted Average Maturity of Internal Loan Program:	5 years
General Government Direct Debt per capita	
Limit	\$1,000
Goal/Target	800
Annual Capital Projects Funding (paid as you go or debt service incurred) from non-advalorem tax	
Limit - mill	2
Goal/Target - mill	1.5
Unassigned Fund Balance	16-25% of annual operating budget

**11. Refunding Criteria:** Periodic review of the City’s outstanding debt should be undertaken to determine refunding opportunities. The City may issue refunding bonds when advantageous, legally permissible, prudent, and when aggregate net present value saving, expressed as a percentage of par amount for the refunding bonds, with a target range of 3-5% or when the average annual savings are greater than \$10,000 per year.

**12. Monitoring, Reporting, Amendments and/or Exceptions:** The Finance Director shall monitor the actual results against the targets presented in this policy and the report will include the following information, to the extent applicable:

- A. Debt Program Targets and
- B. Measures of Future Flexibility Targets;

From time to time, circumstances may suggest that an exception be approved to one or more of the policy constraints established herein. Amendments and/or exceptions must be submitted to the City Council and shall become effective only after approved by the City Council. This Debt Management Policy will be submitted for ratification by the City Council should economic circumstances arise.

**Policies and Procedures for Issuance and Post-Issuance Compliance with Internal Revenue Code Requirements**

The City issues tax-exempt and tax credit bonds (including certificates of participation) that are subject to certain requirements under the Internal Revenue Code (the “Code”). The City has established the policies and procedures outlined in this section in order to ensure compliance with the requirements of the Code that are applicable to tax-exempt bonds and tax credit bonds, including “Build America Bonds” that are “qualified bonds” within the meaning of Section 54AA thereof (“Direct-Pay BABs”) that are eligible for interest

subsidy payments (the “Subsidy”). These policies and procedures, coupled with requirements contained in the Arbitrage and Tax Certificate (the “Tax Certificate”) executed at the time of issuance of the bonds, are intended to constitute written procedures for compliance with the Federal tax requirements applicable to the bonds and for timely identification and remediation of violations of such requirements.

**1. General Matters.** The Finance Director shall have overall responsibility for ensuring that the ongoing requirements described in this section are met with respect to the bonds. The Finance Director shall identify additional employees who will be responsible for each of the procedures described in this section, notify the current holder of that office of the responsibilities, and provide that person with a copy of the procedures. New personnel will be advised of responsibilities under the procedures and the importance of the procedures. If positions are restructured or eliminated, responsibilities will be reassigned as necessary to ensure that all procedures are monitored.

**2. Periodic Review.** The Finance Director or other responsible persons should periodically review compliance with these procedures and with the terms of the related Tax Certificate to determine whether any violations have occurred so that such violations can be remedied through the “remedial action” regulations (Treasury Regulation §1.141-12) or the Voluntary Closing Agreement Program described in Internal Revenue Service (“IRS”) Notice 2008-31 (or successor guidance).

**3. Changes in Bond Terms.** If any changes to the terms of the bonds are contemplated, bond counsel will be consulted. Such modifications could result in a reissuance, i.e., a deemed refunding, of the bonds. Such a reissuance could jeopardize the status of any bonds that are Direct-Pay BABs and thereby affect the continued receipt of the Subsidy.

**4. Issue Price; Premium Limit for Build America Bonds.**

- A. In order to document the issue price of bonds, the Finance Director shall consult with bond counsel and obtain a written certification from the underwriter, placement agent or other purchaser of the bonds as to the offering price of the bonds that is in form and substance acceptable to the City and bond counsel.
- B. Prior to issuing Build America Bonds, the Finance Director shall consult with bond counsel and the City’s financial advisors to assure that the premium on each maturity of the bonds (stated as a percentage of principal amount) does not exceed one-quarter of one-percent (0.25%) multiplied by the number of complete years to the earlier of final maturity of the bonds or, generally, the earliest call date of the bonds, and that the excess of the issue price of the bonds over the price at which the bonds are sold to the underwriter or

placement agent, when combined with other issuance costs paid from proceeds of the bonds, does not exceed 2% of the sale proceeds of the bonds.

- C. In connection with monitoring the premium limitation that applies to the issuance of Build America Bonds, the Finance Director shall ensure that a party other than the underwriter or placement agent, such as the City's financial advisor, reviews the market trading activity of the bonds after their sale date but before their issuance date, answers such questions as the Finance Director shall reasonably ask of such party concerning such data, and produce such reports concerning the sales data as the Finance Director shall reasonably request. Market trading information is generally available through the Municipal Securities Rulemaking Board's Electronic Municipal Market Access System (EMMA) (<http://www.emma.msrb.org>).

#### **5. Information Reporting.**

- A. The Finance Director will confirm that bond counsel has filed the applicable information reports (such as Form 8038-G or Form 8038-B) for such bond issue with the IRS on a timely basis, and maintain copies of such form including evidence of timely filing as part of the transcript of the bond issue.
- B. For Direct-Pay BABs, the Finance Director shall review the IRS Form 8038-CP in order to ensure that the proper amount of interest is being reported and the proper amount of Subsidy is being requested with respect to each interest payment date. The Finance Director shall ensure that the IRS Form 8038-CP is filed on a timely basis with respect to each interest payment date in order to receive timely payment of the Subsidy. If the Subsidy is to be paid to a person other than the City (i.e., the bond trustee), the Finance Director shall obtain and record the contact information of that person, and ensure that it is properly shown on Form 8038-CP so that the direct payment will be made to the proper person.

#### **6. Use of Proceeds of Bonds.** The Finance Director or other responsible person shall:

- A. Maintain clear and consistent accounting procedures for tracking the investment and expenditures of bond proceeds, including investment earnings on bond proceeds.
- B. At or shortly after closing of a bond issue, ensure that any allocations for reimbursement expenditures comply with the Tax Certificate.

- C. With respect to Build America Bonds, monitor that no more than 2% of the sale proceeds are used to pay costs of issuance.
- D. With respect to Build America Bonds, determine the correct amount of available project proceeds and monitor that 100% of all sale proceeds and investment earnings on sale proceeds (other than proceeds used to pay costs of issuance or deposited in a reasonably required reserve fund) are allocated to capital expenditures in a timely fashion consistent with the requirements of the Tax Certificate.
- E. Utilize requisitions to draw down bond proceeds, and ensure that each requisition contains detailed information in order to establish when and how bond proceeds were spent; review them carefully before submission to ensure proper use of bond proceeds to minimize the need for reallocations.
- F. Ensure that a final allocation of bond proceeds (including investment earnings) to qualifying expenditures is made if bond proceeds are to be allocated to project expenditures on a basis other than “direct tracing” (direct tracing means treating the bond proceeds as spent as shown in the accounting records for bond draws and project expenditures). An allocation other than on the basis of “direct tracing” is often made to reduce the private business use of bond proceeds that would otherwise result from “direct tracing” of proceeds to project expenditures. This allocation must be made within 18 months after the later of the date the expenditure was made or the date the project was placed in service, but not later than five years and 60 days after the date the bonds are issued, or 60 days after the bond issue is retired. Bond counsel can assist with the final allocation of bond proceeds to project costs.
- G. Maintain careful records of all project and other costs (e.g., costs of issuance, credit enhancement and capitalized interest) and uses (e.g., deposits to a reserve fund) for which bond proceeds were spent or used. These records should be maintained separately for each issue of bonds.

**7. Monitoring Private Business Use.** The Finance Director or other responsible person shall:

- A. Review all of the following contracts or arrangements with non-governmental persons or organizations or the federal government (collectively referred to as “private persons”) with respect to the

bond-financed facilities which could result in private business use of the facilities:

- i. Sales of bond-financed facilities;
  - ii. Leases of bond-financed facilities;
  - iii. Management or service contracts relating to bond-financed facilities;
  - iv. Research contracts under which a private person sponsors research in bond- financed facilities; and
  - v. Any other contracts involving “special legal entitlements” (such as naming rights or exclusive provider arrangements) granted to a private person with respect to bond-financed facilities.
- B. Before amending an existing agreement with a private person or entering into any new lease, management, service, or research agreement with a private person, consult bond counsel to review such amendment or agreement to determine whether it results in private business use.
- C. Establish procedures to ensure that bond-financed facilities are identified and are not used for private use without written approval of the Finance Director or other responsible person.
- D. Analyze any private business use of bond-financed facilities and, for each issue of bonds, determine whether the 10% limit on private business use (5% in the case of “unrelated or disproportionate” private business use) is exceeded, and contact bond counsel or other tax advisors if either of these limits is exceeded.
- E. If private business use limits are exceeded, consult with bond counsel to determine if a remedial action is required with respect to nonqualified bonds of the issue under Treasury Regulation §1.141-12, or if the IRS should be contacted under its Voluntary Closing Agreement Program.
- F. Retain copies of all of the above contracts or arrangements (or, if no written contract exists, detailed records of the contracts or arrangements) with private persons for the period indicated below.

- G. Ensure that loans to persons other than governmental units made with proceeds of bonds comply with the limitations provided in the Code. Consult bond counsel if any such loans are contemplated.

**8. Arbitrage and Rebate Compliance.** The Finance Director or other responsible person shall:

- A. Review each Tax Certificate to understand the specific requirements that are applicable to each bond issue.
- B. Record the arbitrage yield of the bond issue, as shown on IRS Form 8038-G or 8038-B.
- C. Review the Tax Certificate to determine the “temporary periods” for each bond issue, which are the periods during which proceeds of bonds may be invested without yield restriction.
- D. Ensure that any investment of bond proceeds after applicable temporary periods is at a yield that does not exceed the applicable bond yield, unless yield reduction payments can be made pursuant to the Tax Certificate.
- E. Monitor that bond proceeds (including investment earnings) are expended promptly after the bonds are issued in accordance with the expectations for satisfaction of three-year or five-year temporary periods for investment of bond proceeds and to avoid “hedge bond” status.
- F. Ensure that investments acquired with bond proceeds satisfy IRS regulatory safe harbors for establishing fair market value (e.g., through the use of bidding procedures), and maintaining records to demonstrate satisfaction of such safe harbors.
- G. Consult with bond counsel before engaging in credit enhancement or hedging transactions relating to a bond issue, and before creating separate funds that are reasonably expected to be used to pay debt service on bonds. Maintain copies of all contracts and certificates relating to credit enhancement and hedging transactions that are entered into relating to a bond issue.
- H. Before beginning a capital campaign that may result in gifts that are restricted to bond-financed projects (or, in the absence of such a campaign, upon the receipt of such restricted gifts), consult bond counsel to determine whether replacement proceeds may result.

- I. Even after all proceeds of a given bond issue have been spent, ensure that the debt service fund meets the requirements of a “bona fide debt service fund,” i.e., one used primarily to achieve a proper matching of revenues with debt service that is depleted at least once each bond year, except for a reasonable carryover amount not to exceed the greater of: (i) the earnings on the fund for the immediately preceding bond year; or (ii) one-twelfth of the debt service on the issue for the immediately preceding bond year. To the extent that a debt service fund qualifies as a bona fide debt service fund for a given bond year, the investment of amounts held in that fund is not subject to yield restriction for that year.
- J. Ensure that amounts invested in any reasonably required debt service reserve fund do not exceed the least of: (i) 10% of the stated principal amount of the bonds (or the sale proceeds of the bond issue if the bond issue has original issue discount or original issue premium that exceeds 2% of the stated principal of the bond issue plus, in the case of premium, reasonable underwriter’s compensation); (ii) maximum annual debt service on the bond issue; or (iii) 125% of average annual debt service on the bond issue.
- K. Review the Arbitrage Rebate covenants attached to the Tax Certificate. Subject to certain rebate exceptions described below, investment earnings on bond proceeds at a yield in excess of the bond yield (i.e., positive arbitrage) generally must be rebated to the U.S. Treasury, even if a temporary period exception from yield restriction allowed the earning of positive arbitrage.
  - i. Ensure that rebate calculations will be timely performed and payment of rebate amounts, if any, will be timely made; such payments are generally due 60 days after the fifth anniversary of the date of issue of the bonds, then in succeeding installments every five years. The final rebate payment for a bond issue is due 60 days after retirement of the last bond of the issue. The City should hire a rebate consultant if necessary.
  - ii. Review the rebate section of the Tax Certificate to determine whether the “small issuer” rebate exception applies to the bond issue.
  - iii. If the 6-month, 18-month, or 24-month spending exceptions from the rebate requirement (as described in the Tax Certificate) may apply to the bonds, ensure that the spending of proceeds is monitored prior to semi-annual spending dates for the applicable exception.

- iv. Make rebate and yield reduction payments and file Form 8038-T in a timely manner.
- v. Even after all other proceeds of a given bond issue have been spent, ensure compliance with rebate requirements for any debt service reserve fund and any debt service fund that is not exempt from the rebate requirement (see the Arbitrage Rebate covenants attached to the Tax Certificate).
- vi. Maintain records of investments and expenditures of proceeds, rebate exception analyses, rebate calculations, Forms 8038-T, and rebate and yield reduction payments, and any other records relevant to compliance with the arbitrage restrictions.

**9. Record Retention.** The Finance Director or other responsible person shall ensure that for each issue of bonds, the transcript and all records and documents described in these procedures will be maintained while any of the bonds are outstanding and during the three-year period following the final maturity or redemption of that bond issue, or if the bonds are refunded (or re-refunded), while any of the refunding bonds are outstanding and during the three-year period following the final maturity or redemption of the refunding bonds.

## Investment Policies

### Scope

This investment policy applies to all financial assets of the City of Miami Gardens, which are under the direct control of the City Council.

### Investment Objectives

The following investment objectives will be applied in the management of the City's funds.

**1. Safety of Capital** - Safety of capital is regarded as the highest priority in the handling of investments for the City. All other investment objectives are secondary to the safety of capital. Each investment transaction shall seek to first ensure that capital losses are avoided, whether they are from securities defaults or erosion of market value. From time to time, securities may be traded for other similar securities to improve yield, maturity, or credit risk. For these type transactions, a loss may be incurred for accounting purposes, provided any of the following occurs with respect to the replacement security:

- a. Yield has been decreased;
- b. Maturity has been reduced;
- c. Quality of the investment has been improved.

**2. Liquidity** - The City's investment strategy will provide sufficient liquidity such that cash flow requirements are met through the utilization of marketable securities with structured maturities.

**3. Yield** - In investing public funds, the City will strive to maximize the return on the portfolio but will avoid assuming unreasonable risk.

### **Standards of Care**

**1. Prudence and Ethical Standards** – The “prudent person” standard shall be used in the management of the overall investment portfolio. The prudent person standard is herewith understood to mean the following: Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion, and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived. Investment officers, or persons performing the investment functions, acting as a “prudent person” in accordance with this written policy and procedures, exercising due diligence and investments authorized by law, shall be relieved of personal responsibility, for an individual security's credit risk or market price changes, provided deviations from expectations are reported in a timely fashion, as described in the internal control section of this policy, and appropriate action is taken to control adverse developments.

**2. Investment Authority** - Responsibility for the administration of the investment program is vested in the City Manager. The City Manager shall exercise this authority and regulate the administration of the investment program through the Finance Department. No person may engage in an investment transaction except as stated in the internal controls section of the policy.

**3. Ethics and Conflicts of Interest** – The Mayor, City Council, City Manager, and Finance Department employees involved in the investment process shall refrain from personal business activity that could conflict with the proper execution and management of the investment program, or that could impair their ability to make impartial decisions. The above personnel shall disclose any material interests in financial institutions with which they conduct business and any personal financial or investment positions that could be related to the performance of the investment portfolio. Investment related officers and personnel shall refrain from undertaking personal investment transactions with the same individual with whom business is conducted on behalf of their entity.

## Safekeeping And Custody

### Authorized Investment Institutions and Broker/Dealers

Documented lists of the authorized financial institutions and broker/dealers will be developed and maintained by the Finance Director and approved by the City Manager. Broker/ dealers will consist of banks, regional firms, and other recognizable firms in the general securities business. All such institutions shall be on the State of Florida authorized institution list. Evaluation criteria will include:

- a. The institutional and broker qualification as they relate to both general and specific product knowledge;
- b. The technical support capabilities as well as the operations efficiency of the organization;
- c. The ability to provide value added services;
- d. Pricing competitiveness based on the ability of the dealer to support both the “bid” and “ask” side of various securities market instruments.
- e. The financial strength and security of the company; and
- f. Have a minimum capital of \$10 million. Before engaging in investment transactions with a financial institution or broker/dealer, the Finance Director will have received from said a signed investment certification form attesting that the individuals responsible for the City’s accounts have reviewed the City’s investment policy and that they agree to undertake reasonable efforts to preclude imprudent transactions involving the City’s funds.

Time, practicality, and general business constraints limit the number of investment relationships which can be managed on a regular basis. In most cases, normal investment activity will be limited to no more than five relationships. In all cases, investment relationships will consist of a minimum of three institutions. If at any time the City Manager is appropriately notified of any threat to the integrity of the investment portfolio, proper security measures may be suggested and implemented, and the clerk shall have the option to further restrict investment in selected instruments, to conform to then present market conditions. Repurchase agreements will be conducted through, and negotiated only with, qualified public depository financial institutions and primary securities broker/dealers. A written master repurchase agreement will be negotiated with any institution with which the City, through the clerk, enters into a specific repurchase agreement.

## **Internal Controls**

The City Manager shall exercise and monitor a set of internal controls which are designed to protect the City's funds and ensure proper accounting and reporting of the securities transactions. Such internal controls shall consist of the following:

- a. All securities purchased or sold will be transferred only under the "delivery versus payment" method to ensure that funds or securities are not released until all criteria relating to the specific transactions are met.
- b. The City Manager is authorized to accept, on behalf of and in the name of the City of Miami Gardens, bank trust receipts and/or confirmations as evidence of actual delivery of the obligation or securities in return for investment of funds. Trust receipts or confirmations shall fully describe the various obligations or securities held. The receipt or confirmation shall state that the investment is held in the name of the City of Miami Gardens.
- c. Written documentation and/or confirmation of telephone transactions and wire transfers will be maintained.
- d. There will be adequate separation of duties with clear delegation of authority among investment personnel.
- e. Custodial safekeeping shall be properly utilized.
- f. Investment review and performance reporting, interim and annual, shall be done by the Finance Director and reviewed by the City Manager.
- g. The Finance Director will promptly notify the City Manager of any threat to the safety of the portfolio and proper security measures will be suggested and implemented to conform to market conditions.
- h. There will be an avoidance of bearer-form securities.
- i. There will be no physical delivery of securities, except certificates of deposit, which will be maintained in a safe in an approved financial institution.
- j. There will be a prohibition of collusion.
- k. A wire transfer agreement with the custodial bank outlining the various controls and security provisions for making and receiving wire transfers shall be executed.
- l. Quarterly safekeeping account statements shall be maintained.

- m. Transaction confirmations will be received from the financial institution or securities dealer awarded the investment and maintained as investment document.
- n. Periodic training and educational opportunities will be provided and made available concerning investments and related subjects for appropriate personnel.
- o. Investment activity will be performed by the Finance Director and subsequently approved by the City Manager. In the absence of the Finance Director, the Chief Staff Accountant responsible for overseeing investment record keeping, will perform the investment activity and obtain approval of the City Manager.
- p. The following personnel are designated by the City Manager as having authority to initiate all investment activities.
  - 1. Finance Director
  - 2. Chief Staff Accountant responsible for overseeing investment record keeping (if one is appointed).
- q. Additional controls will be established in written policies and procedures by the City Manager as needed.
- r. The internal controls for investments receipts to the City Manager's office listing the specific instrument, par value, rate, maturity, and any other pertinent information. In addition, the safekeeping institution shall send a report on at least a quarterly basis listing all securities held in each safekeeping account which shall be verified by the City Manager's office. All securities purchased by the City under this policy shall be purchased using the "delivery versus payment" procedure. If it is ever determined to be necessary to perform security transactions on a "free delivery" basis, or to have securities held by the broker/dealer for a temporary period, the approval of the Finance Director must be secured prior thereto and the reason documented in writing.

### **Suitable And Authorized Investments**

The City shall limit investments to:

- 1. Negotiable direct obligations of, or obligations the principal and interest of which are unconditionally guaranteed by, and which carry the full faith and credit of, the United States Government and its agencies. Investments in this category would include, but not be limited to, the following: United States Treasury Bills, Notes and Bonds, and securities issued by the Government

National Mortgage Association (Ginnie Mae), and Federal Housing Administration.

2. Fully collateralized United States Agency obligations which carry an implied guarantee and the implied full faith and credit of the United States Government. Investments in this category would include, but not be limited to, the following: obligations of the Federal Home Loan Mortgage Corporation (FHLMC) and the Federal National Mortgage Association (FNMA)

3. Other United States Agency obligations which carry an implied guarantee and the implied full faith and credit of the United States Government. Investments in this category would include but not be limited to the following: obligations of the Federal Farm Credit Bank, Federal National Mortgage Association (Fannie Mae), Federal Home Loan Mortgage Corporation (Freddie Mac), Student Loan Marketing Association (Sallie Mae), Financial Assistance Corporation, and Federal Agriculture Mortgage Corporation (Farmer Mac).

4. Permitted investments in the above listed agencies and instrumentalities shall include bonds, debentures, notes, or other evidence of indebtedness issued including mortgage pass-throughs, collateralized mortgage obligations, adjustable rate securities, and adjustable rate mortgages.

5. Interest bearing savings accounts, money market accounts, certificates of deposit, money market certificates, or time deposits constituting direct obligations of any bank or savings and loan association certified as a qualified public depository by the State.

6. Repurchase agreements collateralized by securities otherwise authorized in paragraphs one to five.

7. State of Florida Local Government Surplus Funds Trust Fund.

8. Purchase of Tax Certificates. The City may invest in delinquent tax certificates for property located in Miami Gardens within the following guidelines:

- a) First year tax certificates must be purchased from the property appraiser's second tax certificate sale each year (18% fixed sale).
- b) Second year certificates must be from those properties for which the City holds the first year certificate.

- c) The City shall not purchase any certificate on any property for which there is a current homestead exemption and which is currently occupied.
- d) City staff shall review all properties from which a tax deed is eligible and shall recommend to City Council those properties that will serve a public purpose through community redevelopment, parks and recreation, public infrastructure, housing assistance potential, revenue generation or other such purpose that City Council may deem appropriate.
- e) Prior to filing for a tax deed to any property, the City Council must approve by Resolution the acquisition of such property.

9. The City Council of the City of Miami Gardens adopted a policy to incorporate the State of Florida's "Protecting Florida's Investment Act," (Chapter 2007-88, Laws of Florida), prohibiting the investment of public funds managed by the City in any "scrutinized companies" with active business operations in Sudan or Iran, as listed by the State Board of Administration (SBA) on a quarterly basis, in accordance with the provisions of the Act

#### Bid Requirement

When purchasing or selling securities, the Finance Director, or his designated staff, will obtain competitive bids or offerings from at least three dealers, except in situations where:

1. The security involved is a "new original issue" and can be purchased at par prior to issue date, or "at the window" at date of sale;
2. The security involved is available through direct issue or private placement;
3. The security involved is of particular special interest to the entity and dealer competition could have an adverse impact with respect to the price and availability to the entity.

#### Reporting

For any investment other than the State Board of Administration (SBA), the Finance Director shall generate monthly reports for management purposes. In addition, he/she shall submit an annual report for submission to the Council, which presents the City's portfolio by type of investment, book value, income earned, and market value as of the report date.

## Investment Parameters

**1. Liquidity Requirements** - To meet the day to day operating need of the City and to provide the ready cash to meet unforeseen temporary cash requirements, a liquidity base of approximately two months of anticipated disbursements, excluding bond construction payments made from escrow or trust accounts, will be kept in relatively short term investments. These would include State of Florida Local Government Surplus Funds, Trust Fund, Discount Notes, Repurchase Agreements.

**2. Portfolio Composition; Risk and Diversification** - Prudent investing necessitates that the portfolio be diversified as to instruments and dealers. The following limits are hereby established to serve as guidelines for diversification by instrument. These guidelines may be revised by the City Manager for special circumstances.

Local Government Surplus Funds Trust Fund 100%  
United States Treasury Bills/Notes/Bonds 75%  
Other United States Government Agencies 75%  
Repurchase Agreements 35%  
Certificates of Deposit 10%  
Collateralized Mortgage Obligations 10%

**3. Performance Standard** - The City seeks to optimize return on investments within the constraints of safety and liquidity. The investment portfolio shall be designed with the annual objective of exceeding by 25 basis points above the weighted average return earned on investments held the State Board of Administration.

## **Budget Policies**

### Budgetary Practices and Basis of Budgeting

**Balanced Budget** – A budgetary state in which planned expenditures equal anticipated revenues. In Florida, it is a requirement that all governmental operating budgets submitted and approved, must be balanced without borrowing.

**A. Operating Budget Practices:** Each department and division prepares its own budget for review by the City Manager. The budget is approved in the form of an appropriations ordinance after the Mayor and Council have conducted advertised public hearings. The Operating Budget is adopted at the Fund level. During the year, it is the responsibility of the City Manager to administer the budget. The legal

control, which the budget ordinance establishes over spending, is set up under Generally Accepted Accounting Principles. The City Manager has the authority to transfer budgeted amounts between departments within any Fund, but changes in the total appropriations level for any given Fund can only be enacted by the Mayor and Council through an amendment to the current appropriations ordinance, except for prior year encumbrances carried-forward, grants, reimbursements and bond proceeds, which the City Manager may appropriate to the appropriate fund without further Council action.

The City will adopt an annual General Fund budget in which expenditures, net of pay-as-you-go capital project contributions, do not exceed projected revenues. As a management policy, budgetary control is maintained in the General and the Special Revenue Funds at the program level by the encumbrance of estimated purchase amounts prior to the release of purchase orders to vendors. Purchase orders which result in overruns of balances are not processed (locked out of the computer system) until sufficient appropriations are made available through approved intrafund transfers.

The City Manager is authorized by the City's adopted purchasing ordinance, to expend certain amounts without further action by City Council. The Manager is authorized to expend up to \$10,000 without bidding; however, the City Manager has established a staff policy that generally requires multiple quotes for such purchases. Authorization to approve purchase orders under this amount has been delegated to the Assistant City Managers. Purchases between \$10,000 and \$25,000 can be authorized by the City Manager subject to the securing of at least three (3) written quotes. Purchases between \$25,000 and \$50,000 can be authorized by the City Manager after a formal, sealed bidding process. Such purchases are reported after the fact to City Council in a monthly report. All purchases over \$50,000 must be approved by City Council.

**B. Basis of Accounting and Budgeting:** The basis for budgeting is the same as the basis for accounting. Budgets for General, Special Revenue, Capital Projects, and Debt Service Funds are adopted on a basis consistent with Generally Accepted Accounting Principles. Accordingly, all Governmental Fund budgets are presented on the modified accrual basis as well as the "current resources measurement focus." Under this method of accounting, revenue is recorded when susceptible to accrual, such as when measurable and available for the funding of current appropriations. The Governmental Funds are the General Fund, the Special Revenue Funds, the Capital Projects Fund, and the Debt Service Fund. Enterprise Fund budgets are presented on the full accrual basis as well as "the economic resources measurement focus". Under this method of accounting, revenues are recognized when earned, as billed and unbilled, and expenditures are recorded when incurred. The City has only one Enterprise Fund, the Stormwater Fund. See the Fund Summaries Budget Detail sections for detailed information on the Fund descriptions.

**C. Capital Improvements Program Practices:** Along with the operating budget, the City Manager submits a Capital Improvements Program (CIP) to the Mayor and Council. This document provides for improvements to the City's public facilities for the ensuing fiscal year and five years thereafter. The first year of the plan establishes a capital budget for the new fiscal year. The remaining five years serve as a guide for use in determining probable future debt issuance needs and operating cost impacts. The Capital Budget is adopted at the Fund level. CIP expenditures are accounted for in the Capital Projects Fund or the Enterprise Funds, as appropriate, and are funded by a variety of sources. The City strives to maintain a reasonable balance between "pay-as-you-go" financing and bond financing for its capital improvements in order to maintain debt within prudent limits. In September 2009, City Administration visited Standard and Poor's and provided them with the required information and obtained an "A-Stable" bond rating.

### **Other Budget Policies**

1. Formal budgetary integration is employed as a management control device during the year for all funds.
2. All fund budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP).
3. Florida Statutes provide that expenditures in excess of those total fund budgets are unlawful.
4. Unused appropriations lapse at the end of each fiscal year. Such unexpended funds may be retained in the appropriate fund's reserve or budgeted for the subsequent fiscal year.
5. The City has chosen to implement GASB 45 through a combination of pay-as-you-go and trust reserve. For those amounts accruing for implied future costs, the City's policy is to fund these expenses as it always has, on a yearly, pay-as-you-go budget basis. The City's health insurance premiums are highly competitive with other cities and the addition of future retirees is not expected to have more than an incremental affect on this budgetary item.

As for those future costs associated with the City's own post-retirement benefits, the will be a direct expense of the City thus the City has elected to establish a trust for these future expenditures.

# Budget Amendments

## Budget Amendments

The City adopts the annual budget at the Fund level. Budget amendments are required when it is necessary to move funds between budgeted funds, to create new funds, or to appropriate funds from fund balance. Generally, budget amendments are done once or twice each year.

## Internal Budget Adjustments (Budget Transfers)

### General

Budget adjustments are designed to give the City Manager a degree of flexibility in his/her budgetary administration. They may generally be approved for one of four reasons. First, a budgetary mistake may have been made in the approved budget. Because the budget cycle must begin so early in the year, it is very easy to overlook certain items which should have been included, or to over and/or underestimate the expenses or need for certain other items. A second reason for which transfers should be approved is emergency purchases. In many instances, equipment, supply, or maintenance costs must be incurred at a higher level than could have been anticipated due to a breakdown of equipment, the assumption of a new service, or unusually large contract prices.

A third reason for an amendment is an avoidance of future cost increases. Such opportunities often arise when a certain product or service can be purchased at a certain time rather than putting off the purchase until a later date.

Finally, a municipal organization needs to be dynamic to respond to change. Often this requires moving funds from one area to another.

Budget adjustments exist for very specific reasons, as noted above and should not be used to balance an organization's budget each month. Operating within one's available budgetary resources is a managerial responsibility, and one which should be taken very seriously. While the approved budget is only a plan and can be changed as circumstances change; it should be adhered to as closely as possible. The budget should contain a reasonable working capital reserve account in each Fund to meet unexpected needs.

When needs are less than originally anticipated or should prices come in lower than budgeted, excess funds should accrue as savings to the City. They should not be considered as available dollars for additional expenditures beyond the appropriation level contained in the approved budget without specific justification. These accrued savings become fund balance reserve or cash forward in the next year's budget, a valuable revenue in maintaining service levels and avoiding tax rate increases. The more that can be accrued in one year, the easier the budget process will be the next year.

Capital equipment item funds are budgeted for in the annual budget; however, as needs change, individual items are not specifically approved in the budget. Additional capital equipment needs can be purchased if funds are available. First, if the amount does not exceed \$10,000, and if the requesting party has the funds available, then the Department Head can approve the purchase. If the individual item or systems exceed \$10,000 but do not exceed \$50,000, and if the requesting party has funds available, then the City Manager can approve the purchase after following approved purchasing procedures. Individual items or systems over \$50,000 require City Council approval with justification of fund availability whether from the adopted budget or the appropriate reserve.

### **Encumbrances**

Encumbrances represent commitments related to unperformed contracts for goods or services. Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of resources are recorded in order to reserve that portion of the applicable appropriation, is utilized in the governmental funds.

### **Policies**

6. The City Manager is authorized to make budgetary transfers, limited to line item allocations within a single fund, including apportioning budgets within funds to line items in the Chart of Accounts for the City. Said authority includes the authority to correct inter-programmatic budgeting and accounting allocations. The budgetary level of control is at the fund level.
6. The City Manager has the authority to adjust the adopted budget to correct scrivener's errors.
7. A receipt of revenue from a source not anticipated in the budget and received for a particular purpose including, but not limited to, grants, donations, gifts, or reimbursement for damages, may be appropriated by the City Manager and expenditures provided for in the budget.
8. The City Manager is hereby authorized to create a suspension reserve account in each fund and, further, authorized to transfer funds across appropriation centers into said accounts.

## Accounting, Auditing & Financial Reporting

1. The City's accounting and financial reporting systems will be maintained in conformance with Generally Accepted Accounting Principles (GAAP) and the standards set by the Governmental Accounting Standards Board (GASB) and the Government Finance Officers Association (GFOA).
2. An independent public accounting firm will perform an annual audit. The auditor's opinion will be included with the City's published Comprehensive Annual Financial Report (CAFR).
3. The City's CAFR will be submitted to the GFOA Certification of Achievement for Excellence in Financial reporting Program. The financial report should be in conformity with GAAP, demonstrate compliance with finance related legal and contractual provisions provide full disclosure of all financial activities and related matters, and minimize ambiguities and potentials for misleading inference.
4. The City's budget will be submitted to the GFOA Distinguished Budget Presentation Program. The budget should satisfy criteria as a financial and programmatic policy document, as a comprehensive financial plan, as an operations guide for all organizational units and as a communications device for all significant budgetary issues, trends, and resources.
5. The Finance Department will also prepare, in conjunction with the release of the CAFR, the "Popular Annual Financial Report" which is a condensed and easy to read version of the annual CAFR. This document will be provided to residents so that they can easily understand how the City is using their funds. This document will also be submitted to the GFOA committee in order to receive their award.
6. Financial systems will be maintained to monitor revenues, expenditures, and program performance on an ongoing basis.
7. Monthly budget reports shall be prepared and presented to the City Council on a timely basis.
8. The Finance Department will also prepare, in conjunction with the release of the CAFR, an annual "Financial Trends Report" and presented to the City Council on a timely basis.

Prepare and present regular reports that analyze, evaluate, and forecast the City's financial performance and economic conditions.



## Financial Summaries Funds and Details of Principal Funds, FY 11-12 Budget

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## Consolidated Budget Summary - FY 11-12 Summary of Funds

Description	Recommended Budget
<b>BEGINNING FUND BALANCE - ALL FUNDS</b>	<b>\$3,815,335</b>
REVENUES - ALL FUNDS	
Property Taxes	\$21,662,864
Franchise Fees	\$4,020,000
Intergovernmental Revenue	\$10,464,242
Utility Taxes	\$10,140,917
Fuel Taxes	\$2,178,690
Fines and Forfeitures	\$3,360,642
Public Safety	\$1,022,940
Licenses & Permits & Fees	\$7,572,830
Miscellaneous	\$2,273,294
Culture & Recreation	\$3,250,528
Grants and Loans	\$5,031,036
Impact Fees	\$141,300
Interfund Transfers	\$8,642,922
<b>TOTAL REVENUES - ALL FUNDS</b>	<b>\$79,762,205</b>
<b>TOTAL RESOURCES AVAILABLE - ALL FUND</b>	<b>\$83,577,540</b>
EXPENDITURES - ALL FUNDS	
Operating Expenditures	
Personal Services	\$44,391,648
Operating Expenses	\$13,840,973
Debt Service Payment	\$6,856,214
Interfund Transfers	\$8,556,893
Non-Operating Expenses	\$7,707,271
Total Operating Expenditures - All Funds	<b>\$81,352,999</b>
Capital Outlay	\$2,224,541
<b>TOTAL EXPENDITURES - ALL FUNDS</b>	<b>\$83,577,540</b>
	<b>\$0</b>

## Summary of Funds General Fund Budget Summary - FY 11-12

Description	Recommended Budget
<b>BEGINNING FUND BALANCE</b>	<u><u>\$1,823,358</u></u>
REVENUES - GENERAL FUND	
Property Taxes	\$21,662,864
Franchise Fees	\$4,020,000
Intergovernmental Revenue	\$9,429,315
Utility Taxes	\$10,140,917
Fines and Forfeitures	\$3,349,642
Public Safety	\$1,022,940
Licenses & Permits	\$1,842,500
Miscellaneous	\$1,871,749
Culture & Recreation	\$3,250,528
Grants and Loans	\$706,175
Interfund Transfers	\$1,417,094
<b>TOTAL REVENUES</b>	<u><u>\$58,713,723</u></u>
<b>TOTAL RESOURCES AVAILABLE - GENERAL FUND</b>	<u><u>\$60,537,081</u></u>
EXPENDITURES	
Legislative	\$358,001
City Manager	\$851,773
Media & Special Events	\$2,243,850
City Clerk	\$619,924
Finance	\$638,244
Human Resources	\$784,323
City Attorney	\$500,279
Crossing Guards	\$670,940
Police	\$28,484,908
Code Enforcement	\$1,419,385
Parks & Recreation	\$6,277,450
Purchasing	\$300,332
Information Technology	\$2,305,527
Fleet	\$1,975,859
Non-Departmental	\$13,106,286
<b>TOTAL EXPENDITURES</b>	<u><u>\$60,537,081</u></u>
<b>ENDING GENERAL FUND BALANCE</b>	<u><u>\$0</u></u>

## Summary of Funds Transportation Fund Budget Summary FY 11-12

Description	Recommended Budget
<b>BEGINNING FUND BALANCE</b>	<u><u>\$0</u></u>
REVENUES - TRANSPORTATION FUND	
Fuel Taxes	\$2,178,690
State Revenue Sharing	\$1,034,927
Grants	\$35,000
Permits	\$36,000
Miscellaneous Revenues/Interest	\$8,550
Interfund Transfers	\$171,273
<b>TOTAL REVENUES</b>	<u><u>\$3,464,440</u></u>
<b>TOTAL FUNDS AVAILABLE - TRANSPORTATION FUND</b>	<u><u>\$3,464,440</u></u>
EXPENDITURES - TRANSPORTATION FUND	
Administration Division	\$1,365,563
Keep Miami Gardens Beautiful Division	\$200,189
Streets Division	\$1,898,688
<b>TOTAL EXPENDITURES</b>	<u><u>\$3,464,440</u></u>
<b>ENDING TRANSPORTATION FUND BALANCE</b>	<u><u>\$0</u></u>

**Summary of Funds  
Development Services Budget Summary  
FY 11-12**

<b>Description</b>	<b>Recommended Budget</b>
<b>BEGINNING FUND BALANCE</b>	<u><u>\$0</u></u>
<b>REVENUES - DEVELOPMENT SERVICES FUND</b>	
Planning & Zoning Fees and Charges	\$300,000
Building Fees and Charges	\$2,169,080
Other Revenues	\$5,730
Operating Transfer from General Fund	<u>\$0</u>
<b>TOTAL REVENUES</b>	<u><u>\$2,474,810</u></u>
<b>TOTAL FUNDS AVAILABLE - DEVELOPMENT SERVICES FUND</b>	<u><u>\$2,474,810</u></u>
<b>EXPENDITURES - DEVELOPMENT SERVICES FUND</b>	
Planning & Zoning	
Department	\$543,147
Building Department	<u>\$1,931,664</u>
<b>TOTAL EXPENDITURES</b>	<u><u>\$2,474,810</u></u>
<b>ENDING DEVELOPMENT SERVICES FUND BALANCE</b>	<u><u>\$0</u></u>

## Summary of Funds Capital Projects Fund Budget Summary FY 11-12

Description	Recommended Budget
<b>BEGINNING CAPITAL PROJECT FUND BALANCE</b>	<b>\$0</b>
REVENUES - CIP FUND	
From General Fund	\$845,817
From impact Fees	\$41,030
Grants/Intergovernmental	\$2,000,000
Bonds/Loans	\$0
Interest and Miscellaneous	\$300,000
<b>TOTAL REVENUES</b>	<b>\$3,186,847</b>
<b>TOTAL FUNDS AVAILABLE - DEVELOPMENT SERVICES FUND</b>	<b>\$3,186,847</b>
EXPENDITURES - CIP FUND	
Capital Projects Operations	\$1,186,847
Capital Projects	\$2,000,000
<b>TOTAL EXPENDITURES</b>	<b>\$3,186,847</b>
<b>ENDING CAPITAL PROJECT FUND BALANCE</b>	<b>\$0</b>

## Summary of Funds Special Revenue Fund Budget Summary FY 11-12

Description	Recommended Budget
<b>BEGINNING SPECIAL REVENUE FUND BALANCE</b>	<u><u>\$1,080,170</u></u>
REVENUES - SPECIAL REVENUE FUND	
Law Enforcement Training Trust Fund	\$11,000
Impact Fees	\$141,300
Interest	\$500
<b>TOTAL REVENUES</b>	<u><u>\$152,800</u></u>
<b>TOTAL FUNDS AVAILABLE - SPECIAL REVENUE FUND</b>	<u><u>\$1,232,970</u></u>
EXPENDITURES - SPECIAL REVENUE FUND	
Law Enforcement Training	\$13,000
Transfer to CIP Fund	\$41,030
Reserve	\$1,178,940
<b>TOTAL EXPENDITURES</b>	<u><u>\$1,232,970</u></u>
<b>ENDING SPECIAL REVENUE FUND BALANCE</b>	<u><u>\$0</u></u>

**Summary of Funds  
Stormwater Utility Fund Budget Summary  
FY 11-12**

<b>Description</b>	<b>Recommended Budget</b>
<b>BEGINNING STORMWATER FUND BALANCE</b>	<u><u>\$789,212</u></u>
REVENUES - STORMWATER FUND	
Utility Fees	\$3,225,250
Miscellaneous	\$86,565
Grant	\$975,000
<b>TOTAL REVENUES</b>	<u><u>\$4,286,815</u></u>
<b>TOTAL FUNDS AVAILABLE - STORMWATER FUND</b>	<u><u>\$5,076,027</u></u>
EXPENDITURES - STORMWATER FUND	
Operating Expenditures	\$5,076,027
<b>TOTAL EXPENDITURES</b>	<u><u>\$5,076,027</u></u>
<b>ENDING STORMWATER FUND BALANCE</b>	<u><u>\$0</u></u>

**Summary of Funds  
Community Development Block Grant  
Fund Budget Summary  
FY 11-12**

<b>Description</b>	<b>Recommended Budget</b>
<b>BEGINNING CDBG FUND BALANCE</b>	<u><u>\$0</u></u>
REVENUES - CDBG FUND	
Grants	\$1,263,947
Miscellaneous	\$0
<b>TOTAL REVENUES</b>	<u><u>\$1,263,947</u></u>
<b>TOTAL FUNDS AVAILABLE - CDBG FUND</b>	<u><u>\$1,263,947</u></u>
EXPENDITURES - CDBG	
CDBG	\$1,263,947
<b>TOTAL EXPENDITURES</b>	<u><u>\$1,263,947</u></u>
<b>ENDING CDBG FUND BALANCE</b>	<u><u>\$0</u></u>

**Summary of Funds  
State Housing Initiative Partnership Grant  
Fund Budget Summary  
FY 11-12**

<b>Description</b>	<b>Recommended Budget</b>
<b>BEGINNING SHIP FUND BALANCE</b>	<u><u>\$7,600</u></u>
REVENUES - SHIP FUND	
Grants	\$50,914
Miscellaneous	\$200
<b>TOTAL REVENUES</b>	<u><u>\$51,114</u></u>
<b>TOTAL FUNDS AVAILABLE - CDBG FUND</b>	<u><u>\$58,714</u></u>
EXPENDITURES - SHIP FUND	
Operating Expenditures	\$58,714
<b>TOTAL EXPENDITURES</b>	<u><u>\$58,714</u></u>
<b>ENDING SHIP FUND BALANCE</b>	<u><u>\$0</u></u>

**Summary of Funds  
Law Enforcement Trust Fund  
Fund Budget Summary  
FY 11-12**

<b>Description</b>	<b>Recommended Budget</b>
<b>BEGINNING LETF FUND BALANCE</b>	<u><u>\$114,995</u></u>
REVENUES - LETF FUND	
Confiscations	<u>\$0</u>
<b>TOTAL REVENUES</b>	<b>\$0</b>
<b>TOTAL FUNDS AVAILABLE - LETF FUND</b>	<u><u>\$114,995</u></u>
EXPENDITURES - LETF FUND	
Operating Expenditures	\$0
Reserve	<u>\$114,995</u>
<b>TOTAL EXPENDITURES</b>	<b>\$114,995</b>
<b>ENDING LETF FUND BALANCE</b>	<u><u>\$0</u></u>

**Summary of Funds  
Debt Service Fund  
Fund Budget Summary  
FY 11-12**

Description	Recommended Budget
<b>BEGINNING DEBT SERVICE FUND BALANCE</b>	<u><u>\$0</u></u>
REVENUES - DEBT SERVICE FUND	
Transfers In	<u>\$6,167,709</u>
<b>TOTAL REVENUES</b>	<b><u>\$6,167,709</u></b>
<b>TOTAL FUNDS AVAILABLE - DEBT SERVICE FUND</b>	<b><u><u>\$6,167,709</u></u></b>
EXPENDITURES - DEBT SERVICE FUND	
Principal and Interest payments	<u>\$6,167,709</u>
<b>TOTAL EXPENDITURES</b>	<b><u>\$6,167,709</u></b>
<b>ENDING DEBT SERVICE FUND BALANCE</b>	<u><u>\$0</u></u>

## All Operating Funds' Summaries and Year to Year Revenue Changes by Revenue Class

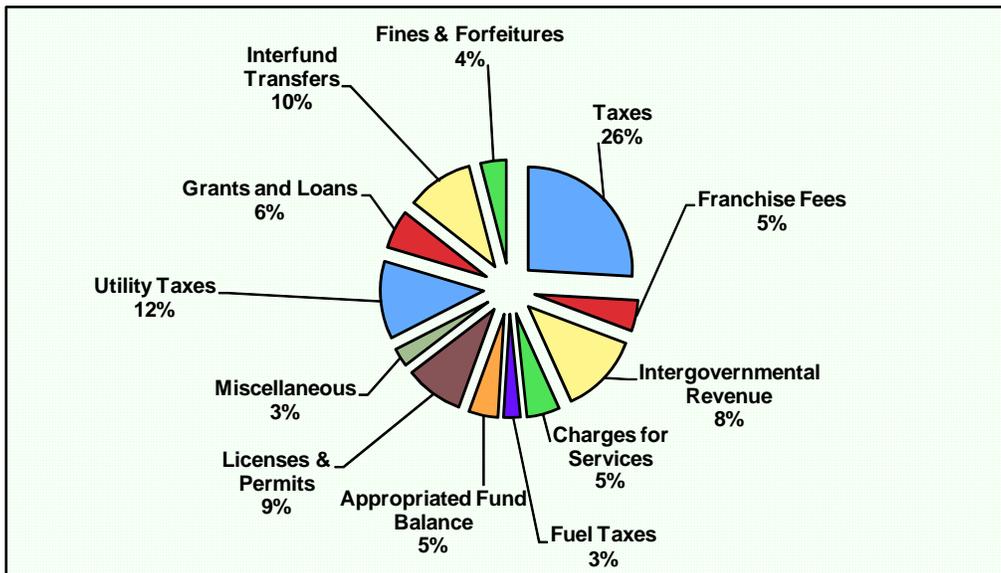
This table offers an overview of all major operating revenues that comprise the City's financial accounting system. The summary below shows all funds.

**Table: All Funds Summary with Year-to-Year Changes by Revenue Source**

All Funds Revenues	Estimated FY 11	Budget FY 12	Per Cent Change	Note
Taxes	\$19,500,000	\$21,662,864	11.09%	(1)
Franchise Fees	\$3,660,682	\$4,020,000	9.82%	(2)
Intergovernmental Revenue	\$10,170,268	\$10,464,242	2.89%	
Utility Taxes	\$10,371,892	\$10,140,917	-2.23%	(3)
Fuel Taxes	\$2,031,640	\$2,178,690	7.24%	
Fines and Forfeitures	\$3,026,613	\$3,360,642	11.04%	(4)
Licenses & Permits	\$7,373,394	\$7,572,830	2.70%	
Miscellaneous	\$2,628,553	\$2,414,594	-8.14%	
Charges for Services	\$3,880,719	\$4,273,468	10.12%	(5)
Grants/Loans/Bonds	\$61,599,193	\$5,031,036	-91.83%	(6)
Interfund Transfers	\$10,343,535	\$8,642,922	-16.44%	(7)
Appropriated Fund Balance	\$5,327,596	\$3,815,335	-28.39%	(8)
<b>TOTAL OPERATING REVENUES</b>	<b>\$139,914,085</b>	<b>\$83,577,540</b>	<b>-40%</b>	

- (1) Increase due to millage increase to replenish reserve
- (2) Increase due to implementation of Towing Franchise Fee and in FY 2011 there is a one-time electric franchise refund to customers
- (3) Decrease due to one time refund of telecommunication tax to customers will incur in FY 2012
- (4) Additional red light cameras will be installed
- (5) Increase due to fees increases for recreation programs and project higher attendance for Jazz in the Gardens event
- (6) City Hall construction bond was issued in FY 11 in the amount of \$55 million
- (7) One of the bond will be paid off in the first quarter of FY 12, therefore less transfers to the Debt Service Fund. Also no subsidy to be provided for in FY 12 for Transportation Fund
- (8) Decrease is attributed to the deficit experienced in the General Fund and the implement of GASB 54, reclassification of fund balance, therefore, in the Capital Projects fund, all funding for unspent projects are classified as "restricted or committed" will automatically carried forward instead of appropriated fund balance.

**Chart: Fund Revenues as a Percentage of total City's Revenue**



## All Funds Summary and Year to Year Changes by Expenditure Class

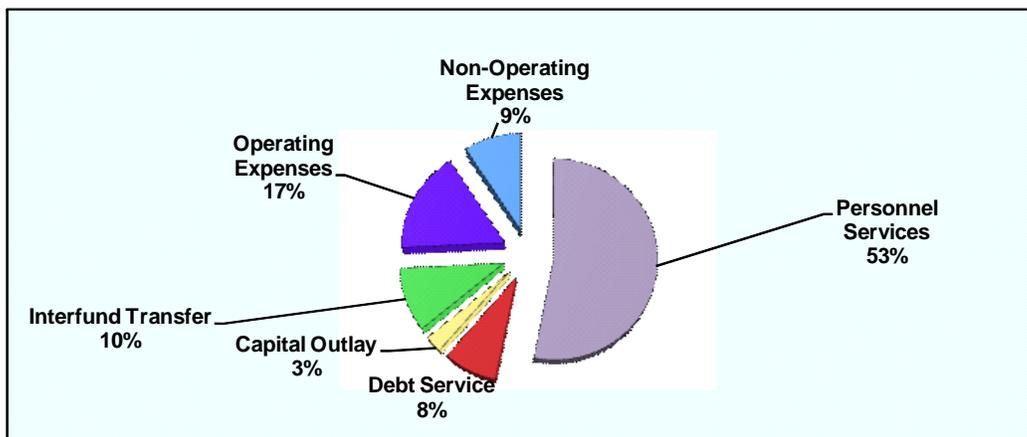
This table offers an overview of all operating expenditures for each class of expenditure that comprises the City's financial accounting system. The system consists of eleven funds: The General Fund, The Transportation Fund, The Development Services Fund, The Special Revenue Fund, The Capital Projects Fund, The Community Development Block Grant Fund, The State Housing Initiative Fund, the Law Enforcement Trust Fund, The Stormwater Utility Fund and the Debt Service Fund.

**Table: All Funds Summary with Year-to-Year Changes by Expenditure Class**

All Funds Expenditures	Estimated FY 11	Budget FY 12	Per Cent Change	Note
Personnel Services	\$46,942,364	\$44,391,648	-5.43%	(1)
Operating Expenses	\$17,442,922	\$13,840,973	-20.65%	(2)
Capital Outlay	\$16,748,168	\$2,224,541	-86.72%	(3)
Interfund Transfer	\$10,228,530	\$8,556,893	-16.34%	(4)
Debt Service	\$7,967,454	\$6,856,214	-13.95%	(5)
Non-Operating Expenses	\$575,227	\$7,707,271	1239.87%	(6)
<b>TOTAL OPERATING EXPENDITURES</b>	<b>\$99,904,666</b>	<b>\$83,577,540</b>	<b>-16.34%</b>	

- (1) Furlough, elimination of vacant positions and reduction in Florida Retirement System contributions
- (2) Decrease is attributed to no bond issuance cost in FY 2012, lifeguard will be in house instead of contractual and other reductions
- (3) Unspent approved capital projects from previous year will automatically carried forward instead of re-budgeting in FY 2012
- (4) One of the bond will be paid off in the first quarter of FY 12, therefore less transfers to the Debt Service Fund. Also no subsidy to be provided for in FY 12 for Transportation Fund
- (5) One of the bond will be paid off in the first quarter of FY 12
- (6) Reduction in Fund Balance

**Chart: All Funds Expenditures by Expenditure Class**



# All Funds Expenditure Summary and Year to Year Changes by Department

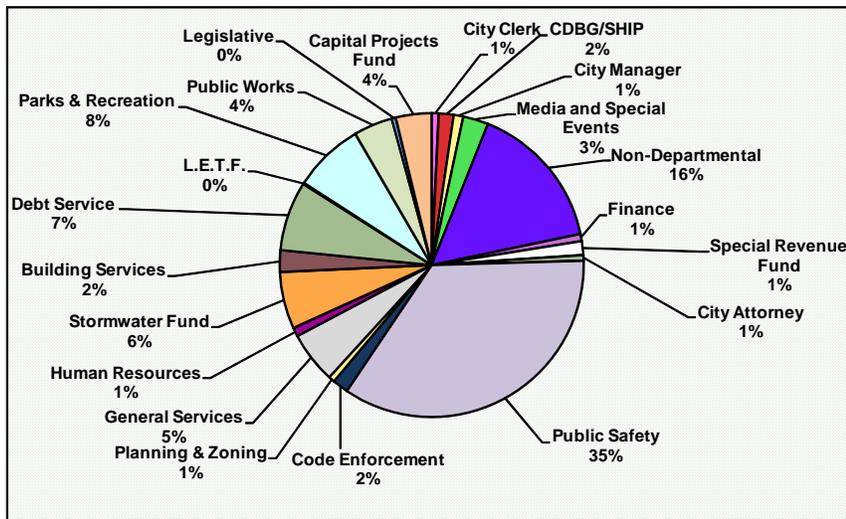
This table offers an overview of all operating expenditures by each operating department that within the City's financial accounting system.

**Table: All Funds Expenditures by Department with Year-to-Year Changes**

All Funds Expenditures	Estimated FY 11	Budget FY 12	Per Cent Change	Note
Legislative	\$415,764	\$358,001	-13.89%	(1)
City Manager	\$992,522	\$851,773	-14.18%	(2)
Media and Special Events	\$2,618,804	\$2,243,850	-14.32%	(3)
City Clerk	\$576,357	\$619,924	7.56%	(4)
Finance	\$702,163	\$638,244	-9.10%	(5)
Human Resources	\$787,594	\$784,323	-0.42%	
City Attorney	\$513,040	\$500,279	-2.49%	
Public Safety	\$31,262,652	\$29,155,847	-6.74%	(6)
Code Enforcement	\$1,343,763	\$1,419,385	5.63%	(7)
Parks & Recreation	\$6,545,231	\$6,277,450	-4.09%	
General Services	\$4,603,250	\$4,581,718	-0.47%	
Non-Departmental	\$11,244,215	\$13,106,286	16.56%	(8)
Public Works	\$4,440,770	\$3,464,440	-21.99%	(9)
Planning & Zoning	\$709,802	\$543,147	-23.48%	(10)
Building Services	\$2,087,942	\$1,931,663	-7.48%	
Debt Service	\$7,257,889	\$6,167,709	-15.02%	(11)
Special Revenue Fund	\$333,439	\$1,232,970	269.77%	(12)
Law Enforcement Trust Fund	\$94,164	\$114,995	22.12%	
CDBG/SHIP	\$2,548,579	\$1,322,661	-48.10%	(13)
Capital Projects Fund	\$16,307,424	\$3,186,847	-80.46%	(14)
Stormwater Utility Fund	\$4,519,301	\$5,076,027	12.32%	
<b>TOTAL OPERATING REVENUES</b>	<b>\$99,904,666</b>	<b>\$83,577,540</b>	<b>-16.34%</b>	

- (1) Elimination of Lobbyist and reduced Aids to private organizations
- (2) Furlough and elimination of Christmas Party for staff
- (3) Reduced budget for all special events and eliminated Miss Gardens Pageant
- (4) Election expenses in FY 2012
- (5) 1/2 of Grant Accountant Position to be transferred to CDBG
- (6) Furlough and no equipment purchase
- (7) Vacancies in FY 2011
- (8) Less fund balance brought forward from FY 2011
- (9) No grant capital project awarded in FY 2012, it was \$1 million in FY 2011
- (10) Less advertising cost and department occupied less office space resulting in less interfund transfer to Gen. Fund
- (11) One of the bond is paid off in the first quarter of FY 2012
- (12) Increase in fund balance brought forward from FY 2011
- (13) Less award of funding in FY 2012
- (14) Unspent approved capital projects from previous year will automatically carried forward instead of re-budgeting in FY 2012

**Chart: All Funds Expenditures by Departments**



# General Fund Revenue Summary and Year to Year Changes

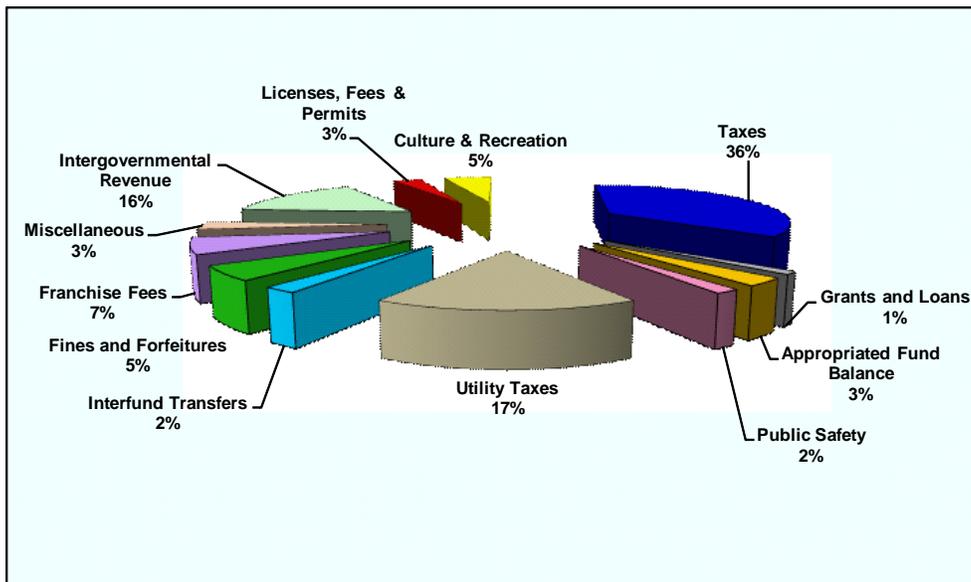
This table offers an overview of the General Fund's revenues. The General Fund is the principal accounting entity for the City operating departments.

**Table: General Fund Revenues by Type with Year-to-Year Changes**

All Funds Revenues	Estimated FY 11	Budget FY 12	Per Cent Change	Note
Taxes	\$19,500,000	\$21,662,864	11%	(1)
Franchise Fees	\$3,660,682	\$4,020,000	10%	(2)
Intergovernmental Revenue	\$9,294,000	\$9,429,315	1%	
Utility Taxes	\$10,371,892	\$10,140,917	-2%	
Fines and Forfeitures	\$2,949,513	\$3,349,642	14%	(3)
Public Safety	\$1,138,517	\$1,022,940	-10%	(4)
Licenses, Fees & Permits	\$1,747,385	\$1,842,500	5%	
Miscellaneous	\$1,990,453	\$1,871,749	-6%	
Culture & Recreation	\$2,742,202	\$3,250,528	19%	(5)
Grants and Loans	\$1,058,236	\$706,175	-33%	(6)
Interfund Transfers	\$1,423,968	\$1,417,094	0%	
Appropriated Fund Balance	\$217,564	\$1,823,358	738%	(7)
<b>TOTAL OPERATING REVENUES</b>	<b>\$56,094,412</b>	<b>\$60,537,081</b>	<b>8%</b>	

- (1) Roll-back rate is 5.9112. City to impose 6.3841 Mill to replenish depleted fund balance from the last two years
- (2) One-time refund of electric franchise fee to customers in FY 2011
- (3) Additional red light cameras to be installed
- (4) Less off duty revenues projected, this is also off-set by reduction of expenses
- (5) Increase in recreation program fees
- (6) Byrne Grant expired in June 2012 and no Children Trust Grant being awarded
- (7) Due to less revenue received in FY 2011 than budgeted, fund balance was utilized to cover the deficit in FY 11 operations

**Chart: Percentage of General Fund Revenues by Type**



## General Fund Expenditures Summary and Year to Year Changes

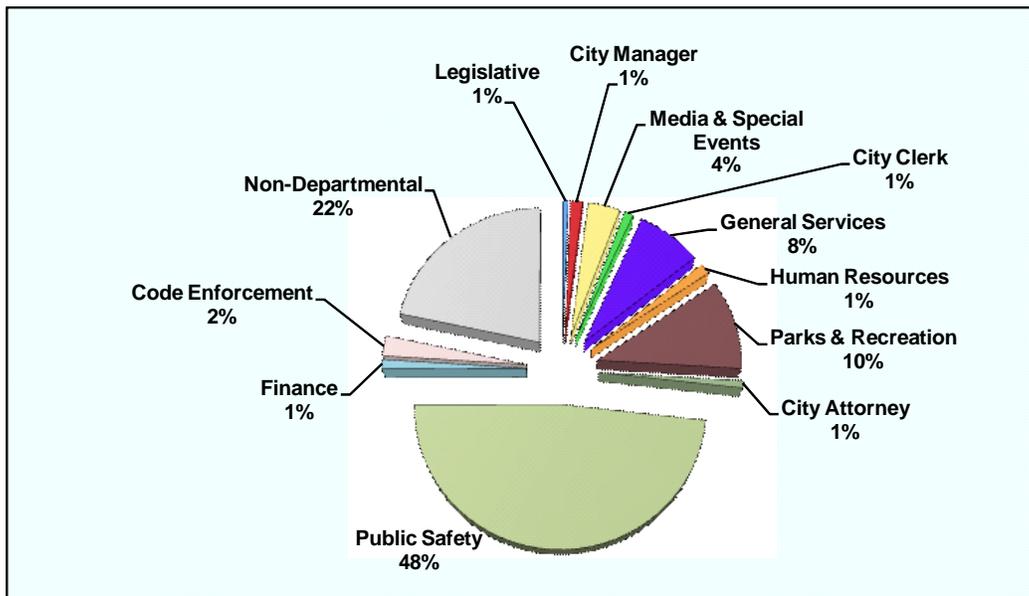
This table offers an overview of the General Fund's expenditures. The General Fund is the principal accounting entity for the City operating departments.

**Table: General Fund Expenditures by Division with Year-to-Year Changes**

All Funds Expenditures	Estimated FY 11	Budget FY 12	Per Cent Change	Note
Legislative	\$415,764	\$358,001	-14%	(1)
City Manager	\$992,522	\$851,773	-14%	(2)
Media & Special Events	\$2,618,804	\$2,243,850	-14%	(3)
City Clerk	\$576,357	\$619,924	8%	(4)
Finance	\$702,163	\$638,244	-9%	(5)
Human Resources	\$787,594	\$784,323	0%	
City Attorney	\$513,040	\$500,279	-2%	
Public Safety	\$31,262,652	\$29,155,848	-7%	(6)
Code Enforcement	\$1,343,763	\$1,419,385	6%	
Parks & Recreation	\$6,545,231	\$6,277,450	-4%	
General Services	\$4,603,250	\$4,581,718	0%	
Non-Departmental	\$11,244,215	\$13,106,286	17%	(7)
<b>TOTAL OPERATING EXPENDITURES</b>	<b>\$61,605,356</b>	<b>\$60,537,081</b>	<b>-2%</b>	

- (1) No lobbyist being engaged in FY 2012
- (2) No Christmas party for staff and furlough
- (3) Reduction in all special events budget and elimination of Miss Gardens Pageant
- (4) Election expenses in FY 2012 as provided by the Miami-Dade County
- (5) Restructure of department, .5 accountant position re-allocated to CDBG
- (6) Furlough and no equipment purchase in FY 2012
- (7) Less fund balance brought forward due to deficit in FY 2011

**Chart: General Fund Expenditures by Division**



## Transportation Fund Revenue Summary and Year to Year Changes

This table offers an overview of all Transportation Fund revenues. The Transportation fund accounts for expenditures having to do with the City's transportation network including transit, roads, right-of-way and associated expenditures.

**Table: Transportation Fund Revenues by Source with Year-to-Year**

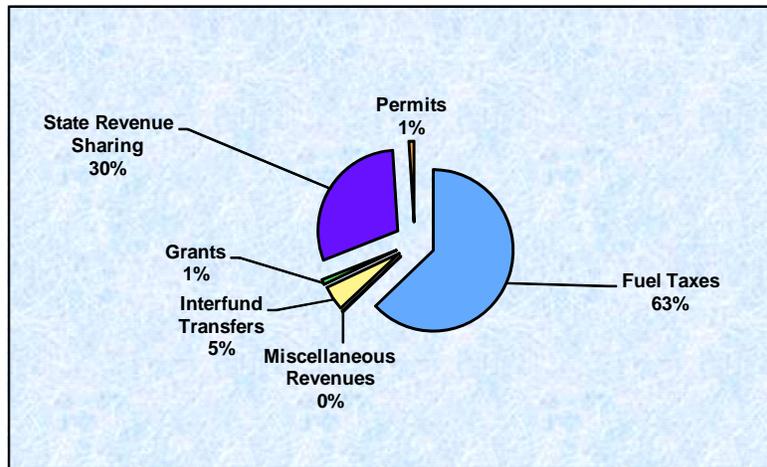
All Funds Revenues	Estimated FY 11	Budget FY 12	Per Cent Change	Note
Fuel Taxes	\$2,031,640	\$2,178,690	7%	(1)
State Revenue Sharing	\$876,268	\$1,034,927	18%	(2)
Grants	\$1,060,752	\$35,000	-97%	(3)
Permits	\$50,000	\$36,000	-28%	
Miscellaneous Revenues	\$19,216	\$8,550	-56%	
Interfund Transfers	\$194,517	\$171,273	-12%	
Fund Balance	\$2,625	\$0	-100%	
<b>TOTAL OPERATING REVENUES</b>	<b>\$4,235,018</b>	<b>\$3,464,440</b>	<b>-266.81%</b>	

(1) Projection by State

(2) Projection by State

(3) School Safety Grant awarded in FY 2011

**Chart: Transportation Revenues by Source**



## Transportation Fund Expenditure Summary and Year to Year Changes

This table offers an overview of all Transportation Fund revenues. The Transportation fund accounts for expenditures having to do with the City's transportation network including transit, roads, right-of-way and associated areas.

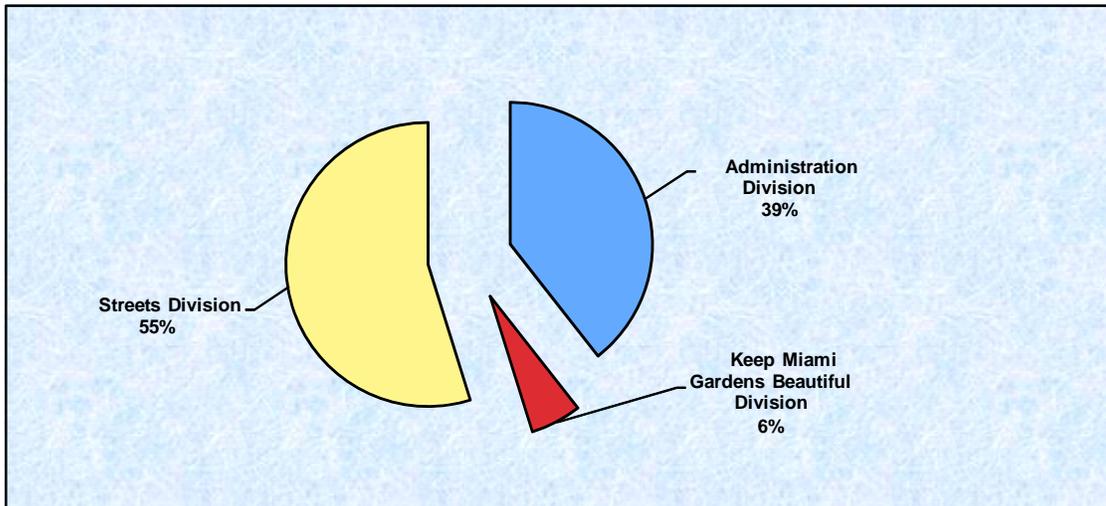
**Table: Transportation Fund Expenditures by Division with Year-to-Year %**

All Funds Expenditures	Estimated FY 11	Budget FY 12	Per Cent Change	Note
Administration Division	\$1,515,219	\$1,365,563	-10%	(1)
Keep Miami Gardens Beautiful	\$227,846	\$200,189	-12%	(1)
Streets Division	\$2,697,706	\$1,898,688	-30%	(2)
<b>TOTAL OPERATING REVENUES</b>	<b>\$4,440,771</b>	<b>\$3,464,440</b>	<b>-22%</b>	

(1) Furlough

(2) Less capital projects

**Chart: Transportation Fund Expenditures by Division**



## Development Services Fund Revenue Summary and Year to Year Changes

This table offers an overview of the Development Services Fund's Expenditures. This fund accounts for those revenues and expenditures that involve the physical development of land in the City to include planning and construction.

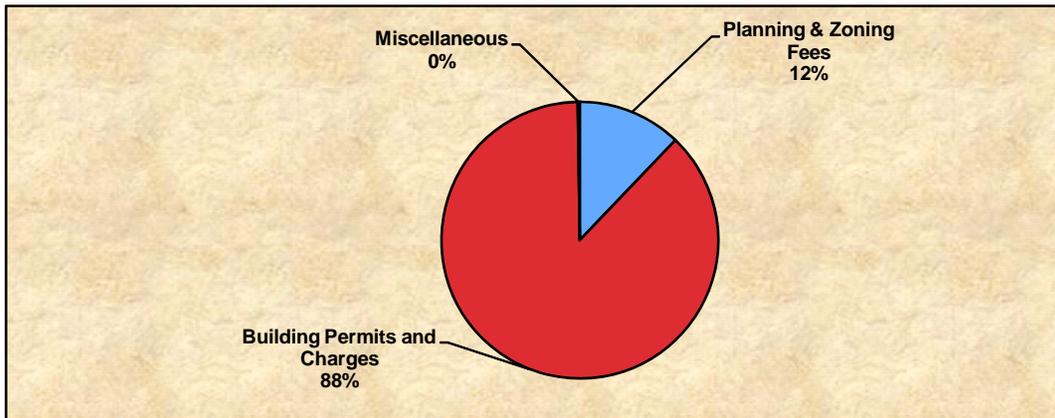
**Table: Development Services Fund Revenues by Source with Year-to Year**

All Funds Revenues	Estimated FY 11	Budget FY 12	Per Cent Change	Note
Planning & Zoning Fees	\$450,000	\$300,000	-33%	(1)
Building Permits and Charges	\$1,731,009	\$2,169,080	25%	(2)
Miscellaneous	\$9,285	\$5,730	-38%	
<b>TOTAL OPERATING REVENUES</b>	<b>\$2,190,294</b>	<b>\$2,474,810</b>	<b>13%</b>	

(1) Less activity projected for FY 2012

(2) Higher planning and zoning activities in FY 2011 resulting in more building permits to be issued in FY 2012

**Chart: Development Services Fund Revenues by Percentage**



## Development Services Fund Expenditure Summary and Year to Year Changes

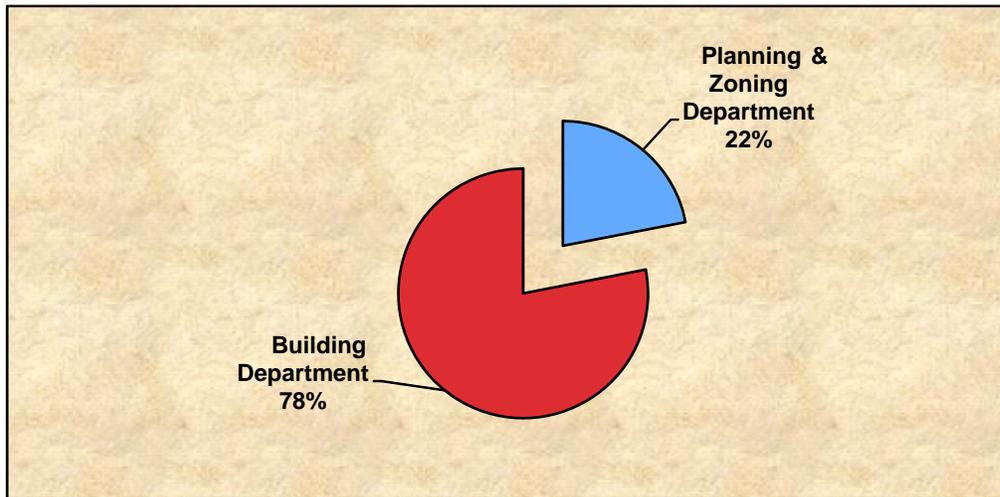
This table offers an overview of the Development Services Fund's Expenditures. This fund accounts for those revenues and expenditures that involve the physical development of land in the City to include planning and construction.

**Table: Development Services Fund Expenditures by Division**

All Funds Expenditures	Estimated FY 11	Budget FY 12	Per Cent Change	Note
Planning & Zoning Department	\$709,802	\$543,147	-23%	(1)
Building Department	\$2,087,942	\$1,931,664	-7%	
<b>TOTAL OPERATING REVENUES</b>	<b>\$2,797,744</b>	<b>\$2,474,810</b>	<b>-12%</b>	

(1) Reflects a slowdown in development and planning activities

**Chart: Development Services Fund Expenditures by Department by Percentage**



## Historical Summary of All Funds Revenues

	Actual FY 04-05	Actual FY 05-06	Actual FY 06-07	Actual FY 07-08	Actual FY 08-09	Actual FY 09-10	Estimated FY 10-11	Budget FY 11-12
<b>General Fund</b>								
Taxes	9,951,395	11,635,651	19,180,662	22,871,432	23,840,155	22,493,510	19,500,000	21,662,864
Franchise Fees	3,417,357	4,069,708	4,624,041	5,185,545	5,052,006	5,092,510	3,660,682	4,020,000
Intergovernmental	10,192,682	11,010,648	10,034,247	9,997,498	8,894,673	8,821,685	9,294,000	9,429,315
Utility Taxes	7,856,762	7,067,495	8,737,149	9,918,788	10,561,528	10,641,034	10,371,892	10,140,917
Fines and Forfeitures	552,216	468,073	548,092	514,606	1,894,072	3,338,302	2,949,513	3,349,642
Licenses & Permits	1,181,350	1,015,378	1,208,266	1,552,567	1,472,823	1,600,762	1,747,385	1,842,500
Misc./Interest Income	264,193	1,326,535	1,438,099	777,178	1,053,756	1,620,601	1,990,453	1,871,749
Charges for Services	672,850	613,632	666,445	1,070,379	2,817,180	4,391,901	3,880,719	4,273,468
Loan	8,200,000	0	7,400,000	4,700,000	7,814,098	1,333,322	0	0
Grants	11,047	2,569,043	206,427	553,196	881,599	2,244,866	1,058,236	706,175
Interfund Transfers	0	894,594	2,561,914	3,241,623	1,952,023	2,237,663	1,423,968	3,240,452
<b>Total</b>	<b>42,299,852</b>	<b>40,670,757</b>	<b>56,605,342</b>	<b>60,382,812</b>	<b>66,233,913</b>	<b>63,816,156</b>	<b>55,876,848</b>	<b>60,537,081</b>
<b>Transportation Fund</b>								
Fuel Taxes	1,934,931	2,154,245	2,297,107	2,270,394	2,146,975	2,103,969	2,031,640	2,178,690
State Revenue Sharing	1,350,310	1,478,690	1,063,708	993,768	920,340	915,413	876,268	1,034,927
Grants	0	4,065,829	1,045,646	736,700	45,071	48,044	1,060,752	35,000
Misc. Revenues	60,000	68,345	160,664	115,327	107,353	146,025	69,216	44,550
Interfund Transfers	0	185,505	0	252,184	272,286	407,753	194,517	171,273
<b>Total</b>	<b>3,345,241</b>	<b>7,952,614</b>	<b>4,567,125</b>	<b>4,368,373</b>	<b>3,492,025</b>	<b>3,621,204</b>	<b>4,232,393</b>	<b>3,464,440</b>
<b>Devlpt. Services Fund</b>								
P&Z Fees & Charges	220,686	476,331	292,989	253,025	273,541	190,058	450,000	300,000
Building Fees/ Charges	1,986,177	3,478,460	2,304,142	1,723,605	2,113,681	1,956,592	1,731,009	2,169,080
Grants	0	115,209	69,965	29,490	4,810	5,680	5,730	5,730
Other Revenues	0	0	21,128	10,024	4,605	3,376	0	0
Subsidy- General Fund	0	0	0	1,200,000	1,452,701	1,493,585	0	0
<b>Total</b>	<b>2,206,863</b>	<b>4,070,000</b>	<b>2,688,224</b>	<b>3,216,144</b>	<b>3,849,338</b>	<b>3,649,291</b>	<b>2,186,739</b>	<b>2,474,810</b>
<b>Special Revenue Fund</b>								
Operations	735,562	453,519	537,749	694,847	134,981	207,324	156,320	1,232,970
<b>Total</b>	<b>735,562</b>	<b>453,519</b>	<b>537,749</b>	<b>694,847</b>	<b>134,981</b>	<b>207,324</b>	<b>156,320</b>	<b>1,232,970</b>
<b>Stormwater Utility</b>								
Operations			10,360,290	3,960,769	4,061,985	3,584,156	3,933,073	5,076,027
<b>Total</b>			<b>10,360,290</b>	<b>3,960,769</b>	<b>4,061,985</b>	<b>3,584,156</b>	<b>3,933,073</b>	<b>5,076,027</b>
<b>CDBG</b>								
Operations			674,473	1,849,336	3,709,675	6,293,302	2,403,868	1,263,947
<b>Total</b>			<b>674,473</b>	<b>1,849,336</b>	<b>3,709,675</b>	<b>6,293,302</b>	<b>2,403,868</b>	<b>1,263,947</b>
<b>SHIP</b>								
Operations			92,326	660,696	579,223	24,165	7,600	58,714
<b>Total</b>			<b>92,326</b>	<b>660,696</b>	<b>579,223</b>	<b>24,165</b>	<b>7,600</b>	<b>58,714</b>
<b>Capital Projects Fund</b>								
Interfund Transfers		376,380	8,752,000	4,884,197	1,700,000	2,235,870	1,467,161	886,847
Bonds/Loans		0	14,400,000	0	12,800,000	0	50,403,088	0
Grant		287,934	3,160,677	11,109,657	7,242,320	5,767,617	6,161,176	2,000,000
Interest and Misc.		0	201,258	434,775	166,829	16,518	436,134	300,000
<b>Total</b>		<b>664,314</b>	<b>26,513,935</b>	<b>16,428,629</b>	<b>21,909,149</b>	<b>8,020,005</b>	<b>58,467,559</b>	<b>3,186,847</b>
<b>LETF</b>								
Operations				17,041	23,250	104,668	64,200	114,995
<b>Total</b>				<b>17,041</b>	<b>23,250</b>	<b>104,668</b>	<b>64,200</b>	<b>114,995</b>
<b>Debt Service Fund</b>								
Operations					6,012,341	6,637,910	7,257,889	6,167,709
<b>Total</b>					<b>6,012,341</b>	<b>6,637,910</b>	<b>7,257,889</b>	<b>6,167,709</b>
<b>TOTAL ALL FUNDS</b>	<b>48,587,518</b>	<b>53,811,204</b>	<b>102,039,464</b>	<b>91,578,647</b>	<b>110,005,880</b>	<b>95,958,181</b>	<b>134,586,489</b>	<b>83,577,540</b>

# Historical Summary of Operating Funds Expenditures

	Actual FY 04-05	Actual FY 05-06	Actual FY 06-07	Actual FY 07-08	Actual FY 08-09	Actual FY 09-10	Estimated FY 10-11	Budget FY 11-12
<b>General Fund</b>								
Legislative	382,800	425,825	365,964	426,192	575,428	676,527	415,764	358,001
City Manager	587,500	826,970	836,038	977,563	1,134,713	1,030,343	992,522	851,773
Community Outreach	n/a	590,118	1,297,969	1,915,817	2,188,950	2,721,016	2,618,804	2,243,850
City Clerk	156,055	183,819	225,119	321,417	349,468	399,024	576,357	619,924
Finance	168,600	282,159	399,464	612,997	719,775	731,675	702,163	638,244
Human Resources	216,500	271,061	612,765	717,394	812,484	822,305	787,594	784,323
Purchasing	n/a	220,815	172,474	244,639	299,094	319,622	319,906	300,332
City Attorney	100,000	174,404	293,644	275,213	494,072	571,809	513,040	500,279
Information Technology	n/a	399,759	598,000	2,406,624	2,028,788	2,476,611	2,445,457	2,305,527
Non-Departmental	3,177,811	2,811,865	9,054,539	5,178,397	13,578,430	7,375,704	11,244,215	13,106,286
Fleet	n/a	905,711	5,110,861	4,218,846	2,471,548	2,737,384	1,837,887	1,975,859
Public Safety	25,037,804	27,387,079	31,164,791	35,185,835	34,173,291	36,693,698	31,262,652	29,155,848
Code Enforcement	700,600	708,239	1,051,225	1,402,499	1,561,327	1,727,173	1,343,763	1,419,385
Parks & Recreation	2,953,000	3,971,452	5,870,418	6,900,080	7,102,010	7,570,004	6,545,231	6,277,450
<b>Total</b>	<b>33,480,670</b>	<b>39,159,276</b>	<b>57,053,271</b>	<b>60,783,513</b>	<b>67,489,378</b>	<b>65,852,895</b>	<b>61,605,356</b>	<b>60,537,081</b>
<b>Transportation Fund</b>								
Admin. Division	1,284,243	952,012	1,063,560	1,062,863	1,107,924	1,332,565	1,515,219	1,365,563
KMGB Division	200,662	383,292	443,676	519,086	505,617	351,887	227,846	200,189
Streets Division	1,350,980	7,987,371	3,554,937	2,274,046	2,372,973	2,452,247	2,697,705	1,898,688
<b>Total</b>	<b>2,835,885</b>	<b>9,322,675</b>	<b>5,062,173</b>	<b>3,855,995</b>	<b>3,986,514</b>	<b>4,136,699</b>	<b>4,440,770</b>	<b>3,464,440</b>
<b>Development Services Fund</b>								
Planning & Zoning Div	210,676	1,076,242	1,016,010	965,848	871,672	890,301	709,802	543,147
Building Department	1,044,147	1,850,178	3,085,390	2,905,076	2,986,985	2,773,780	2,087,942	1,931,663
<b>Total</b>	<b>1,254,823</b>	<b>2,926,420</b>	<b>4,101,400</b>	<b>3,870,924</b>	<b>3,858,657</b>	<b>3,664,081</b>	<b>2,797,744</b>	<b>2,474,810</b>
<b>Special Revenue Fund</b>								
Operations		7,180	142,952	436,097	746,020	174,445	333,439	1,232,970
<b>Total</b>		<b>7,180</b>	<b>142,952</b>	<b>436,097</b>	<b>746,020</b>	<b>174,445</b>	<b>333,439</b>	<b>1,232,970</b>
<b>Stormwater Utility</b>								
Operations			9,893,375	3,359,885	2,794,398	2,956,033	4,519,301	5,076,027
<b>Total</b>			<b>9,893,375</b>	<b>3,760,619</b>	<b>2,794,398</b>	<b>2,956,033</b>	<b>4,519,301</b>	<b>5,076,027</b>
<b>Community Development Block Grant</b>								
Operations			707,153	1,596,960	3,919,025	5,824,356	2,403,868	1,263,947
<b>Total</b>			<b>707,153</b>	<b>1,596,960</b>	<b>3,919,025</b>	<b>5,824,356</b>	<b>2,403,868</b>	<b>1,263,947</b>
<b>State Housing Initiative Partnership</b>								
Operations			18,800	616,176	362,033	214,700	144,711	58,714
<b>Total</b>			<b>18,800</b>	<b>616,176</b>	<b>362,033</b>	<b>214,700</b>	<b>144,711</b>	<b>58,714</b>
<b>Capital Projects Fund</b>								
Operations		2,093,040	11,489,233	16,749,246	48,701,043	8,685,062	16,307,424	3,186,847
<b>Total</b>		<b>2,093,040</b>	<b>11,489,233</b>	<b>16,749,246</b>	<b>48,701,043</b>	<b>8,685,062</b>	<b>16,307,424</b>	<b>3,186,847</b>
<b>Law Enforcement Trust Fund</b>								
Operations				0	0	0	94,164	114,995
<b>Total</b>				<b>0</b>	<b>0</b>	<b>0</b>	<b>94,164</b>	<b>114,995</b>
<b>Debt Service Fund</b>								
Operations					6,012,341	6,637,910	7,257,889	6,167,709
<b>Total</b>					<b>6,012,341</b>	<b>6,637,910</b>	<b>7,257,889</b>	<b>6,167,709</b>
<b>TOTAL ALL FUNDS</b>	<b>37,571,378</b>	<b>53,508,591</b>	<b>88,468,357</b>	<b>91,669,530</b>	<b>137,869,409</b>	<b>98,146,181</b>	<b>99,904,666</b>	<b>83,577,540</b>

## Summary of All Funds Three Years Data FY 2010 – FY 2012

Description	Fiscal Years		
	FY 2010 Actual	FY 2011 Estimated	FY 2012 Budget
<b>BEGINNING FUND BALANCE - ALL FUNDS</b>			<b>\$3,815,335</b>
<b>REVENUES - ALL FUNDS</b>			
Property Taxes	\$22,493,510	\$19,500,000	\$21,662,864
Franchise Fees	\$5,092,510	\$3,660,682	\$4,020,000
Intergovernmental Revenue	\$9,737,098	\$10,170,268	\$10,464,242
Utility Taxes	\$10,641,034	\$10,371,892	\$10,140,917
Fuel Taxes	\$2,103,969	\$2,031,640	\$2,178,690
Fines and Forfeitures	\$3,461,356	\$3,026,613	\$3,360,642
Public Safety	\$1,066,645	\$1,138,517	\$1,022,940
Licenses & Permits & Fees	\$7,022,037	\$7,373,394	\$7,572,830
Miscellaneous	\$2,489,875	\$2,485,633	\$2,273,294
Culture & Recreation	\$2,775,830	\$2,742,202	\$3,250,528
Grants and Loans	\$15,872,598	\$61,599,193	\$5,031,036
Impact Fees	\$188,938	\$142,920	\$141,300
Interfund Transfers	\$13,012,781	\$10,343,535	\$8,642,922
<b>TOTAL REVENUES - ALL FUNDS</b>	<b>\$95,958,181</b>	<b>\$134,586,489</b>	<b>\$79,762,205</b>
<b>TOTAL RESOURCES AVAILABLE - ALL FUND</b>	<b>\$95,958,181</b>	<b>\$134,586,488</b>	<b>\$83,577,540</b>
<b>EXPENDITURES - ALL FUNDS</b>			
Legislative	\$676,527	\$415,764	\$358,001
City Manager	\$1,025,846	\$992,522	\$851,773
Media & Special Events	\$2,716,819	\$2,618,804	\$2,243,850
City Clerk	\$399,024	\$576,357	\$619,924
Finance	\$730,766	\$702,163	\$638,244
Human Resources	\$820,787	\$787,594	\$784,323
City Attorney	\$571,809	\$513,040	\$500,279
Crossing Guards	\$805,160	\$694,693	\$670,940
Police	\$33,489,668	\$30,567,960	\$28,484,906
Code Enforcement	\$1,649,578	\$1,343,763	\$1,419,385
Parks & Recreation	\$6,730,318	\$6,545,231	\$6,277,450
Purchasing	\$319,622	\$319,906	\$300,332
Information Technology	\$2,198,927	\$2,445,457	\$2,305,527
Fleet	\$1,837,561	\$1,837,887	\$1,975,859
Non-Departmental	\$11,880,483	\$11,244,215	\$13,106,286
Public Works	\$4,136,699	\$4,440,770	\$3,464,440
Planning & Zoning	\$890,302	\$709,802	\$543,147
Building	\$2,773,779	\$2,087,942	\$1,931,663
Capital Projects	\$8,685,062	\$16,307,424	\$3,186,847
Community Development	\$5,824,356	\$2,403,868	\$1,263,947
S.H.I.P.	\$214,700	\$144,711	\$58,714
Special Revenue - Public Safety	\$36,642	\$112,603	\$127,995
Special Revenue - Recreation	\$137,803	\$315,000	\$1,178,940
Special Revenue - General Government	\$0	\$0	\$41,030
Stormwater Operations	\$2,956,033	\$4,519,301	\$5,076,027
Debt Service	\$6,637,910	\$7,257,889	\$6,167,709
<b>TOTAL EXPENDITURES - ALL FUNDS</b>	<b>\$98,146,181</b>	<b>\$99,904,666</b>	<b>\$83,577,540</b>