

## City of Miami, Florida

### FISCAL YEAR ENDED September 30, 2017

# COMPREHENSIVE ANNUAL FINANCIAL REPORT

# COMPREHENSIVE ANNUAL FINANCIAL REPORT



## FISCAL YEAR ENDED SEPTEMBER 30, 2017

### Prepared By: The Finance Department

Erica T. Paschal, CPA Director

Munirah Daniel, CPA Assistant Director Eugene Codner Controller Page left intentionally blank

# **City of Miami, Florida**

### **Comprehensive Annual Financial Report For the Fiscal Year Ended September 30, 2017**

### **Table of Contents**

#### **INTRODUCTORY SECTION**

Principal City Officials	. 3
City Organizational Chart	.4
Letter of Transmittal	. 5
GFOA Certificate of Achievement 1	19

#### FINANCIAL SECTION

Independent Auditor's Report	22
Management's Discussion and Analysis	26

#### **Basic Financial Statements:**

Government-wide Financial Statements:	
Statement of Net Position	39
Statement of Activities	40
Fund Financial Statements:	
Governmental Funds:	
Balance Sheet	41
Reconciliation of the Balance Sheet - Governmental Funds to Government-wide Statement	
of Net Position	42
Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	43
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances -	
Governmental Funds to the Statement of Activities	44
Fiduciary Funds:	
Statement of Fiduciary Net Position	45
Statement of Changes in Fiduciary Net Position	46
Discretely Presented Component Units:	
Statement of Net Position	47
Statement of Activities	49
Notes to the Financial Statements	51

#### **Required Supplementary Information:**

Budgetary Comparison Schedules of Revenues, Expenditures and Changes in Fund Balances:	
General Fund	
Notes to Required Supplementary Information	142
Pension Schedules:	
Schedule of Funding Progress	143
Schedule of Employer Contributions	144
Schedule of Changes in the Net Pension Liability and Related Ratios	145
Schedule of Contributions	150
Schedule of Investment Returns	
Combining and Individual Fund Financial Statements and Schedules:	
Nonmajor Governmental Funds:	
Combining Balance Sheet	161
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	168
Budgetary Comparison Schedules:	
Special Revenue Funds:	
OMNI Community Redevelopment Agency (OMNI) Fund	174
Midtown Community Redevelopment Agency (Midtown) Fund	175
Southeast Overtown Park West Community Redevelopment Agency (SEOPW) Fund	176
Homeless Program Fund	177
Community Development Fund	178
Choice Housing Vouchers (Section 8) Fund	179
State Housing Initiatives Program (SHIP) Fund	
Convention Center Fund	
Economic Development & Planning Services Fund	
Net Offices Fund	
Parks and Recreations Fund	
Police Services Fund	185
Law Enforcement Trust Fund	186
Public Works Services Fund	
City Clerk Services Fund	
Emergency Services Fund	189
Fire Rescue Special Revenue Fund	190
General Special Revenue Fund	191
Department Improvement Initiatives Fund	192
Transportation & Transit Fund	193
Miami Ballpark Parking Facilities Fund	194
Liberty City Revitalization Trust	195
Virginia Key Beach Trust	
Solid Waste Recycling Trust	197
Debt Service Funds:	
General Obligation Bonds Fund	198
Special Obligation Bonds Funds	199

SEOPW Special Obligation Bonds Fund	
Fiduciary Funds:	
Combining Statement of Fiduciary Net Position	
Combining Statement of Changes in Fiduciary Net Position	

#### STATISTICAL SECTION

Financial Trends:	
Net Position by Component	
Changes in Net Position	
Governmental Activities Tax Revenues by Source	
Fund Balances - Governmental Funds	
Changes in Fund Balances - Governmental Funds	
Revenue Capacity:	
General Government Tax Revenues by Source	211
Net Assessed Value and Estimated Actual Value of Taxable Property	
Property Tax Rates – Direct and Overlapping Governments	
Principal Property Taxpayers	
Property Tax Levies and Collections	
Debt Capacity:	
Ratios of Outstanding Debt by Type	
Ratios of General Bonded Debt Outstanding	
Direct and Overlapping Governmental Activities Debt	
Legal Debt Margin Information	
Pledged Revenue Coverage	
Demographics and Economic Information:	
Demographics and Economic Statistics	
Principal Employers	
Operating Information:	
Full-Time Equivalent City Government Employees by Function	
Operating Indicators by Function	
Capital Assets Statistics by Function/Program	

Page left intentionally blank

# INTRODUCTORY SECTION



# CITY OF MIAMI, FLORIDA



### September 30, 2017

# CITY ORGANIZATIONAL CHART

#### **CITY COMMISSION**

**Chairman: Keon Hardemon** District 5

Vice-Chairman: Ken Russell District 2

**Commissioner: Wifredo "Willy" Gort** District 1

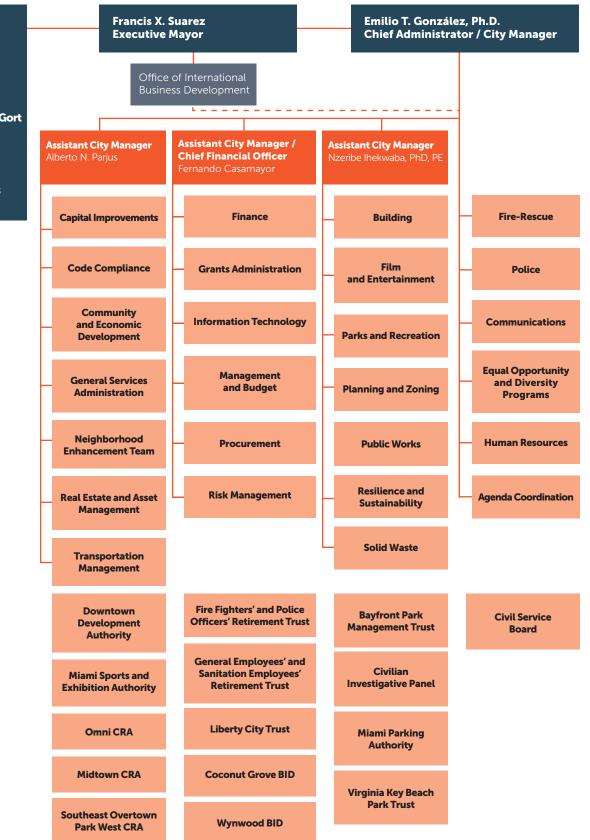
**Commissioner: Joe Carollo** District 3

**Commissioner: Manolo Reyes** District 4

> **City Attorney** Victoria Méndez

City Clerk Todd B. Hannon

Independent Auditor General Theodore Guba, CPA





March 30, 2018

To the Honorable Mayor, Members of the Commission, and Citizens of the City of Miami, Florida:

We are pleased to present the City of Miami, Florida's ("the City") Comprehensive Annual Financial Report ("CAFR") for the fiscal year ended September 30, 2017. The financial statements were prepared in accordance with accounting principles generally accepted in the United States of America (GAAP) as promulgated by the Governmental Accounting Standards Board (GASB).

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

RSM US LLP, Certified Public Accountants, have issued an unmodified opinion on the City's basic financial statements for the year ended September 30, 2017. The independent auditor's report is located at the front of the financial section of this report.

The management's discussion and analysis ("MD&A") immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. MD&A complements this letter of transmittal and should be read in conjunction with it.

This report may also be accessed via the internet at http://www.miamigov.com/finance.

#### City Profile & Government Structure

The City is situated at the mouth of the Miami River on the western shores of Biscayne Bay. It is a main port of entry into Florida. Now 121 years old, the City is part of the nation's eighth largest metropolitan area. Incorporated in 1896, the City is the only municipality conceived and founded by a woman – Julia Tuttle. According to the U.S. Census Bureau, the City's population in 1900 was 1,700 people. Today it is a city rich in cultural and ethnic diversity of approximately 467,872 residents according to the Bureau of Economic and Business Research, University of Florida, 57.7 percent of them foreign born. In physical size, the City is not large, encompassing only 35.87 square miles. In population, the City is the largest of the 35 municipalities that make up Miami-Dade County.

The City Charter was adopted by the electors of the City of Miami at an election held May 17, 1921 and legalized and validated by Chapter 9024 of the laws of the State of Florida of 1921. The Florida Legislature, in 1955, approved and submitted to a general election, a constitutional amendment designed to give a new form of government to Miami-Dade County, Florida ("the County"). The County is, in effect, a municipality with governmental powers affecting thirty-five cities, including the City and unincorporated areas. The County has not displaced nor replaced the cities' powers, but supplements them. The County can take over particular activities of the City's operations if the services fall below minimum standards set by the County Commission, or with the consent of the governing body of the City. Accordingly, the County's financial statements are not included in this report.

Since 1997, the City has been governed by a form of government known as the "Mayor-City Commissioner plan." There are five Commissioners elected from designated districts within the City. City elections are held in November every two years on a non-partisan basis. Candidates for Mayor must run as such and not for the Commission in general. At each election, two or three members of the Commission are elected for four-year terms. Thus, the terms are staggered so that there are always at least two experienced members of the Commission. The Mayor is elected at large every four years.

As official head of the City, the Mayor has veto authority over actions of the Commission. However, the commission can override a mayoral veto if four-fifths of all commissioners present votes in favor of a resolution to override a mayoral veto. The commission action in question shall be deemed enacted or adopted and effective in accordance with its terms; otherwise, the mayoral veto shall be deemed sustained.

The Mayor appoints the City Manager who functions as chief administrative officer. The City Manager serves as the administrative head of the municipal government, charged with the responsibility of managing the City's financial operations and organizing and directing the administrative infrastructure. The City Manager also retains full authority in the appointment and supervision of department directors, preparation of the City's annual budget and initiation of the investigative procedures. In addition, the City Manager takes appropriate action on all administrative matters.

The City provides a full range of services, including police and fire protection; public works activities; refuse collection; building inspections; licenses and permits; vital statistics; the construction and maintenance of streets, and other infrastructure; recreational and cultural activities; and trolley services.

The accompanying financial statements include those of the City and those of its component units. Component units are legally separate organizations for which the City is financially accountable or organizations that should be included in the City's financial statements because of the nature and significance of their relationship with the City. Additional information on all of these legally separate entities can be found in the notes to the financial statements.

#### **Budget Process and Control**

The Mayor is required to prepare and deliver a budgetary address annually to the people of the City any time between one to three months preceding the beginning of the fiscal year.

The City Commission is required to hold public hearings on the proposed budget and to adopt the final budget no later than September 30<sup>th</sup> preceding the beginning of the fiscal year on October 1<sup>st</sup>. The annual budget serves as the foundation for the City's financial planning and control.

Budgets are monitored at varying levels of classification detail that include both personnel and operating as appropriation designations; however, budgetary control is legally maintained at the fund level except for the general fund, which is maintained at the departmental operating level.

Budget-to-actual comparisons are provided in this report for each major individual governmental fund for which an appropriated annual budget has been adopted and all non-major governmental funds with appropriated annual budgets.

The major phases of the budget process are detailed in the *Notes to the Required Supplementary Information Section* of this report.

#### Local Economic Condition and Outlook

Miami's local economy continues to improve showing strong growth in home prices and tourism. Miami has become a major center and a leader in finance, commerce, culture, media, entertainment, and the arts. Local unemployment continues a steady decline from the previous year. Miami experienced a 4.6 percent unemployment rate as of September 2017, down 5.0 percent from a year ago. A good business climate has been created for the South Florida economy, encouraging growth in construction, motion pictures, financial services, and tourism. With growth in these sectors of the South Florida economy, employment should strengthen, as all indicators point towards steady improvement in the local economy.

#### Local Government Financial Trend

The table below summarizes and compares General Fund revenues and expenditures and transfers over the last four fiscal years. Some of the reasons for these trends are actions taken by the City and discussed further in this letter under the heading of *Long-Term Financial Planning*.

Summary of General Fund Financial Results by fiscal year								
	_	2017	_	2016	_	2015	_	2014
Revenues and Transfers In	\$	706,823,792	\$	643,541,725	\$	604,639,526	\$	569,457,047
Expenditures and Transfers Out		678,201,723		659,425,088		569,657,401		532,497,233
Net Change in Fund Balance		28,622,069		(15,883,363)		34,982,125		36,959,814
Beginning Fund Balance		131,521,349		147,404,712		112,422,587		75,470,991
Ending Fund Balance	\$	160,143,418	\$	131,521,349	\$	147,404,712	\$	112,422,587

#### Housing & Real Estate Market

The City's housing prices continued its upward trend in 2017. The median sales price for single-family homes in Miami increased 6.5 percent over September 2016, to \$335,000. Condominiums median sales price increased 7.1 percent in fiscal year 2017 to \$234,500 from \$219,000 a year ago.

Overall, the number of existing home sales in Miami-Dade County decreased 35.8 percent compared with September 2016 and condo sales also decreased 24.4 percent year-over year, according to a monthly report released by the Miami Association of Realtors. Hurricane Irma stalled hundreds of home sales in September as buyers and sellers experienced delays clearing debris and rescheduling inspections and appraisals.

#### Employment & Wealth Demographics

The following information was reported by the Bureau of Labor Statistics and the United States Census Bureau. The table provides Miami demographics compared to the State of Florida and the United States.

TT •4 1

	Miami	 Florida	-	States
Unemployment Rate	4.6%	4.5%		4.5%
Median Household Income	\$ 31,642	\$ 48,900	\$	55,322
Persons Below Poverty Level	27.8%	14.7%		12.7%
High School Graduate or Higher	74.2%	87.2%		87.0%
Bachelor's Degree or Higher	25.0%	27.9%		30.3%

#### <u>Tourism</u>

Tourism is a major economic driver for the City. Annual events that attract visitors from across the country and world include the Miami Open, Miami Marathon, Art Basel, Miami International Boat Show, Calle Ocho Festival, Bayfront Park New Year's Eve Celebration, and the Ultra Music Festival. During FY2017, Miami hosted the 2017 Major League Baseball All-Star Game at Marlins Park widening the already enormous economic impact for Downtown Miami and surrounding areas. In addition, Miami is the home to one of the nation's busiest ports of entry, Miami International Airport and PortMiami.

#### Miami International Airport

The Miami International Airport ("MIA") is operated by the Miami-Dade Aviation Department and is property of the Miami-Dade County government. MIA reported a total of 44.1 million passengers for the 2017 calendar year, representing a decrease of approximately 823,373 less passengers from the prior year. Most of this decrease was due to Hurricane Matthew and Irma, which either closed or significantly reduced flight activity at MIA for a number of days in September 2017. The airport system contributed \$942.6 million in state and local taxes. In addition, MIA offers more flights to Latin America and the Caribbean than any other U.S. airport. MIA generates business revenue of \$33.7 billion annually and welcomes 70 percent of all international visitors to Florida. This makes MIA the second busiest gateway to the United States following New York's JFK Airport.

#### <u>PortMiami</u>

The PortMiami, ("the Port") known as the "Cruise Capital of The World," is operated by the Seaport Department of Miami-Dade County. The Port continues to be the world's busiest cruise port and serves as a hub for Caribbean and Latin American commerce. The Port is among America's busiest ports and recognized as a global gateway. The Port is important to the South Florida economy, contributing in excess of \$41.4 billion annually and generating 324,000 direct, indirect and induced jobs

The Port includes seven cruise terminals that have been designed to quickly move passengers from land to sea. The Port is also the U.S. container port closet to the Panama Canal, providing shippers fast access to the entire U.S. market. During the FY2016-17, the renovation and expansion of Cruise

Terminal F. was completed. Terminal F will serve the cruise industry's new generation of cruise vessels such as MSC Cruises' MSC Seaside. Furthermore, on June 2017 the Port welcomed the largest container ship ever to visit a Florida port. Bigger ships represent the movement of more goods in and out of the port, which translates to growth and prosperity for the economy.

#### <u>Major Developments</u>

Miami's Downtown and Brickell area is the heart of major developments for the City. There are huge changes taking place in the area. These developments will bring more entertainment, culture, and arts to the Downtown area. Miami will also be home to Miami Worldcenter and MiamiCentral Station when complete. Additional developments have moved to neighborhoods outside downtown including Allapattah and Wynwood.

The Miami Worldcenter project, located in the core of downtown Miami is a \$2 billion, 27-acre mixed-use development covering 10 blocks. The center will include up to 450,000 square feet of retail, 2,000 residential units, 1,700 hotel rooms, 500,000 square feet of exposition space and 100,000 square feet of parks and public spaces. The project will be within walking distance of All Aboard Florida's Central Station, a Brightline train that will take riders from Fort Lauderdale to Miami in 28 minutes.

Within the Miami Worldcenter project, Paramount Miami is a 60-story condo tower comprised of over 562 units. The condo will include pool cabanas, the first outdoor soccer field in a residential high-rise, two tennis courts, a boxing studio, and an indoor basketball court. Construction crews broke ground on the 700-foot tower a year ago and are near completion of the fifth floor.

Also within the Miami Worldcenter project will stand Marriott Marquis Miami Worldcenter. This convention hotel will boast 1700 rooms and over 600,000 square feet of meeting, exhibition and event space. The hotel will feature a 65,000 square foot Grand Ballroom and a 42,000 square foot Junior Ballroom. The Grand Ballroom will be the largest in South Florida when finished. The hotel will also include 80,000 square feet of pool/event outdoor space and a 1,500 seat theatre.

In the heart of Downtown Miami, construction continues on the MiamiCentral project. MiamiCentral spans over six downtown City blocks and will feature retail shops, rental residences and a transit hub providing both local and multi-city transit options. MiamiCentral offers a way to connect with Miami's most popular transportation systems. With Metrorail, Metromover, Tri-Rail and Brightline all converging in the heart of Downtown Miami, locals and visitors will experience a variety of transit options. Within the Miami Central station complex, All Aboard Florida's Brightline passenger train will connect Orlando to downtown Miami. Site clearing and demolition on the 9-acre station site began in late 2014.

#### Long-Term Financial Planning

In an effort to stabilize the financial management of the City's resources and focus on the long-term sustainability, while addressing immediate issues and concerns raised by the changing economic climate and drivers within the community, challenging but necessary decisions were required to be made.

#### *Financing*

During FY2017, the City successfully refunded \$114.3 million Limited General Obligation Bond, Series 2007A and Series 2009. The City also issued Special Obligation Bond, Series 2017 in

principal Amount of 27.1 million for environmental remediation and marine stadium flex park capital improvement projects. In addition, the City obtained a \$10 million Lease from Santander Bank, N.A. to replace police fleet vehicles and a \$12.1 million Lease from Signature Public Funding Bank to upgrade and enhance the two-way radio communications system for Police, Fire Rescue and General Service Administration. See Note 8 Long-Term Debt.

#### <u>Future Outlook</u>

The City and its surrounding areas have continued to experience sustained growth. The Local unemployment rate has continued to fall and the national employment picture has continued to show signs of strengthening. The national unemployment rate dropped to 4.5 percent, suggesting that the U.S job market continues to improve and progress toward stabilization.

A significant indicator of the health of the U.S. economy is real gross domestic product (GDP), which measures the value of final goods and services produced in the U.S. in a given time period. The U.S. economy ended the year on a positive note as the GDP increased at an annual rate of 2.3 percent in the fourth quarter of 2017, according to the Bureau of Economic Analysis. This increase is reflective of positive contributions from consumer spending, nonresidential fixed investment, and state and local government spending.

With low interest rates and low oil prices, a good business climate has been created for the South Florida economy, encouraging growth in construction, trade, financial services, professional and legal services and tourism.

#### Major Initiatives

The City of Miami ensures operations are strategically aligned across the organization by developing a Strategic Plan that sets forth priorities that the City will accomplish with public resources. In June 2013, the City developed the Strategic Planning Initiative. In the fall of 2014, the Strategic Plan was adopted. Since its adoption, the City has updated the plan each year and will be revised for the next 3 year period (2018-2020), demonstrating the City's commitment to public engagement, performance management, and strategy development. Each year the City surveys its residents and employees and validates those findings against focus groups with community stakeholders. The City continues to focus its resources in alignment with improving the overall quality of life for its residents. The primary areas of importance for our residents continue to be safety and the economy. Having a safe and healthy environment to live, work and play is a critical component of the quality of life in any community.

The City's Strategic Plan outlines six key priority areas and goals identified as:

Public Safety	Clean and Beautiful Neighborhoods
Education and Economic Access	Parks, Recreation and Culture
Growth and Development	Efficient and Effective Government

Strategic planning starts with audacious visions, which are bold statements detailing the impact the City wants to make in the community. Organization-wide goals support the initiatives by focusing on collaborative efforts that inspire greater results.

Some of the major initiatives included by priority area are:

#### Public Safety

*ShotSpotter Program* - a gunfire detection system which utilizes sensors across deployment areas to identify outdoor firearms discharges. This initiative will identify unreported shootings and locate crime scenes with greater accuracy.

*Envelopes of Safety After School Program*- present an effort by various governmental bodies to bring after-school activities, such as music, visual arts and martial arts, to public school children in order to keep them safe at school and engaged in positive activities once the school day is over.

#### Education and Economic Access

*Youth Summer Intern Program-* this program is designated to provide Miami High school students with work experience, which increases their chances of getting a full-time job upon graduation, and the financial skills component that helps students to save money and administer their earnings.

*Summer Jobs Connect-* this program supports young adults seeking summer employment by adding banking access and targeted financial education into Summer Youth Employment Programs.

*Miami Mentorship Program*- this program is a partnering with Hispanic Inspiring Students Performance and Achievement (HISPA) and lunching a new chapter name HISPA-Miami to mentor middle schools and high school students from public schools about the importance of higher education in order to break the cycle of poverty.

*Big Brothers Big Sisters*- this program intent is to increase graduation rates and includes various departments and employees that have mentored Miami high school students with the purpose of helping them graduate from high school, gain scholarships and succeed in life.

*Take Stock in Children*- this program intent is to increase graduation rates. ensure that students graduate from high school with the knowledge and skills they need to complete their postsecondary education and to successfully enter the workforce. Students also receive a scholarship if they complete the program.

*Do the Right Thing-* this program recognizes and rewards area youths for their positive behavior, accomplishments and good deeds. The program also leads to positive behavior in young children and motivation to stay in school. The program is in its 24th year of operation and has grown to 55 national chapters and 4 international chapters.

#### Growth and Development

*Multiyear Capital Plan*-is an official statement of public policy regarding long-range physical development in the City of Miami. A capital improvement is defined as a capital expenditure of \$5,000 or more, resulting in the acquisition, improvement or addition to fixed assets in the form of land, buildings or improvements. The Capital Plan is a proposed funding scheduled for six years, updated annually to add new projects, revise funding sources, reevaluate project priorities and revise recommendations.

*Career Source Centers-* is a private-public partnership that establishes state and federally funded development and training policies for Miami-Dade and Monroe Counties. The City of Miami manages various CareerSource centers to provide resources and training to job seekers. The center also helps businesses to recruit new hires. The program expands access to jobs, training and resources for job seekers. The program also contributes to economic growth by placing individuals in different jobs.

*Free Trolleys*- more than 10 trolley routes are available in the City of Miami to provide transportation to thousands of residents. The new lines increase connectivity in the City and provide residents with more mobility options.

*Increase Wi-Fi access in parks and city-owned facilities*- this initiative encourages access to the internet and increases customer service at parks and City-owned properties. In the last three fiscal years, 55 wireless spots were installed to provide residents with free Wi-Fi in public facilities.

#### Clean and Beautiful Neighborhoods

*Clean-up Campaign: Keep Miami Beautiful-* this program is a collaboration across departments to beautify the City. Departments target a "grid" area to beautify. Public Works trims trees, handles potholes and trash holes. Solid Waste cleans up the cut trees. NET gets the word out and selects the area that needs priority. This initiative leads to cleaner neighborhoods, education and awareness on illegal dumping and recycling.

*Public Spaces Adopted*- this program beautifies the City while saving resources. Residents or businesses adopting a traffic circle or street are responsible for removing trash and performing landscaping maintenance at least 12 times a year.

#### Parks, Recreation and Culture

*Promoting Little Haiti Cultural Center-* this effort would help to attract tourists as well as locals who may not know about the Center.

*Expanded Fitness Classes at Parks*- the classes encourage healthy habits, strengthen communities and expand recreational options in the City.

#### Efficient & Effective government

*Alpha City of Miami Website-* this Alpha site features a few selected services and topics, showcasing more language and the ability to request services- such as pothole repair tree trimming directly through the website. It also provides a user-driven website where residents and business owners can receive exceptional service and information without having to come to the City Administration Building.

*Strategic Planning Training-* this initiative conducts monthly trainings to increase awareness of the City's Strategic Plan and train employees on developing performance measures.

The details on the key objectives of these priorities and the strategies for achieving these objectives are outlined in the *City of Miami Strategic Plan* adopted in September 2014, which can be accessed at www.miamigov.com/strategicPlanning/.

#### Capital Improvement Plan

The City's six-year Capital Improvement Plan has earmarked funding estimated at approximately \$680.5 million for 878 projects, 568 active and 310 future projects.

City Funds represent the largest share of funding in the Capital Plan, accounting for 69.7 percent of overall Plan funds. City Bonds represent the second largest funding source, accounting for 11.2 percent of the Plan's funding. Sources derived from State Grants represent 6.4 percent of the Plan. The remaining 12.7 percent of funding are from Federal, Local Units and Private Donations sources.

The tables below summarize the revenues by type and the expenditures by fund within the Capital Improvement Plan:

Description	Amount	Percent
City Funds	\$ 474,199,400	69.7%
City Bonds	76,078,800	11.2%
Private Donations/Other	40,173,600	5.9%
State Grants	43,422,200	6.4%
Federal Grants	3,939,100	0.6%
Miami-Dade County Grants	34,067,200	5.0%
Other Local Units	8,648,300	1.3%
Total	\$ 680,528,600	

#### Capital Improvement Program Revenue by Type

#### Capital Improvement Program Expenditures by Fund

Description	Amount	Percent
Streets and Sidewalks	\$ 184,034,900	27.0%
CRA Projects	93,000	0.0%
Disaster Recovery	1,918,900	0.3%
General Government	70,767,400	10.4%
Mass Transit	7,572,300	1.1%
Parks and Recreation	211,386,500	31.1%
Public Facilities	55,658,100	8.2%
Public Safety	53,241,400	7.8%
Sanitary Sewers	7,706,900	1.1%
Solid Waste	8,496,100	1.2%
Storm Sewers	79,653,100	11.7%
Total	\$ 680,528,600	

#### **Relevant Financial Policies**

The City has adopted a comprehensive set of financial policies. Two of these policies are described below.

#### Debt Management Policy

The City adopted a revised Debt Management Policy on May 26, 2016, to provide guidance governing the issuance, management, continuing evaluation of and reporting on all debt obligations issued by the City. Additionally, the Policy will provide guidance for the preparation and implementation necessary to assure compliance. It is the responsibility of the Finance Committee to review and make recommendations regarding the issuance of debt obligations and the management of outstanding debt. The Finance Committee shall consist of seven voting members, consisting of five members from the local business community appointed by the City Commission, the Mayor or his designee, and the City's Finance Director as the City Manager's designee. Others who may be present at meetings of the Finance Committee to provide technical expertise and advice shall include representatives from the City Attorney's office, the Budget Department, the Department to which the proposed debt may relate, the City's Financial Advisor, Bond Counsel and Disclosure Counsel. Meetings will be open to all interested parties and official minutes will be taken and copies made available upon request to the City Clerk.

The City's Finance Committee will consider all issues related to outstanding and proposed debt obligations, and will vote on issues affecting or relating to the credit worthiness, security and repayment of such obligations, including but not limited to procurement of services, structure, repayment terms and covenants of the proposed debt obligation, and issues which may affect the security of the bonds and ongoing disclosure to bondholders and interested parties.

The following policies concerning the issuance and management of debt were established in the Debt Management Policy: (a) the City will not issue debt obligations or use debt proceeds to finance current operations, (b) the City will utilize debt obligations only for acquisition, construction or remodeling of capital improvement projects that cannot be funded from current revenue sources or in such cases wherein it is more equitable to the users of the project to finance the project over its useful life, (c) the City will measure the impact of debt service requirements of outstanding and proposed debt obligations on single year, five, ten and twenty-year periods. This analysis will consider debt service maturities and payment patterns as well as the City's commitment to a pay as you go budgetary capital allocation, (d) the City will evaluate the long-term operational impact of capital projects to the City's budget and five-year financial plan. Each proposed debt issuance will be accompanied by a statement from the City Manager stating the estimated operational impact of the project being financed, and (e) the City may periodically refinance debt to take advantage of lower interest rates which will result in a Present Value Savings. The City may issue current refunding bonds that result in a minimum of three percent (3%) Net Present Value savings, and advance refunding bonds that result in a minimum of five percent (5%) Net Present Value savings. Refunding bonds shall not extend the final maturity of the bonds being refunded. If the present value savings is less than the threshold, or will result in a present value loss, and/or the maturity is greater than the maturity on the debt obligations to be refunded, the City may issue or enter into refunding Debt

obligations but only after a finding by the Commission that a compelling public policy objective would be achieved by the refunding, such as eliminating restrictive bond covenants or providing additional financial flexibility. The Commission's findings may be based on a report presented with the legislation authorizing the refunding.

The following other provisions shall be applicable to the City each time it considers a debt issuance: (a) the City will issue debt obligations for acquiring, constructing or renovating Capital Improvements or for refinancing existing debt obligations. Projects must be designed as public purpose projects by the City Commission prior to funding, and (b) all debt obligations shall have a maximum maturity of the earlier of: (i) the estimated useful life of the Capital Improvements being financed; or, (ii) thirty years: or, (iii), in the event they are being issued to refinance outstanding debt obligations the final maturity of the debt obligations being refinanced, unless a longer term is recommended by the Finance Committee.

As the City periodically addresses its ongoing needs, the City Manager and the City Commission must ensure that the future elected officials will have the flexibility to meet the capital needs of the City. Since neither State law nor the City Charter provides any limits on the amount of debt, which may be incurred (other than the requirement to have General Obligation debt approved in advance by referendum), this policy establishes the following targets and limits which at the same time provide future flexibility: (a) debt service as a percentage of Non-Ad Valorem general fund revenues: less than or equal to 15%; (b) net debt per capita: less than or equal to \$2,000; and (c) net debt to taxable assess value: less than or equal to 5%.

#### Investment Management Policy

The City adopted a detailed written investment policy on February 26, 2015, that applies to all cash and investments held or controlled by the City and identified as "general operating funds." The Investment Policy does not apply to the City's Pension Funds, Deferred Compensation & Section 401(a) Plans, and funds related to the issuance of debt where there are other existing policies or indentures in effect for such funds. Additionally, any future revenues which have statutory investment requirements conflicting with the City's Investment Policy, and funds held by State agencies (e.g. Department of Revenue) are not subject to the provisions of the policy.

The primary objective of the investment program is the safety of the principal of those funds within the portfolios. Investment transactions shall seek to keep capital losses at a minimum, whether they are from securities defaults or decline of market value. To attain this objective, diversification is required so that potential losses on individual securities do not exceed the income generated from the remainder of the portfolio. The portfolios are required to be managed in such a manner that funds are available to meet reasonably anticipated cash flow requirements in an orderly manner. Return on Investment is of least importance compared to the safety and liquidity objectives described in the policy. The policy stipulates that in accordance with the City's Administrative Policies, the responsibility for providing oversight and direction in regard to the management of the investment program resides with the City's Finance Director, designee or investment advisor approved by the City Commission. The City Manager shall delegate to the Finance Director the responsibility for setting or adjusting policies and overseeing the City's investments and investment activities. The active management of the City's investments shall be the responsibility of the City's Finance Director, or he may delegate such responsibility, in whole or in part, to Treasurer or Assistant Finance Director or, subject to the approval of the City Commission, an investment advisor experienced in municipal finance that is registered with the Securities and Exchange Commission under the Securities Exchange Act of 1934. The City may employ an investment advisor to assist in managing some or all of the City's portfolios. Such investment advisors Act of 1940.

Subject to the exceptions in the City's investment policy, the City may invest in the following types of securities: (a) The Florida Local Government Surplus Funds Trust Fund, (b) United States Government Securities, (c) United States Government Agencies, (d) Federal Instrumentalities, (e) Interest Bearing Time Deposit or Savings Accounts, (f) Repurchase Agreements, (g) Commercial Paper, (h) Corporate Notes, (i)Municipal Securities, (j) Registered Investment Companies (Money Market Funds), (k) Intergovernmental Investment Pool, (l) Agency Mortgage-Backed Securities, (m) Asset-Backed Securities, (n) Supranationals and (o) Foreign Sovereign Governments.

For the year ending September 30, 2017, the City has complied with its Investment and Debt Management Policies.

The investment policy is adopted by City Resolution. The Finance Director, Treasurer, and the Investment Committee shall review the policy annually and the City Commission shall approve any modifications made thereto.

#### Financial Integrity Principles

On February 10, 2000, the City enacted Ordinance No. 11890 ("Financial Integrity Ordinance") establishing thirteen financial integrity principles. The Financial Integrity Ordinance was enacted as a preventative measure setting forth financial practices that would prevent the recurrence of a financial emergency.

The Financial Integrity Ordinance requires the City to establish three reserves: (1) a "contingency" reserve of \$5 million to fund unanticipated budget issues which arise for potential expenditure overruns which cannot be offset through other sources or actions; (2) an "unassigned" fund balance reserve equal to ten percent of the prior three years average of general revenues (excluding transfers and including the contingency reserves in (1) above) to fund unexpected mid-year revenue shortfalls or for an emergency such as a natural or man-made disaster, which threatens the health, safety and welfare of the City's residents, businesses or visitors; and (3) an "assigned" reserve equal to ten percent of the prior three years average of general revenues (excluding transfers) to fund long-term liabilities and commitments of the City, such as compensated absences, self-insurance plan deficits and anticipated adjustments in pension plan payments resulting from market losses.

For the 2017 fiscal year, the City's General Fund reserves decreased by approximately \$28.6 million and had an ending fund balance of approximately \$160.1 million. Of the ending fund balance, approximately \$72.8 million is restricted, approximately \$2.1 million is non-spendable; approximately \$25.4 is assigned, which includes the \$5.0 million Required Contingency Reserve and approximately \$59.8 million is unassigned. Consequently, the 10 percent of the three-year revenue average required for the assigned fund balance was not met.

The City's five year forecast assumes increasing the General Fund's fund balance each of the five years. General Fund revenues are projected to grow by 10 percent over the next five years and General Fund expenditures are projected to grow by 10 percent over the same period. While meeting the fund balance requirements of the Financial Integrity Principles is a significant accomplishment and reverses the trend of declines experienced in fiscal years 2008 through 2009, the ultimate course will be determined by the City Commission in its review, consideration, and ultimate approval of future budgets submitted by the Administration.

Failure to comply with the Financial Integrity Ordinance is not an event of default under the Ordinance. The City will strive to come into compliance with the Ordinance. However, there can be no assurance that the General Fund Reserves will reach or be maintained at the level required by the Financial Integrity Ordinance. The City continues to recommend balanced budgets, including recommendations to restore General Fund Reserves to required levels as quickly and as reasonably as possible.

#### <u>Risk Management – Self Insurance Program</u>

The City administers a self-insurance program for workers' compensation, tort liability, property, and group health and life insurance programs, subject to certain stop-loss provisions. The City also offers to its retirees comprehensive medical coverage and life insurance benefits through its self-insurance plan.

The health and life insurance programs are administered by an independent administrator. The City funds the program on a pay as you go basis. Insurance coverage is maintained with independent carriers for property damage to City facilities. The City maintains excess coverage with independent carriers for workers' compensation and general liability. The City allows for cost allocation of pension, health insurance and worker's compensation benefits in the operating departments and a centralized account from which payments are made.

#### Certificate of Achievement

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Miami, Florida for its Comprehensive Annual Financial Report (CAFR) for the fiscal year ended September 30, 2016. The Certificate of Achievement is the highest form of recognition in the area of governmental accounting and financial reporting. The attainment of this award represents a significant accomplishment by a government and its financial management team.

In order to be awarded a Certificate of Achievement, the government had to publish an easily readable and efficiently organized CAFR that satisfied both generally accepted accounting principles and applicable program requirements. A Certificate of Achievement for Excellence in Financial Reporting is valid for a period of one year only. We believe that our current CAFR continues to meet the Certificate of Achievement for Excellence in Financial Reporting Program's requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

#### Acknowledgements

The preparation of this report would not have been possible without the skill, effort, and dedication of the entire staff of the Finance Department. The year-end closing, the audit, and compiling and publishing the CAFR could not have been accomplished without hard work, commitment and personal sacrifice.

We wish to thank all government departments for their assistance in providing the data necessary to prepare this report. The guidance and cooperation of the Mayor and City Commission in planning and conducting the financial affairs of the City is greatly appreciated. Lastly, we wish to express our appreciation to the City's General Services Administration for the reproduction of this report.

Respectfully submitted,

Emilio T. Gonzalez *City Manager* 

Fernando Casamayor Assistant City Manager/CFO

Trian Pace

Erica T. Paschal, CPA *Finance Director* 

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

# City of Miami Florida

For its Comprehensive Annual Financial Report for the Fiscal Year Ended

September 30, 2016

Christophen P. Monill

Executive Director/CEO

# FINANCIAL SECTION



Page left intentionally blank



RSM US LLP

#### **Independent Auditor's Report**

The Honorable Mayor and Members of the City Commission City of Miami, Florida

#### **Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Miami, Florida (the City), as of and for the year ended September 30, 2017, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

#### Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

#### Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of:

Component Units / Funds	Classification
Southeast Overtown Park West Redevelopment Agency	nonmajor special revenue fund
Omni Redevelopment Agency	nonmajor special revenue fund
Midtown Community Redevelopment Agency	nonmajor special revenue fund
• Virginia Key Beach Park Trust	nonmajor special revenue fund
Liberty City Community Revitalization District Trusts	nonmajor special revenue fund
<ul> <li>Firefighters' and Police Officers' Retirement Trust</li> <li>General Employees' and Sanitation Employees' Retirement Trust and Other Managed Trusts</li> </ul>	aggregate remaining fund information aggregate remaining fund information
Miami Sports and Exhibition Authority	discretely presented component unit
Downtown Development Authority	discretely presented component unit
Bayfront Park	discretely presented component unit
Coconut Grove Business Improvement District	discretely presented component unit
Wynwood Business Improvement District	discretely presented component unit

THE POWER OF BEING UNDERSTOOD AUDIT | TAX | CONSULTING The component units and funds represent the percentage of assets/deferred outflow of resources and revenue/additions, where applicable, of the respective opinion units listed below:

	Percentage of,		
Reporting Classification	Total Assets/ Deferred Outflow of Resources	Total Revenues/Additions	
Governmental Activities	4%	5%	
<ul> <li>Discretely Presented Component Units</li> </ul>	20%	36%	
<ul> <li>Aggregate Remaining Fund Information</li> </ul>	94%	79%	

Those statements were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for the funds and component units referred to above, are based solely on the reports of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America, and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

#### Opinions

In our opinion, based on our audit and the reports of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Miami, Florida, as of September 30, 2017, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### **Other Matters**

#### Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the *management's discussion and analysis, budgetary comparison schedules, and other post-employment benefits* and the *pension related schedules* as listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We and other auditors have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

#### Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The *introductory section, the combining and individual fund financial statements and schedules,* and the *statistical section,* are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual fund financial statements and schedules are the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America by us and other auditors. In our opinion, based on our audit, the procedures performed as described above, and the reports of the other auditors, the *combining and individual fund statements* as a whole.

The *introductory* and *statistical sections* have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

#### Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 30, 2018, under separate cover, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

RSM US LLP

Miami, Florida March 30, 2018 Page left intentionally blank

#### Management's Discussion and Analysis

As management of the City of Miami, Florida (the "City"), we offer readers of the City 's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended September 30, 2017. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages 5 - 18 of this report.

#### **Financial Highlights**

The liabilities and deferred inflows of resources of the City exceeded its assets and deferred outflows of resources at the close of the 2017 fiscal year by approximately \$505.7 million (*net position deficit*).

The City total net position decreased in fiscal year 2017 by \$171.2 million compared to a decrease in net position of \$23.0 million during fiscal year 2016. Total expenses exceeded total revenues in the current year due primarily to an increase in net pension expense and net other post-employment benefits (OPEB) expense.

At the close of the current fiscal year, the City's governmental operating fund (*General Fund*) reported a fund balance of approximately \$160.1 million, an increase of approximately \$28.6 million in comparison with the prior year.

The City's total outstanding long-term liabilities had a net increase of approximately \$155.9 million during the current fiscal year primarily due to an increase in net pension liabilities, net O PEB liabilities, and new debt issuances relating to the Vehicle Replacement Program, Radio Communication System purchase and Park Remediation.

#### **Overview of Financial Statements**

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements are comprised of three components: 1) government-wide financial statements 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

#### Government-Wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the City's finances, in a manner similar to private-sector business.

The focus of the statement of net position presents financial information on all of the City's assets and liabilities, and deferred inflows/outflows of resources with the difference reported as net position (deficit). Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The statement of activities presents information showing how the City's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave). The information is presented with the intent to summarize and simplify the user's analysis of the cost for the primary government and its component units' governmental activities.

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (*governmental activities*). The governmental activities of the City include general government, planning and development, community development, community redevelopment areas, public works, public safety, public facilities, and parks and recreation.

The government-wide financial statements include not only the City itself (known as the *primary government*), but also its discretely presented component units, which are other governmental units over which the City can exercise influence and/or may be obligated to provide financial subsidies. Financial information for these component units is reported separately from the financial information presented for the primary government itself. The blended component units, although legally separate, function for all practical purposes as departments of the City, and therefore have been included as an integral part of the primary government.

The government-wide financial statements can be found on pages 39-40 of this report.

#### Fund Financial Statements

A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into two categories: governmental funds and fiduciary funds.

#### **Governmental Funds**

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in assessing a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City maintains thirty-four individual governmental funds. Information is presented separately in the governmental fund balance sheets and in the governmental fund statements of revenues, expenditures and changes in fund balances for the general fund, special obligation bonds debt service fund, other capital projects fund, and impact fee fund, which are considered major funds. Data from the other thirty governmental funds are combined into a single aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements in the combining and individual fund statements and schedules section of this report.

The City adopts an annual appropriated budget for its general fund, special revenue funds, and debt service funds. Budgetary comparison schedules have been provided for the general fund, special revenue funds and debt service funds.

The basic governmental fund financial statements can be found on pages 41-44 of this report.

#### Fiduciary Funds

Fiduciary funds are used to account for resources held for the benefit of parties outside the City. Fiduciary funds are not reported in the government-wide financial statements because the resources of those funds are not available to support the City's own programs and operations.

The basic fiduciary fund financial statements can be found on pages 45-46 of this report.

#### Notes to the Financial Statements

The notes provide additional information that is necessary to acquire a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 51-140 of this report.

#### **Other Information**

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning budgetary comparisons and the City's progress in funding its obligations to provide pension benefits to its employees. Required supplementary information can be found on pages 141-155 of this report.

The combining statements referred to earlier in connection with non-major governmental funds are presented immediately following the required supplementary information. Combining and individual fund statements and schedules can be found on pages 161-173 of this report.

#### **Government-Wide Overall Financial Analysis**

As noted earlier, net position over time may serve as a useful indicator of a government's financial position. In the case of the City, the assets and deferred outflows of resources was lower than liabilities and deferred inflows of resources by \$505.7 million at the close of the most recent fiscal year, resulting in a net deficit. City's net position reflects its investment in capital assets (e.g. infrastructure, land, buildings, machinery and equipment); net of accumulated depreciation, less any related debt used to construct or acquire those assets that is still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves are typically not used to liquidate these liabilities. As of September 30, 2017, the City's net investment in capital assets was approximately \$629.8 million.

An additional portion of the City's net position represents resources that are subject to restrictions on how they may be used. As of September 30, 2017, the City's portion of restricted net position was approximately \$297.3 million.

The remaining portion represents an unrestricted net deficit of approximately \$1.4 billion, which is primarily due to outstanding borrowings for which there are no off-setting assets, along with an increase in claims payable, net pension liability, and OPEB liability.

At the end of the current fiscal year, the City's net position decreased from net position deficit of approximately \$334.5 million to approximately a net position deficit of \$505.7 million. The reasons for this overall decrease are discussed in the following sections for governmental activities.

The following schedule reflects a summary of the statement of net position compared to the prior year:

#### Summary Statement of Net Position (Deficit) as of September 30, 2017 and 2016 Governmental Activities

	2017	2016	Change (\$)	Change (%)
Assets				
Current and other assets	\$ 704,559,791	\$ 640,683,077	\$ 63,876,714	9.97%
Capital Assets	1,129,305,020	1,139,601,058	(10,296,038)	-0.90%
Total Assets	1,833,864,811	1,780,284,135	53,580,676	3.01%
Deferred Outflows of				
Resources	111,190,591	164,869,009	(53,678,418)	-32.56%
Other Liabilities	215,550,534	185,038,012	30,512,522	16.49%
Long-Term Liabilities	2,201,951,781	2,046,015,212	155,936,569	7.62%
Total Liabilities	2,417,502,315	2,231,053,224	186,449,091	8.36%
Deferred Inflows of Resources	33,279,788	48,578,905	(15,299,117)	-31.49%
<b>Net Position (Deficit):</b> Net Investment in Capital				
Assets	629,800,618	616,752,804	13,047,814	2.12%
Restricted	297,253,223	273,730,365	23,522,858	8.59%
Unrestricted (Deficit)	(1,432,780,542)	(1,224,962,154)	(207,818,388)	16.97%
<b>Total Net Position (Deficit)</b>	\$ (505,726,701)	\$ (334,478,985)	\$ (171,247,716)	51.20%

#### CITY OF MIAMI, FLORIDA MANAGEMENT'S DISCUSSION AND ANALYSIS (Unaudited) September 30, 2017

The following table provides a summary of the City's changes in the statement of net position (deficit) for the fiscal years ended September 30, 2017 and 2016:

Changes in Net Position (Deficit)

		Government	Activities		
		2017	2016	Change (\$)	Change (%)
Revenues:					
Program revenues					
Charges for Services	\$	263,222,830	\$ 257,840,317	\$ 5,382,513	2.09%
Operating Grants and Contributions		81,114,292	88,478,479	(7,364,187)	-8.32%
Capital Grants and Contributions		1,078,796	11,315,519	(10,236,723)	-90.46%
General revenues:					
Property Taxes		363,439,702	324,381,187	39,058,515	12.04%
Franchise Taxes		49,207,879	47,416,360	1,791,519	3.78%
State Revenue Sharing - Unrestricted		15,687,260	14,836,385	850,875	5.74%
Sales and Other Use Taxes		33,521,269	32,699,735	821,534	2.51%
Public Service Taxes		62,532,940	60,020,384	2,512,556	4.19%
Investment Earnings/(Losses) - Unrestricted		4,544,604	3,500,158	1,044,446	29.83%
<b>Total Revenues</b>	_	874,349,572	840,488,524	33,861,048	4.03%
Expenses:					
General Government		174,982,174	158,677,568	16,304,606	10.28%
Planning and Development		19,462,678	15,513,166	3,949,512	
Community Development		29,443,452	27,937,279	1,506,173	
Community Redevelpment Areas		34,616,272	36,149,769	(1,533,497)	-4.24%
Public Works		95,595,175	78,763,459	16,831,716	21.37%
Public Safety		579,366,645	446,865,144	132,501,501	29.65%
Public Facilities		19,086,773	16,758,483	2,328,290	13.89%
Parks and Recreation		63,380,712	50,207,864	13,172,848	26.24%
Interest on Long-Term Debt		29,663,407	32,606,891	(2,943,484)	-9.03%
Total Expenses	_	1,045,597,288	863,479,623	182,117,665	21.09%
Change in Net Position		(171,247,716)	(22,991,099)	(148,256,617)	644.85%
Net Position (Deficit) - Beginning		(334,478,985)	 (311,487,886)	(22,991,099)	
Net Position (Deficit) - Ending		(505,726,701)	\$ (334,478,985)	\$(171,247,716)	

#### **Governmental** Activities

As noted earlier, the City's net position decreased by approximately \$171.2 million compared to prior fiscal year. The major changes are as follows:

The decrease in net position can be attributed primarily to the City recording a net increase in its net pension liability and related deferred outflows and deferred inflow related to pension of \$127.2 million.

Total revenues for governmental activities increased over the prior year, although they were still less than the total expenses for the governmental activities. Specifically, the charges for services and property taxes increased over the prior year by \$5.4 million and \$39.06 million respectively. The charges for services and property tax increases reflect the economic recovery in the City. Strong growth in the construction industry resulted in increased permit fees and assessments, which are included in charges for services. Property taxes increased 12.0 percent, which is primarily attributed to an increase in property values.

#### **CITY OF MIAMI, FLORIDA** MANAGEMENT'S DISCUSSION AND ANALYSIS (Unaudited) September 30, 2017

The decrease in revenues are primarily attributed to decreases in operating grants and contributions and capital grants and contributions. The decrease in operating grants and contributions of \$7.4 million is the result of decreases in funding received in the current year relative to the prior year; primarily related to a decrease in Community Development. The decrease in capital grants and contributions of \$10.2 million is the result of decreases in funding received in the current year relative to the prior year; primarily related to a decrease in Community Development. The decrease in capital grants and contributions of \$10.2 million is the result of decreases in funding received in the current year relative to the prior year; primarily related to a decrease in Capital Improvements.

During fiscal year 2017, expenses for governmental activities increased by \$182.1 million. Public Safety experienced significant increases of \$132.5 million. The increase to Public Safety is attributable mainly to the replacement of police fleet and addition of police officers and fire rescue units to address growth and response times to certain areas. In addition, Public Safety increased due to expenditures related to Police and Fire-Rescue State Pension payments. The Increase to Public Works is attributable mainly to increase in personnel and fleet vehicles. Finally, the increase to Parks and Recreation is mainly attributable to an increase in personnel and improvements to parks throughout the City.

General Government expenses increased by \$16.3 million or 10.3 percent during the fiscal year due to life and health insurance increase across all departments, an average of five percent for all non-bargaining employees, funding for the contract between the City and Miami General Employees, American Federation of State, County, and Municipal Employees (AFSCME Local 1907), and IT-repair and maintenance services. Furthermore, increase in net pension expense for the General Employees' and Sanitation Retirement Trust

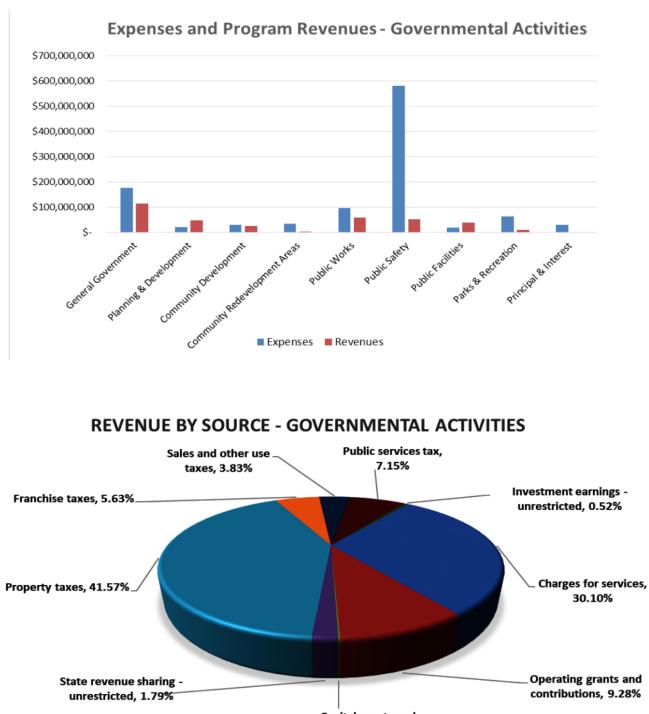
Public Safety expenses increased by \$132.5 million or 29.7 percent during the current fiscal year. This increase is mainly attributed to increase in net pension expense related to the Fire Fighters and Police Officers' Retirement Trust, increase in OPEB Police expense, a new collective bargaining agreement between the City and the Fraternal Order of Police, Walter E. Headley, Jr. overtime, IT-repair and maintenance services in Police and increase in Police and Fire retirement pension, increase in life and health insurance, and increase in special pay for Police and Fire.

Parks and Recreation increased by \$13.2 million or 26.2 percent during the current fiscal year primarily due to lifeguard temporary salary increases, additional temporary positions for new parks, temporary to permanent conversion of 19 positions in Parks and Recreation, additional parks security, and additional funding for playground repairs. Furthermore, Retirement Contributions and Life and Health Insurance increased in Parks and Recreation.

The City's interest expense decreased when compared to last fiscal year due to reduction of required interest payments on the respective bond debt service schedules. During the 2017 fiscal year, the City's bonds and loans had a net increase of approximately \$8.5 million.

#### CITY OF MIAMI, FLORIDA MANAGEMENT'S DISCUSSION AND ANALYSIS (Unaudited) September 30, 2017

The following charts provide a visual representation of the expenses and revenues for the governmental activities for fiscal year ended September 30, 2017:



Capital grants and contributions, 0.12%

## **Financial Analysis of Governmental Funds**

#### Governmental Funds

The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

The general fund is the chief operating fund of the City. At the end of the current fiscal year, the City's total General Fund balance was \$160.1 million. Of this amount, approximately \$72.8 million is restricted, approximately \$2.1 million is recorded as non-spendable for prepaid expenses, approximately \$25.4 million is designated as assigned fund balance, which includes the \$5.0 million Required Contingency Reserve, and approximately \$59.8 million is unassigned fund balance in accordance with the City's Financial Integrity Ordinance. Consequently, the 10 percent of the three-year revenue average required for the assigned fund balance was not met.

General fund's fund balance had a net increase of approximately \$28.6 million during the current fiscal year. Although revenues saw an increase of \$55.1 million, there were also increases in the expenditures of \$42.0 million and transfers in the amount of \$7.9 million. Significant revenue increases included property taxes, licenses and permits and charges for services. These revenue increases reflect an improvement in the local economy which appears to have now fully recovered. Expenditure increases are seen in the general fund functions, General Government, Public Safety and Parks and Recreation. The increase to Public Safety is mainly attributed to an increase in pension payments and the cost of a new collective bargaining agreement. The increase to Parks and Recreation is mainly attributable to an increase in personnel and improvements to parks throughout the City. The increase to transfer in is primarily due to the result of moving the James L Knight Center operations from a Special Revenue Fund to the general fund and collection from SEOPW global agreement.

Financial highlights of the City's other major governmental funds are as follows:

The Special Obligation Bond Debt Service Fund has a fund balance of approximately \$35.1 million. This represents a decrease of approximately \$6.0 million. The decrease is attributed to a decrease in transfers in to maintain the restricted cash requirements.

The Impact Fee Fund has a fund balance of \$80.8 million. The increase in fund balance of \$16.3 million from the prior year resulted primarily from impact fees associated with an increase in High Rise Residential Units.

The Other Capital Project Fund has a fund balance of \$115.8 million. This represents a decrease of approximately \$6.4 million. The decrease can be attributed to reduction in intergovernmental revenue and increase in capital outlay expenses related vehicle lease program.

## **General Fund Budgetary Highlights**

The FY2017 Adopted Budget maintains funding for current City services, and allows for expanded services in some categories while reducing the overall millage rate from 8.3351 to 8.2900. The Adopted Budget includes a lowered overall property tax rate for the sixth year in a row and funds certain strategic enhancements without reducing services.

The FY2017 City's Adopted General Fund Budget totaled approximately \$670.2 million. During the fiscal year, the general fund budget was amended at mid-year and at year-end. These amendments increased the previously adopted budget by approximately \$17 million to a revised total of approximately \$687.20 million. This increase in the general fund is primarily due to higher than budgeted expenditures in a few departments and the allocation of additional resources to the Capital Project Fund in accordance with capital expenditures that the City Commission previously approved or knew of such as the purchase of land located at 13 Northwest 61h Street for a new Fire Station 1 as instructed per Resolution R-17-0201 (which, as was noted when the resolution was adopted, will be reimbursed to the general fund by the sale of the current Fire Station 1 property in future years).

The City of Miami utilizes a five-year financial forecast to assist with the strategic decision process and to identify and prepare for future challenges. The Five-Year Financial Forecast demonstrates that anticipated revenue growth will not be sufficient to cover anticipated expenditure growth over the forecast period. Overall, general fund revenues are projected to grow by 10 percent over the next five years and general fund expenditures are projected to grow by 10 percent over the same period. With a projected fund balance of \$148.06 million for FY2017-18, the City will meet the Financial Integrity Principle (FIP) requirement estimated for that year. However, in FY2021-22 the City is currently not projected to meet the FIP requirement. The City's Administration is committed to continuing to restore fund balance levels over time to achieve compliance with the reserve policies outlined in the Financial Integrity Ordinance.

## **Capital Assets and Debt Administration**

#### Capital Assets

The City's investment in capital assets as of September 30, 2017 is \$1.1 billion. This investment in capital assets includes land, buildings, improvements, machinery, equipment and infrastructure. The total decrease in capital assets from the end of prior year is approximately 0.90 percent.

#### Capital Assets at Year End (Net of Depreciation)

	 Governr Activ				
	2017		2016	Change (\$)	Change (%)
Land	\$ 103,511,914	\$	95,421,063	\$ 8,090,851	8.48%
Construction-in-Progress	83,996,468		98,025,139	(14,028,671)	-14.31%
Buildings	220,697,166		218,123,892	2,573,274	1.18%
Improvements	106,568,892		122,165,421	(15,596,529)	-12.77%
Machinery and Equipment	71,495,826		61,489,998	10,005,828	16.27%
Infrastructure	543,034,754	_	544,375,545	(1,340,791)	-0.25%
Total	\$ 1,129,305,020	\$	1,139,601,058	\$ (10,296,038)	-0.90%

Major capital asset events during the current fiscal year included the following:

Land increased approximately \$8.1 million. The increase is attributed to the City acquiring five properties valued at \$8.1 million and disposing of one property valued at \$38.7 thousand during fiscal year 2017.

Construction in progress decreased approximately \$14 million. The total transfers out of construction in progress amounted to approximately \$54.8 million; however, there was an addition of approximately \$40.8 million in new expenditures during fiscal year 2017.

Buildings increased by approximately \$2.6 million. The increase is in large part attributed to \$10.5 million in completed construction in progress projects and building acquisitions which include new structures at Kinloch Park, Charles Hadley Park and Little Haiti Soccer Park, offset by \$7.9 million in depreciation expense.

Improvements decreased by approximately \$15.6 million. The projects completed during the fiscal year and transferred from construction in progress, included \$1.3 million in building improvements and \$1.3 million in land improvements. There was also an addition of \$3.1 million in improvements to the Overtown Community Center expenditures and \$644.6 thousand in improvement for City parks and Public Facilities. These transfers and additions are offset by depreciation expense and retirements incurred for the current fiscal year which net to \$21.9 million.

Machinery and Equipment increased by approximately \$10 million. There was \$29.4 million in additions and transfers, primarily attributed to the acquisition of computers for several departments and operating equipment, to include a helicopter, off-road equipment, boats, heavy duty vehicles for the Solid Waste and Public Works department in addition to light and heavy fleet vehicles, for the Police,

General Services Administration and Fire departments. However, these expenditures are offset by approximately \$19.3 million in depreciation expense for the current fiscal year.

Infrastructure decreased by approximately \$1.3 million. There was \$32.2 million in transfers and additions, primarily attributed to roadway improvements. These transfers were offset by \$33.5 million in depreciation expense for the current fiscal year.

Additional information on the City's capital assets can be found in Note 1 and Note 5 in the notes to the financial statements.

#### Long-Term Debt

At the end of the current fiscal year, the City had a total debt outstanding of \$660.9 million. Of this amount, \$174.6 million is backed by the Limited Ad Valorem Tax Revenue; the remainder represents Special Obligation, Revenue bonds and loans secured solely by Non-Ad Valorem revenue sources.

The City's net debt increased during the current fiscal year by \$8.5 million or 1.31 percent.

#### Outstanding Debt General Obligation Bonds, Special Obligations and Revenue Bonds and Loans

		Government	al Ao	ctivities			
	2017			2016		\$ Change	% Change
General Obligation Bonds Special Obligation,	\$	174,640,000	\$	189,735,000	\$	15,095,000	7.96%
Revenue Bonds and Loans		486,221,380		462,609,755	_	23,611,625	5.10%
Total	\$	660,861,380	\$	652,344,755	\$	8,516,625	1.31%

The City's current ratings for all of the various types of debt are shown below:

## City of Miami Bond Ratings

Issue	Moody's	Standard & Poor's	Fitch
Limited General Obligation Bonds	A1	AA-	A-
Marlins Garage	A2	A+	A+
Special Obligation (NAV)	A1	A+	A+
Street and Sidewalks	A2	А	AA+

Additional information on the City's long-term liabilities can be found in Note 8 in the notes to the financial statements.

# **Economic Factors and Next Year's Budget and Rates**

The budget is developed based on needs and performance, and follows the direction of policy as set by the elected officials. The process begins with the preparation of the financial outlook, a comprehensive review of allocation needs that are expected to be required by the City for its operations. These allocations include a review of salaries and wages (growth as dictated by negotiated union contracts); pension requirement needs, anticipated insurance premium increases, etc. These allocation needs are then compared to the City's anticipated revenue inflows to determine whether these needs can be satisfied. It is with this analysis, along with the Mayor and City Commissioners' feedback, and the City's comprehensive strategic plan, that the guidelines for preparing the budget toolkit are determined and compiled into an all-inclusive instructional booklet that is then distributed to departments for their use in preparing their budget submissions. The City's elected and appointed officials considered many factors when adopting the fiscal year 2017 budget. Included among these factors were uncertainties regarding pension costs, health insurance costs, other post employment benefit costs, and other various economic indicators.

The City of Miami, like many municipalities throughout the State, is slowly recovering from the economic downturn of the previous years. Recently approved State legislation along with a constitutional amendment passed by Florida voters, lowered the City's taxable values while establishing controls on its millage rate (discussed below). This legislation and amendment was also a clear indication by the people of the State of Florida that not enough was done in the previous year to provide property owners with tax relief.

Between FY 2017-18 and FY 2021-22, general fund revenues are forecasted to grow by a total of 10 percent. The largest components of general fund revenues are Property Taxes (44.9 percent of FY 2017-18 general fund revenues), Franchise Fees and Other Taxes (15.2 percent), Charges for Services (15.1 percent), Licenses and Permits (9 percent), and Intergovernmental Revenues (9.3 percent). Interest, Fines and Forfeitures, Other Revenues, and Transfers-In comprise the remaining 6.5 percent.

In fiscal year 2018, the total adopted property tax rate is 8.0300 mills, a reduction of 0.2600 mills from last year total tax rate. The FY 2017-18 Budget for general fund property tax revenue is \$325.98 million. This budget is based on an assessed valuation of \$49.62 billion and a general fund millage rate of 7.4365. The millage rate is assumed to remain flat over the five-year period. Taxable property values are budgeted to increase by 11.3 percent in FY 2017-18, 7 percent in FY 2018-19, by 5 percent in FY 2019-20, by 5 percent in FY 2020-21, and by 5 percent in FY 2021-22. This assumption is based on the expectation that the recent increase in development activity in the City will gradually level out by the end of the five-year period. While current tax revenue is projected to increase annually, delinquent tax revenue is projected to decline over the five-year period. The forecast assumes a 10 percent annual decline in delinquent tax revenue.

## **Requests for Information**

This financial report is designed to provide a general overview of the City's finances for all those with an interest in the government's finances to demonstrate the City's accountability. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the City of Miami's Finance Department – Director, 444 Southwest 2<sup>nd</sup> Avenue, Suite 618, Miami, Florida 33130, or visit the City's web site at www.miamigov.com.

Page left intentionally blank

#### City of Miami, Florida Statement of Net Position (Deficit) September 30, 2017

	Governmental Activities	Component Units
Assets		
Cash, Cash Equivalents, and Investments	\$ 450,239,630	\$ 22,726,654
Receivable - Net	34,066,057	2,624,093
Accrued Interest	658,959	-
Due From Other Governments	23,091,462	724,093
Land Held for Resale	90,971	-
Prepaids	2,124,578	776,927
Other Assets	271,969	8,670,149
Restricted Cash, Cash Equivalents, and Investments Related to Bond Proceeds	44,321,527	-
Restricted Cash, Cash Equivalents, and Investments	149,694,638	30,666,873
Capital Assets:		
Non-Depreciable	187,508,382	8,747,807
Depreciable - Net	941,796,638	49,807,660
Total Assets	1,833,864,811	124,744,256
Deferred Outflows of Resources		
Deferred Loss on Refunding Bonds	2,919,621	1,052,337
Outflow Related to Pension	108,270,970	982,141
Total Deferred Outflows of Resources	111,190,591	2,034,478
Liabilities		
Accounts Payable and Accrued Liabilities	81,086,875	3,926,566
Due to Other Governments	1,684,875	1,955,162
Unearned Revenue	18,898,779	694,188
Deposits	12,859,087	690,489
Accrued Interest Payable	6,092,381	1,621,593
Non-Current Liabilities:		
Due Within One Year:		
Bonds and Loans Payable	51,782,882	1,735,000
Compensated Absences	9,932,465	422,673
Claims Payable	33,213,190	-
Due In More Than One Year:		
Bonds and Loans Payable	615,515,008	63,901,830
Compensated Absences	40,082,783	435,544
Claims Payable	176,213,239	, -
Other Post Employment Benefits	457,325,000	122,928
Net Pension Liability	912,815,751	-
Total Liabilities	\$ 2,417,502,315	\$ 75,505,973
Deferred Inflows of Resources		
Revenue Received in Advance	16,612,541	-
Inflow Related to Pension	16,667,247	-
<b>Total Deferred Inflows of Resources</b>	\$ 33,279,788	\$
Net Position (Deficit)		
Net Investment in Capital Assets	627,800,618	(334,210)
Restricted for:		
Capital Projects	122,199,334	12,147,594
Debt Service	40,673,112	1,586,482
Parking Waiver and Transportation	9,950,906	665,724
Parking Surcharge	-	419,108
Building	68,749,063	-
Housing Assistance and Economic Development	22,234,390	-
Law Enforcement	1,393,791	-
Community Redevelopment	28,148,371	-
Choice Housing Voucher Program	216,823	-
E-911	4,034,318	-
Unrestricted (Deficit)	(1,431,127,427)	36,788,063
Total Net Position (Deficit)	\$ (505,726,701)	\$ 51,272,761
The notes to the financial statements are an integral par		<u> </u>

The notes to the financial statements are an integral part of this statement

#### City of Miami, Florida Statement of Activities For the Fiscal Year Ended September 30, 2017

					Prog	ram Revenues			Net	(Expense) Reven Net Pos	
		Expenses		Charges for Services	(	Operating Grants and Contributions	(	Capital Grants and Contributions		Primary Government Governmental Activities	Component Units
Functions/Programs:											
Primary Government:											
Governmental Activities:											
General Government	\$	174,982,174	\$	80,722,098	\$	32,205,062	\$	-	\$	(62,055,014)	\$ -
Planning and Development		19,462,678		46,837,017		35,708		-		27,410,047	-
Community Development		29,443,452		-		25,820,141		-		(3,623,311)	-
Community Redevelpment Areas		34,616,272		1,998,138		580,507		-		(32,037,627)	-
Public Works		95,595,175		58,727,450		40,000		-		(36,827,725)	-
Public Safety		579,366,645		29,475,920		21,401,922		-		(528,488,803)	-
Public Facilities		19,086,773		37,720,512		22,245		399,633		19,055,617	-
Parks and Recreation		63,380,712		7,741,695		1,008,707		679,163		(53,951,147)	-
Interest on Long-Term Debt		29,663,407		-		_		-		(29,663,407)	-
Total Primary Government	\$	1,045,597,288	\$	263,222,830	\$	81,114,292	\$	1,078,796	\$	(700,181,370)	\$ -
Component Units:											
Miami Sports and Exhibition Authority	\$	160,314	\$	152,854	\$	-	\$	-	\$	-	\$ (7,460)
Department of Off-Street Parking		31,323,188		32,205,034		-		395,960		-	1,277,806
Downtown Development Authority		6,703,247		-		-		-		-	(6,703,247)
Bayfront Park Management Trust		7,710,742		7,761,469		-		-		-	50,727
Coconut Grove BID		1,338,200		1,845,620		-		-		-	507,420
Wynwood BID		980,003		1,128,804		-		-		-	148,801
Civilian Investigative Panel		674,891		-,,		659,400		-		-	(15,491)
Total Component Units	\$	48,890,585	\$	43,093,781	\$	659,400	\$	395,960	\$	-	\$ (4,741,444)
		al Revenues:									
	axes		1.0								
		perty Taxes, levi			s				\$	336,475,508	\$ 7,274,524
		perty Taxes, levi	ed for	debt service						26,964,194	-
		inchise Taxes								49,207,879	-
		te Revenue Shari	0							15,687,260	-
		es and Other Use	Taxes	5						33,521,269	-

62,532,940

4,544,604

528,933,654

(171,247,716)

(334,478,985)

\$ (505,726,701)

-

8,524 270,535

7,553,583

2,812,139

48,460,622

51,272,761

\$

Public Service Taxes

Other General Revenues

Total General Revenues Change in Net Position

Net Position - Beginning (Deficit)

Net Position - Ending (Deficit)

Investment Earnings - Unrestricted

#### City of Miami, Florida Balance Sheet Governmental Funds September 30, 2017

		Major				
	General	Special Obligation Bonds	Other Capital Projects	Impact Fee	Non-Major Governmental Funds	Total Governmental Funds
Assets						
Pooled Cash, Cash Equivalents, and Investments	\$ 182,113,563	\$ -	\$ 149,231,277		\$ 118,894,790	\$ 450,239,630
Restricted Cash, Cash Equivalents, and Investments	-	39,302,490	-	82,392,329	72,321,346	194,016,165
Receivables (Net of Allowance for Uncollectibles):						
Loans Receivable	-	-	-	-	1,794	1,794
Accounts Receivable	27,554,833	333,333	6,208	-	3,594,330	31,488,704
Property Tax	2,346,146	-	-	-	229,413	2,575,559
Due From Other Governments	7,003,195	-	1,204,266	-	14,884,001	23,091,462
Due From Other Funds	21,819,198	-	-	-	-	21,819,198
Accrued Interest	504,382	-	4,109	23,031	127,437	658,959
Prepaids	2,101,634	-	-	-	22,944	2,124,578
Other Assets	89,804	-	-	-	182,165	271,969
Total Assets	\$ 243,532,755	\$ 39,635,823	\$ 150,445,860	\$ 82,415,360	\$ 210,258,220	\$ 726,288,018
Liabilities and Fund Balances						
Liabilities:						
Accounts Payable and Accrued Liabilities	41,734,643	22,500	11,635,642	1,574,862	25,506,368	80,474,015
Other Liabilities	608,636	-	-	-	4,224	612,860
Due to Other Funds	-	4,521,027	12,446,949	-	4,851,222	21,819,198
Due to Other Governments	2,876	-	-	-	1,681,999	1,684,875
Unearned Revenue	9,483,431	-	9,397,348	-	18,000	18,898,779
Deposits	12,652,566	-	-	-	206,521	12,859,087
Total Liabilities	64,482,152	4,543,527	33,479,939	1,574,862	32,268,334	136,348,814
Deferred Inflows of Resources						
Revenue Received in Advance	16,561,039	-	-	-	51,502	16,612,541
Unavailable Revenue - Other	2,346,146	-	1,118,970	-	3,069,213	6,534,329
<b>Total Deferred Inflows of Resources</b>	18,907,185	-	1,118,970	-	3,120,715	23,146,870
Fund Balances:						
Non-Spendable Fund Balance						
Non Spendable	2,101,634	-	-	-	1,021,897	3,123,531
Spendable Fund Balance	, , ,				, , , , , , , , , , , , , , , , , , ,	- , - ,
Restricted	72,818,263	35,092,296	21,154,318	80,840,498	128,414,235	338,319,610
Committed		-	77,618,216		43,465,308	121,083,524
Assigned	25,386,647	-	17,074,417	-	2,185,993	44,647,057
Unassigned	59,836,874	-		-	(218,262)	59,618,612
Total Fund Balances	160,143,418	35,092,296	115,846,951	80,840,498	174,869,171	566,792,334
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 243,532,755		\$ 150,445,860	\$ 82,415,360	\$ 210,258,220	\$ 726,288,018

#### City of Miami, Florida Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position For the Fiscal Year Ended September 30, 2017

Amounts reported for governmental activities in the Statement of Net Position are different because:         Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.         Governmental Capital Assets       2,520,776,565         Less: Accumulated Depreciation       (1,391,471,545)         Inventory for land held for resale are not financial resources and therefore are not reported in the governmental funds.       90,971         Deferred inflow and outflow related to the City's Pension Plans are amortized in future periods and are therefore not reported in the governmental funds:       90,971         Deferred outflows related to pensions       108,270,970       91,603,723         Loss on refunding of debt is recognized in the statement of Net Position and amortized over the term of the bond       2,919,621         Grant receivables are reported as deferred inflows in the fund financial statements due to amounts being unavailable; under full accrual accounting they are reported as revenues.       3,958,771         Tax receivables are not treported in the current period and therefore are not reported in the governmental funds.       2,575,558         Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.       2,575,558         Cong-term liabilities are not teneoffis       (50,015,248)       (2,302,972,699)         Chains Liability       (209,426,429)       (0,12,315,751)         Oth	Fund Balances - Total Governmental Funds		\$ 566,792,334
resources and therefore are not reported in the governmental funds.          Governmental Capital Assets       2,520,776,565         Less: Accumulated Depreciation       (1,391,471,545)         Inventory for land held for resale are not financial       90,971         Deferred inflow and outflow related to the City's Pension Plans are amortized       90,971         Deferred inflow and outflow related to the City's Pension Plans are amortized       90,970         Deferred inflow and outflow related to pensions       108,270,970         Deferred inflow related to pensions       108,270,970         Grant receivables are reported as deferred inflows in the fund financial statements due to amounts being unavailable; under full accrual accounting they are reported as deferred inflows in the fund financial statements due to amounts being unavailable; under full accrual accounting they are reported as revenues.       3,958,771         Tax receivables are not due and payable in the current period and therefore are not reported in the governmental funds.       2,575,558         Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.       2,575,558         Donds, Notes, and Loans Payable       (667,297,890)       (209,426,429)         Chims Liability			
Less: Accumulated Depreciation(1,391,471,545)1,129,305,020Inventory for land held for resale are not financial resources and therefore are not reported in the governmental funds.90,971Deferred inflow and outflow related to the City's Pension Plans are amortized in future periods and are therefore not reported in the governmental funds:90,971Deferred outflows related to pensions108,270,970 (16,667,247)91,603,723Loss on refunding of debt is recognized in the statement of Net Position and amortized over the term of the bond2,919,621Grant receivables are reported as deferred inflows in the fund financial statements due to amounts being unavailable; under full accrual accounting they are reported as revenues.3,958,771Tax receivables are reported as deferred inflows in the fund financial statements due to amounts being unavailable; under full accrual accounting they are reported as revenues.2,575,558Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.(667,297,890) (50,015,248)Bonds, Notes, and Loans Payable Claims Liability Other Post Employment Benefits (457,325,000) Net Pension Liability(21,302,972,699) (6,092,381) (6,092,381) (2,302,972,699)Net Pension Liability Accrued Interest Payable(457,325,000) (6,092,381) (6,092,381) (2,302,972,699)	-		
resource's and therefore are not reported in the governmental funds.       90,971         Deferred inflow and outflow related to the City's Pension Plans are amortized in future periods and are therefore not reported in the governmental funds:       108,270,970         Deferred outflows related to pensions       108,270,970         Deferred inflow related to pensions       108,270,970         Deferred inflow related to pensions       108,270,970         Class on refunding of debt is recognized in the statement of Net Position and amortized over the term of the bond       2,919,621         Grant receivables are reported as deferred inflows in the fund financial statements due to amounts being unavailable; under full accrual accounting they are reported as deferred inflows in the fund financial statements due to amounts being unavailable; under full accrual accounting they are reported as revenues.       2,575,558         Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.       209,426,429         Other Post Employment Benefits       (457,325,000)       (2,302,972,699)         Net Pension Liability       (912,815,751)       (2,302,972,699)         Net Pension Liability       (912,815,751)       (2,302,972,699)			1,129,305,020
in future periods and are therefore not reported in the governmental funds: Deferred outflows related to pensions 108,270,970 (16,667,247) 91,603,723 Loss on refunding of debt is recognized in the statement of Net Position and amortized over the term of the bond 2,919,621 Grant receivables are reported as deferred inflows in the fund financial statements due to amounts being unavailable; under full accrual accounting they are reported as deferred inflows in the fund financial statements due to amounts being unavailable; under full accrual accounting they are reported as deferred inflows in the fund financial statements due to amounts being unavailable; under full accrual accounting they are reported as revenues. 3,958,771 Tax receivables are reported as deferred inflows in the fund financial statements due to amounts being unavailable; under full accrual accounting they are reported as revenues. 2,575,558 Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds. Bonds, Notes, and Loans Payable (667,297,890) Compensated Absences (50,015,248) Claims Liability (209,426,429) Other Post Employment Benefits (457,325,000) Net Pension Liability (912,815,751) Accrued Interest Payable (6,092,381) (2,302,972,699)			90,971
Deferred inflow related to pensions(16,667,247)91,603,723Loss on refunding of debt is recognized in the statement of Net Position and amortized over the term of the bond2,919,621Grant receivables are reported as deferred inflows in the fund financial statements due to amounts being unavailable; under full accrual accounting they are reported as revenues.3,958,771Tax receivables are reported as deferred inflows in the fund financial statements due to amounts being unavailable; under full accrual accounting they are reported as revenues.2,575,558Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.(667,297,890) (50,015,248) (209,426,429) Other Post Employment Benefits (457,325,000) Net Pension Liability(209,426,429) (912,815,751) (6,092,381)(2,302,972,699)	-		
amortized over the term of the bond2,919,621Grant receivables are reported as deferred inflows in the fund financial statements due to amounts being unavailable; under full accrual accounting they are reported as revenues.3,958,771Tax receivables are reported as deferred inflows in the fund financial statements due to amounts being unavailable; under full accrual accounting they are reported as revenues.3,958,771Tax receivables are reported as deferred inflows in the fund financial statements due to amounts being unavailable; under full accrual accounting they are reported as revenues.2,575,558Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.(667,297,890) (50,015,248) (209,426,429) Other Post Employment Benefits (457,325,000) Net Pension Liability(209,426,429) (912,815,751) (2,302,972,699)Accrued Interest Payable(6,092,381) (2,302,972,699)(2,302,972,699)			91,603,723
statements due to amounts being unavailable; under full accrual accounting they are reported as revenues.3,958,771Tax receivables are reported as deferred inflows in the fund financial statements due to amounts being unavailable; under full accrual accounting they are reported as revenues.2,575,558Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.2,575,558Bonds, Notes, and Loans Payable(667,297,890) (50,015,248) (209,426,429) Other Post Employment Benefits(667,297,890) (912,815,751) (912,815,751) (6,092,381)Accrued Interest Payable(6,092,381) (2,302,972,699)			2,919,621
statements due to amounts being unavailable; under full accrual accounting they are reported as revenues.2,575,558Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.(667,297,890) (50,015,248) (209,426,429) Other Post Employment Benefits (457,325,000) Net Pension Liability(667,297,890) (912,815,751) (6,092,381)(2,302,972,699)	statements due to amounts being unavailable; under full accrual accounting		3,958,771
and therefore are not reported in the governmental funds.Bonds, Notes, and Loans Payable(667,297,890)Compensated Absences(50,015,248)Claims Liability(209,426,429)Other Post Employment Benefits(457,325,000)Net Pension Liability(912,815,751)Accrued Interest Payable(6,092,381)(2,302,972,699)	statements due to amounts being unavailable; under full accrual accounting		2,575,558
Compensated Absences(50,015,248)Claims Liability(209,426,429)Other Post Employment Benefits(457,325,000)Net Pension Liability(912,815,751)Accrued Interest Payable(6,092,381)(2,302,972,699)			
	Compensated Absences Claims Liability Other Post Employment Benefits Net Pension Liability	(50,015,248) (209,426,429) (457,325,000) (912,815,751)	(2 302 972 699)
		(0,072,201)	

#### City of Miami, Florida Statement of Revenues, Expenditures and Changes in Fund Balances Governmental Funds For The Fiscal Year Ended September 30, 2017

		Major F				
	General	Special	Other Capital Projects	Impact Fee	Non-Major Governmental Funds	Total Governmental Funds
Revenues						
Property Taxes	\$ 294,888,735	\$ -	\$ -	\$ -	\$ 68,550,967	\$ 363,439,702
Franchise and Other Taxes	111,740,819	-	-	-	-	111,740,819
Licenses and Permits	72,542,186	-	-	-	488,778	73,030,964
Fines and Forfeitures	15,861,887	-	59	-	1,865,843	17,727,789
Intergovernmental Revenues	66,924,951	4,000,002	348,915	-	60,709,968	131,983,836
Charges for Services	115,954,235	-	344,943	-	15,123,303	131,422,481
Investment Earnings (Loss)	2,986,388	60,370	-	675,286	822,560	4,544,604
Impact Fees	-	-	-	25,347,222	-	25,347,222
Other	13,064,144	-	330,319	-	2,299,911	15,694,374
Total Revenues	693,963,345	4,060,372	1,024,236	26,022,508	149,861,330	874,931,791
Expenditures						
Current Operating:						
General Government	98,088,311	99,192	1,459,795	4,251	27,104,728	126,756,277
Planning and Development	16,952,966	-	352,771	-	1,172,375	18,478,112
Community Development	3,234,464	-	-	-	25,824,918	29,059,382
Community Redevelpment Areas	-	-	-	-	33,155,840	33,155,840
Public Works	72,715,761	-	264,343	235,072	7,318,967	80,534,143
Public Safety	359,124,724	-	990,057	531,692	16,989,303	377,635,776
Public Facilities	12,247,719	-	532,916	-	3,314,593	16,095,228
Parks and Recreation	42,170,266	-	301,584	298,596	7,352,476	50,122,922
Debt Service:						
Principal	-	23,418,297	-	-	19,430,000	42,848,297
Interest and Other Charges	-	21,651,860	-	-	11,724,895	33,376,755
Capital Outlay	3,016,412	-	52,665,556	8,680,433	15,949,787	80,312,188
Total Expenditures	607,550,623	45,169,349	56,567,022	9,750,044	169,337,882	888,374,920
Excess (Deficiency) of Revenues						
Over (Under) Expenditures	86,412,722	(41,108,977)	(55,542,786)	16,272,464	(19,476,552)	(13,443,129)
Other Financing Sources (Uses)						
Transfers In	12,073,226	37,991,500	28,143,913	-	37,776,174	115,984,813
Transfers Out	(70,651,100)	(2,971,099)	(1,101,377)	-	(41,261,237)	(115,984,813)
Proceeds from Sale of Property	787,221	-	-	-	-	787,221
Proceeds Received from Refunding	-	-	-	-	114,380,000	114,380,000
Payment To Escrow Agent For Refunding	-	-	-	-	(112,330,000)	(112,330,000)
Issuance of Debt	-	129,100	22,117,922	-	27,067,900	49,314,922
Discount from Issuance of Debt	-	-	-	-	(67,900)	(67,900)
Total Other Financing Sources (Uses)	(57,790,653)	35,149,501	49,160,458	-	25,564,937	52,084,243
Net Changes in Fund Balances	28,622,069	(5,959,476)	(6,382,328)	16,272,464	6,088,385	38,641,114
Fund Balances - Beginning	131,521,349	41,051,772	122,229,279	64,568,034	168,780,786	528,151,220
Fund Balances - Ending	\$ 160,143,418	\$ 35,092,296	\$ 115,846,951	\$ 80,840,498	\$ 174,869,171	\$ 566,792,334

#### City of Miami, Florida Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities For the Fiscal Year Ended September 30, 2017

Net Changes in Fund Balances - Total Governmental Funds		\$ 38,641,114
Amounts reported for governmental activities in the Statement of Activities are different because:		
Grant revenues are reported as deferred inflows in the fund financial statements due to amounts being unavailable, under full accrual accounting they are reported as revenues.		(561,935)
Tax revenues are reported as deferred inflows in the fund financial statements due to amounts being unavailable, under full accrual accounting they are reported as revenues.		(20,287)
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of these assets is depreciated over their estimated useful lives.		
Expenditures for capital assets	80,312,188	
Less: current year depreciation	(82,690,566)	(2,378,378)
The net effect of various transactions involving capital assets (i.e. sales and disposals) is to decrease net position.		(7,917,657)
The issuance of long-term debt provides current financial resources and the payment of the		
principal on long-term debt consumes the resources of the governmental funds.		
Principal paid on bonds and loans	42,848,297	
Net effect of deferring and amortizing premiums, discounts, and accretion	2,110,834	
Issuance of debt-Special Obligation	(27,160,000)	
Issuance of debt-capital lease	(22,154,922)	
The net effect of amortizing the loss on debt refunding.	418,774	
Issuance of debt-refunding of bonds	(114,380,000)	
Payment to escrow agent for refunding	112,330,000	(5,987,017)
Some items reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.		
Compensated absences	4,087,795	
Claims payable	191,784	
Other post employment benefits	(71,370,000)	
Net pension liability and related deferred inflows and outflows	(127,184,775)	
Accrued interest payable	1,251,640	(193,023,556)
Change in Net Position (Deficit) of Governmental Activities		<u>\$ (171,247,716)</u>

#### City of Miami, Florida Statement of Fiduciary Net Position Fiduciary Funds September 30, 2017

	Employee Retirement Funds
Assets	
Cash and Cash Equivalents	\$ 43,391,127
Accounts Receivable	11,395,984
Capital Assets, Net	3,399,408
	58,186,519
Investments:	
U.S. Government Obligations	191,024,734
Corporate Bonds	447,536,741
Corporate Stocks	805,936,524
Money Market Funds and Commercial Paper	45,028,521
International Equity	256,089,706
Mutual Funds	181,181,304
Real Estate	195,871,780
Private Equity	139,235,059
Absolute Return Funds	99,722,597
Total Investments	2,361,626,966
Securities Lending Collateral	129,908,551
Total Assets	2,549,722,036
Liabilities	
Obligations Under Security Lending Transactions	129,908,551
Accounts Payable	1,710,382
Payable for Securities Purchased	6,951,665
Total Liabilities	138,570,598
Net Position	
Restricted for Pension Benefits	\$ 2,411,151,438

#### City of Miami, Florida Statement of Changes in Fiduciary Net Position Fiduciary Funds For the Fiscal Year Ended September 30, 2017

	Employee Retirement Funds
Additions	
Contributions:	
Employer	\$ 88,994,859
Plan Members	24,312,154
Total Contributions	113,307,013
Investment Earnings:	
Net Increase (Decrease) in Fair Value of Investments	198,077,634
Interest	22,580,819
Dividends	14,891,694
Other	823,739
Total Investment Earnings	236,373,886
Security Lending Activities:	
Security Lending Income	704,395
Security Lending Fees and Rebates	(175,980)
Net Income From Security Lending Activities	528,415
Less Investment Expenses	(7,013,195)
Net Investment Earnings	229,889,106
Reimbursement from City for Administrative Costs	2,890,435
Total Additions	346,086,554
Deductions	
Benefit Payments	230,887,026
Refunds upon Resignation, Death, Other	1,838,601
Distribution to Retirees	24,882,453
Administrative Expenses and Other Expenses	5,346,588
Total Deductions	262,954,668
Change in Net Position	83,131,886
Net Position Restricted for Pension Benefits - Beginning of Year	2,328,019,552
Net Position Restricted for Pension Benefits - End of Year	\$ 2,411,151,438

#### City of Miami, Florida Statement of Net Position Discretely Presented Component Units September 30, 2017

	Miami Sports and Exhibition Authority	Department of Off-Street Parking	Downtown Development Authority	Bayfront Park Management Trust
Assets				
Cash, Cash Equivalent and Investments	\$ 772,54	\$ 6,250,126	\$ 4,470,591	\$ 4,131,544
Receivables (Net of uncollectible accounts)	352	2 790,223	181,235	29,092
Due From Other Governments		- 724,093	-	-
Prepaids		- 649,024	81,213	43,746
Other Assets		- 8,670,149	-	-
Restricted Assets:				
Cash, Cash Equivalents, and Investments		- 30,666,873	-	-
Capital Assets:				
Non-Depreciable		- 8,231,678	-	516,129
Depreciable, Net		43,032,771	255,077	5,940,664
Total Assets	772,893	99,014,937	4,988,116	10,661,175
Deferred Outflows of Resources				
Deferred Loss on Refunding Bonds		- 1,052,337	-	-
Outflow Related to Pension		- 982,141	-	-
<b>Total Deferred Outflows of Resources</b>		2,034,478		
Liabilities				
Accounts Payable and Accrued Liabilities	810	2,734,898	840,036	123,160
Due to Other Governments	01	- 1,955,162		-
Unearned Revenue		- 486,147	_	208,041
Deposits	250,000		_	297,538
Accrued Interest Payable	230,000	- 1,621,593	_	2)1,556
Non-Current Liabilities		1,021,575	-	-
Due Within One Year:				
Bonds and Loans Payable		- 1,735,000		
Compensated Absences		- 406,481	16,192	-
Due In More Than One Year:		- 400,481	10,192	-
Bonds and Loans Payable		- 63,901,830		
Compensated Absences		- 345,130	- 90,414	-
Other Post Employment Benefits		- 343,130	90,414	-
Total Liabilities	250,810		946,642	628,739
Total Liabilities	230,810	/5,452,120	940,042	028,739
Net Position				
Net Investment in Capital Assets		- (7,625,228)	255,077	6,456,793
Restricted for:				
Capital Projects		- 12,147,594	-	-
Debt Service		- 1,586,482	-	-
Parking Waiver and Transportation			-	-
Parking Surcharge			-	-
Unrestricted	522,083	3 21,488,447	3,786,397	3,575,643
Total Net Position	\$ 522,083		\$ 4,041,474	\$ 10,032,436

#### City of Miami, Florida Statement of Net Position Discretely Presented Component Units September 30, 2017

	Coconut Grove BID	Wynwood BID	Civilian Investigative Panel	Total
Assets				
Cash, Cash Equivalent and Investments	\$ 6,826,999	\$ 209,544	\$ 65,309	\$ 22,726,654
Receivables (Net of uncollectible accounts)	605,871	1,017,320	-	2,624,093
Due From Other Governments	-	-	-	724,093
Prepaids	2,502	-	442	776,927
Other Assets	-	-	-	8,670,149
Restricted Assets:				
Cash, Cash Equivalents, and Investments	-	-	-	30,666,873
Capital Assets:				
Non-Depreciable	-	-	-	8,747,807
Depreciable, Net	 579,148			49,807,660
Total Assets	 8,014,520	1,226,864	65,751	124,744,256
Deferred Outflows of Resources				
Deferred Loss on Refunding Bonds	-	-	-	1,052,337
Outflow Related to Pension	 			982,141
Total Deferred Outflows of Resources	 -			2,034,478
Liabilities				
Accounts Payable and Accrued Liabilities	146,465	58,350	22,847	3,926,566
Due to Other Governments	-	-	-	1,955,162
Unearned Revenue	-	-	-	694,188
Deposits	-	-	-	690,489
Accrued Interest Payable	-	-	-	1,621,593
Non-Current Liabilities				
Due Within One Year:				
Bonds and Loans Payable	-	-	-	1,735,000
Compensated Absences	-	-	-	422,673
Due In More Than One Year:				
Bonds and Loans Payable	-	-	-	63,901,830
Compensated Absences	-	-	-	435,544
Other Post Employment Benefits	 -			122,928
Total Liabilities	 146,465	58,350	22,847	75,505,973
Net Position				
Net Investment in Capital Assets	579,148	-	-	(334,210)
Restricted for:				
Capital Projects	-	-	-	12,147,594
Debt Service	-	-	-	1,586,482
Parking Waiver and Transportation	657,324	8,400	-	665,724
Parking Surcharge	419,108	-	-	419,108
Unrestricted	 6,212,475	1,160,114	42,904	36,788,063
Total Net Position	\$ 7,868,055	\$ 1,168,514	\$ 42,904	\$ 51,272,761

#### City of Miami, Florida Discretely Presented Component Units Statement of Activities For the Fiscal Year Ended September 30, 2017

	Program Revenues				
Charges for Expenses Services	Operating Capital Grants and Grants and Contributions Contributions	Miami Sports and Exhibition Authority			
Miami Sports and Exhibition Authority					
Culture and Recreation       \$ 160,314       \$ 152,854         Total Miami Sports Exhibition Authority       160,314       \$ 152,854	<u>\$ -</u> <u>\$ -</u>	\$ (7,460) (7,460)			
Department of Off-Street Parking					
Transportation         31,323,188         32,205,034	- 395,960				
Total Department of Off-Street Parking         31,323,188         32,205,034	- 395,960				
Downtown Development Authority					
Economic Development 6,703,247 -	<u> </u>				
Total Downtown Development Authority   6,703,247	<u> </u>				
Bayfront Park					
Parks and Recreation 7,710,742 7,761,469					
Total Bayfront Park         7,710,742         7,761,469					
Coconut Grove BID					
General Government         1,338,200         1,845,620           Total Coconut Grove BID         1,338,200         1,845,620	· _ · _ · _ · _ · _ · _ · _ · _ ·	<u> </u>			
Wynwood BID					
General Government         980,003         1,128,804           Total Wynwood BID         980,003         1,128,804	· · _ · _ · _ · _ ·				
Civilian Investigate Panel					
General Government 674,891 -	659,400				
Total Civilian Investigate Panel674,891	659,400 -				
Total Component Units         \$ 48,890,585         \$ 43,093,781	\$ 659,400 \$ 395,960	\$ (7,460)			
	Revenues:				
Tax					
Inve	Property Taxes Investment Earnings (Loss)				
	Other General Revenues				
	Total General Revenue	878			
	Change in Net Position	(6,582)			
	position - Beginning	528,665			

Net position - Ending

\$

522,083

#### City of Miami, Florida Discretely Presented Component Units Statement of Activities For the Fiscal Year Ended September 30, 2017

#### Net (Expense) Revenue and **Changes in Net Position** Bayfront Department Downtown Park Civilian of Off-Street Development Management Coconut Wynwood Investigative Parking Totals\_ Authority Trust **Grove BID** BID Panel \$ \$ \$ \$ \$ \$ (7, 460)(7, 460)---1,277,806 1,277,806 1,277,806 1,277,806 -----(6,703,247) (6,703,247) --(6,703,247) (6,703,247) -----50,727 50,727 50,727 50,727 --507,420 507,420 507,420 507,420 -----148,801 148,801 148,801 148,801 (15, 491)(15, 491)(15,491) (15,491) -----(6,703,247) \$ 1,277,806 \$ \$ 50,727 \$ 507,420 \$ 148,801 \$ (15, 491)\$ (4,741,444)7,274,524 7,274,524 \_ \_ 6,989 657 8,524 \_ 244,991 25,544 270,535 7,526,504 26,201 7,553,583 76,928 507,420 1,277,806 823,257 148,801 (15, 491)2,812,139 9,955,508 26,319,489 3,218,217 7,360,635 1,019,713 58,395 48,460,622 27,597,295 \$ 51,272,761 \$ \$ 10,032,436 \$ 42,904 \$ 4,041,474 \$ 7,868,055 1,168,514 \$

The notes to the financial statements are an integral part of this statement

## CITY OF MIAMI, FLORIDA NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2017

## NOTE 1. – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

## A. Reporting Entity

The City, which is located in the county of Miami-Dade, was incorporated in 1896, and has a population of 467,872. The City is situated at the mouth of the Miami River on the western shores of Biscayne Bay and is a main port of entry into Florida and is the county seat of Miami-Dade County, Florida. The City comprises 35.87 square miles of land and 19.42 square miles of water.

The City's Charter was adopted by the electors of the City of Miami at an election held on May 17, 1921 and was legalized and validated by Chapter 9024 of the laws of the State of Florida of 1921. During fiscal year 1997, the residents of the City voted on a referendum that created single-member districts and an Executive Mayor form of government. The City continues to operate under the Commission/City Manager form of government and provides the following services: police and fire protection, public works activities, solid waste collection, parks and recreational facilities, planning and development, community development, financial services, and general administrative services.

The Florida Legislature, in 1955, approved and submitted to a general election, a constitutional amendment designed to give a new form of government to Miami-Dade County, Florida (the "County"). The County is, in effect, a municipality with governmental powers affecting thirty five cities and unincorporated areas, including the City. The County has not displaced nor replaced the City's powers, but supplements them. The County can take over particular activities of the City's operations if (1) the services fall below minimum standards set by the County Commission or (2) with the consent of the governing body of the City. Accordingly, the County's financial statements are not included in this report.

The accompanying financial statements include those' of the City (the primary government) and those of its component units. Component units are legally separate organizations for which the primary government is financially accountable or organizations which should be included in the City's financial statements because of the nature and significance of their relationship with the primary government.

GASB Codification of Governmental Accounting and Financial Reporting Standards Section 2100 provides guidance for the inclusion of a legally separate entity as a component unit of an entity. The application of this guidance provides for identification of any entities for which the City is financially accountable or organizations that the nature and significance of their relationship with the City are such that exclusions would cause the City's basic financial statements to be misleading or incomplete.Based upon the application of GASB Codification Section 2100, the financial statements of the component units listed on the following pages have been included in the City's reporting entity as either blended or discretely presented component units.

Blended component units, although legally separate entities, are in substance part of the City's operations. Accordingly, data from these component units are included with data of the primary government. Each discretely presented component unit, on the other hand, is reported in a separate column in the financial statements to emphasize that they are legally separate from the City. The financial balances and activities for each blended and discretely presented component unit are as of and for the year ended September 30, 2017.

#### **CITY OF MIAMI, FLORIDA** NOTES TO FINANCIAL STATEMENTS September 30, 2017

## **Blended Component Units**

SOUTHEAST OVERTOWN PARK WEST COMMUNITY REDEVELOPMENT AGENCY ("SEOPW CRA") – SEOPW CRA is an Agency established by the City in 1983 under the authority of Section 163.330, Florida Statutes and City Resolution No. 82-755. The purpose of the Agency is to eliminate blight and slum conditions within the redevelopment area of the agency pursuant to the redevelopment plans of the Agency for new residential and commercial activity of the Southeast Overtown Park West area. The City has entered into an interlocal agreement with Miami-Dade County approving the deposit of tax increments into the separate SEOPW CRA accounts. The members of the City Commission are also the Board of Directors of the SEOPW CRA. Additionally, under the interlocal agreement the City handles the disbursement, accountability, management, and proper application of all monies in the SEOPW accounts. The funds of the SEOPW CRA are included within the reporting entity as a special revenue fund (SEOPW CRA), a debt service fund (SEOPW CRA - Other Special Obligation Bonds), and a capital projects fund (SEOPW Community Redevelopment Agency).

OMNI COMMUNITY REDEVELOPMENT AGENCY ("OMNI CRA") – OMNI CRA is an Agency established by the City in 1986 under the authority of Section 163.330, Florida Statutes and City Resolution No. 86-868. The purpose of the Agency is to eliminate blight and slum conditions within the redevelopment area of the agency pursuant to the redevelopment plans of the Agency for new residential and commercial activity of the Omni area. The City has entered into an interlocal agreement with Miami-Dade County approving the deposit of tax increments into the separate OMNI CRA accounts. The members of the City Commission are the Board of Directors of the OMNI CRA. Additionally, under the interlocal agreement the City handles the disbursement, accountability, management, and proper application of all monies in the OMNI CRA accounts. The OMNI CRA is included within the reporting entity as a special revenue fund (OMNI CRA).

MIDTOWN COMMUNITY REDEVELOPMENT AGENCY ("MIDTOWN CRA") – MIDTOWN CRA is an Agency established by the City in 2005 under the provisions of Section 163.330, Florida Statutes and City Resolution No. 05-002. The purpose of the Agency is to eliminate blight and slum conditions within the redevelopment area of the agency pursuant to the redevelopment plans of the Agency for new residential and commercial activity of the Midtown area. The MIDTOWN CRA entered into an interlocal agreement with the City, Miami-Dade County, and the Midtown Community Development District whereby tax increments would be deposited into the separate MIDTOWN CRA accounts. The members of the City Commission are the Board of Directors of the MIDTOWN CRA. Additionally, under the interlocal agreement the City handles the disbursement, accountability, management, and proper application of all monies in the MIDTOWN CRA accounts. The MIDTOWN CRA is included within the reporting entity as a special revenue fund (MIDTOWN CRA).

VIRGINIA KEY BEACH PARK TRUST ("VKBPT") – On December 14, 2000 (and effective January 2001), via sections 38-230 through 38-242 of Chapter 38 of the Code of the City of Miami Ordinance 12003, the VKBPT was established and acts as a limited agency and instrumentality of the City of Miami. Its general purposes, in cooperation with City of Miami, are to preserve, restore, and maintain the Historic Virginia Key Beach Park in a manner consistent with environmental health, the historical importance of the Park and the aspirations of the African American Community, make it accessible to the general public, propose policy, planning, and design to ensure maximum community utilization and enjoyment. The City Commission must approve VKBPT's board membership and operating budget. The City considers itself the exclusive recipient of the services provided by VKBPT and therefore its operations are blended in the reporting entity as a special revenue fund (Virginia Key Beach Park Trust).

#### **CITY OF MIAMI, FLORIDA** NOTES TO FINANCIAL STATEMENTS September 30, 2017

LIBERTY CITY COMMUNITY REVITALIZATION TRUST ("Liberty City") – On July 10, 2001, via section 2-892 of Chapter 2 of the Code of the City of Miami Ordinance 12082, Liberty City was established and acts as a limited agency and instrumentality of the City and provides services entirely or almost entirely to the primary government. Liberty City, in cooperation with the Department of Community Development and other City departments, is responsible for oversight of and facilitating the City's revitalization efforts for the redevelopment of the Liberty City Community Revitalization District in a manner consistent with the strategy identified in the Five-Year Consolidated Plan, adopted by the City Commission in August, 1999. Liberty City's specific purpose is to purchase land and renovate capital assets that belong to the City of Miami within the Liberty City area. The City Commission must approve Liberty City's board membership and operating budget. The City considers itself the exclusive recipient of the services provided by Liberty City and therefore its operations are blended in the reporting entity as a special revenue fund (Liberty City Revitalization Trust).

## **Discretely Presented Component Units**

MIAMI SPORTS AND EXHIBITION AUTHORITY ("MSEA") – The MSEA was created by the City in 1983 pursuant to Chapter 212.0305, Florida Statutes and City Ordinance No. 9662 adopted by the City Commission (as amended by City Ordinance No. 11155) and Section 213.0305 of the Florida Statutes to promote the development of sports, convention and exhibition facilities within the City, and attracting professional sports franchises and exhibitions to utilize the City's and/or Authorities' facilities. The City Commission must approve MSEA's board membership and operating budget. Therefore, the MSEA is fiscally dependent and the City is discretely presenting the MSEA in the accompanying financial statements.

DEPARTMENT OF OFF-STREET PARKING OF THE CITY OF MIAMI, FLORIDA, d/b/a MIAMI PARKING AUTHORITY ("DOSP") – The DOSP was originally created in 1955 by a special act of the Florida State Legislature (Laws of Florida Chapter 30.997, as amended) and subsequently incorporated into the City's Charter in 1968. The DOSP is an agency and instrumentality of the City which owns and operates parking facilities within the City. The City Commission has reserved the right to confirm new members of the DOSP Board, to establish and fix rates and charges for parking services, to approve the DOSP's operating budget and to authorize the issuance of revenue bonds. Therefore, the DOSP is fiscally dependent and the City is discretely presenting the DOSP in the accompanying financial statements.

DOWNTOWN DEVELOPMENT AUTHORITY ("DDA") – The DDA was created by the City in 1965 pursuant to Chapter 65-1090 of the General Laws of Florida and City Code Section 14-25. The DDA is governed by a board appointed by the City Commission and was established for the purpose of furthering the development of the Downtown Miami area by promoting economic growth in the region and strengthening downtown's appeal as a livable city as well as a regional, national and international center for commerce and culture. The City Commission must approve the DDA's operating budget and the millage levied on the special taxing district established to fund the DDA. Therefore, the DDA is fiscally dependent and the City is discretely presenting the DDA in the accompanying financial statements.

BAYFRONT PARK MANAGEMENT TRUST ("BFP") – The BFP was established by the City in 1987 under the authority of City of Miami Resolution No. 10348. The BFP was created for the purpose of managing and operating the events held at Bayfront and Bicentennial Park and the daily maintenance and upkeep of the grounds, its various amenities including the amphitheater and the Mildred and Claude Pepper Fountain. The governing body of the BFP consists of nine appointed members serving initial

terms of one to three years. Upon expiration of an initial term, each successor member may be appointed by the City Commission for terms of one to three years. The BFP has appointed an executive director to act as the chief executive officer, subject to policy directives. The BFP prepares and submits an annual budget request and master plan to the City Commission for its approval for each fiscal year. Therefore, the BFP is fiscally dependent and the City is discretely presenting the BFP in the accompanying financial statements.

CIVILIAN INVESTIGATIVE PANEL ("CIP") – The CIP was established by the City of Miami Commission Ordinance Number 12188 on February 14, 2002 for the purpose of creating an independent citizen's oversight panel to conduct investigations related to allegations of police misconduct, review policies, practices and procedures of the police department and perform community outreach programs. The CIP consists of thirteen members who were originally appointed as follows: a) the Miami City Commission selects and appoints nine members, b) the Mayor selects three members whose names are ratified and appointed by the City Commission, and c) the Chief of Police of the City of Miami appoints one member, who serves at the will of the Chief of Police. The CIP prepares and submits an annual budget request to the City Commission for its approval for each fiscal year and is funded by the City of Miami. Therefore, the CIP is fiscally dependent and the City is discretely presenting the CIP in the accompanying financial statements.

COCONUT GROVE BUSINESS IMPROVEMENT DISTRICT ("CGBID") – In July 2004, pursuant to Resolution No. 12564, the City of Miami approved the establishment of the Coconut Grove Business Improvement Committee ("BIC"). The BIC was formed as an advisory committee to the City. During November 2008, the City tabulated the results of a special election for the creation of the Coconut Grove Business Improvement District ("BID"), where the BID was deemed to be approved by a majority of the affected property owners. During March 2009, under City Ordinance No. 13059, the City approved to repeal the BIC and establish a new Coconut Grove Business Improvement District Board ("BID Board") to stabilize and improve retail and other businesses in the BID area through promotion, management, marketing and other similar services, including, but not limited to, coordination, funding, implementation and maintenance of all infrastructure improvement, and other projects, utilizing BID assessment proceeds and other funds identified. The BID prepares and submits an annual budget request and master plan to the City Commission for its approval for each fiscal year. Therefore, the BID is fiscally dependent and the City is discretely presenting the BID in the accompanying financial statements.

WYNWOOD BUSINESS IMPROVEMENT DISTRICT ("WBID") – On June 4, 2013, the City through its Office of the City Clerk tabulated the results of a special election for the creation of the Wynwood Business Improvement District ("BID"), where the BID was deemed to be approved by a majority of the affected property owners. During July 2013, under City Ordinance No. 13-00831, the City approved to establish a new Wynwood Business Improvement District Board ("BID Board") to manage the BID in stabilizing and improving retail and other businesses in the BID area through promotion, management, marketing and other similar services, including, but not limited to, coordination, funding, implementation and maintenance of all infrastructure improvement, and other projects, utilizing BID assessment proceeds and other funds identified. The BID prepares and submits an annual budget request to the City Commission for its approval for each fiscal year. Therefore, the BID is fiscally dependent and the City is discretely presenting the BID in the accompanying financial statements.

#### **CITY OF MIAMI, FLORIDA** NOTES TO FINANCIAL STATEMENTS September 30, 2017

HEALTH FACILITY AUTHORITY ("HFA") – The HFA is an agency established by the City in 1979 under the authority of Chapter 154, Florida Statutes and City Resolution No. 79-93 to serve as a conduit to issue revenue bonds. The City Commission must approve the HFA's board membership and operating budget. Therefore, the HFA is fiscally dependent and the City is discretely presenting the HFA in the accompanying financial statements. The HFA does not issue stand-alone audited financial statements.

Complete financial information of the individual component units may be obtained at the entity's respective administrative offices as follows:

SEOPW CRA	Dept. Off Street Parking	Coconut Grove BID
819 NW 2 <sup>nd</sup> Ave.	40 NW 3 <sup>rd</sup> Street	3390 Mary Street
3 <sup>rd</sup> Floor	Suite 1103	Suite 130
Miami, Florida 33136	Miami, Florida 33128	Miami, Florida 33133
OMNI/MIDTOWN CRA	Downtown Develop. Authority	Wynwood BID
1401 North Miami Ave.	200 S. Biscayne Blvd.	310 NW 26 <sup>th</sup> Street
2 <sup>nd</sup> Floor	Suite 2929	Suite 1
Miami, Florida 33136	Miami, Florida 33131	Miami, Florida 33127
Virginia Key Beach Park Trust 4020 Virginia Beach Drive Miami, Florida 33149	Civilian Investigative Panel 970 SW 1 <sup>st</sup> Street Suite 305 Miami, Florida 33130	Liberty City Community Revitalization Trust 4800 NW 12 <sup>th</sup> Avenue Miami, Florida 33127-2218
Miami Sports & Exhibition Authority 3500 Pan American Drive Miami, Florida 33133		Bayfront Park Mgmt. Trust 301 N. Biscayne Blvd. Miami, Florida 33132-2226

## **B.** Government-Wide Financial Statements

The accompanying financial statements of the City of Miami, Florida (the "City") have been prepared in conformity with U.S. Generally Accepted Accounting Principles (GAAP). The Governmental Accounting Standards Board ("GASB") is the standard-setting body for governmental accounting and financial reporting. The GASB periodically updates its codification of the existing Governmental Accounting and Financial Reporting Standards which, along with subsequent GASB pronouncements (Statements and Interpretations), constitutes GAAP for governmental units. The more significant of these accounting policies are described below.

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the City and its component units. The primary government is reported separately from the legally separate discrete component units. The statement of net position presents the financial position of the City and its discretely presented component units at the end of its fiscal year. The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment and indirect expenses (claims payable, compensated absences, pension benefits, and other post-employment benefits) are allocated to activities based on each activities pro-rata share of the cost incurred. Program revenues include 1)

charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items that are not deemed to be program revenues are reported instead as general revenues

## C. Fund Financial Statements

The accounts of the City are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts which comprise its assets, liabilities, deferred outflows/inflows of resources, fund balances/net position, revenues, and expenditures. Fund accounting segregates funds according to their intended purpose and it is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The City maintains the minimum number of funds consistent with legal and managerial requirements. The focus of governmental fund financial statements is on major funds as that term is defined in professional pronouncements. Each major fund is to be presented in a separate column, and non-major funds are aggregated and presented in a single column. The City maintains fiduciary funds which are used to account for assets held by the City in a trustee capacity. Since the governmental fund statements are presented on a different measurement focus and basis of accounting than the government-wide statements' governmental activities column, a reconciliation is presented which briefly explains the adjustments necessary to transform the fund-level financial statements into the governmental activities column. The City reports the following major governmental funds:

**General Fund** – The General Fund is the general operating fund of the City. General tax revenues and other receipts that are not allocated by law or contractual agreement to some other fund are accounted for in this fund. General operating expenditures, and capital improvement costs not paid through other funds are paid from this fund.

**Special Obligation Bonds** – This debt service fund accounts for monies used for the payment of principal, interest, and other costs related to various special obligation and revenue bonds and loans. This fund did not meet the minimum criteria for major fund determination during fiscal year 2017. However, it will be presented as a major fund for public interest purposes.

**Impact Fee** – This capital fund is used to account for the collection of impact fees and the cost of capital improvement projects for the type of improvement for which the impact fee was imposed.

**Other Capital Projects** – This capital fund is used to account for and report on funds received from various resources (primarily from current revenues, Federal and State Grants) designated for construction projects.

Additionally, the City reports the following fiduciary fund type:

**Pension Trust Funds** – The Pension Trust Funds account for the City of Miami Fire Fighters' and Police Officers' Retirement Trust ("FIPO"), the City of Miami General Employees' and Sanitation Employees' Retirement Trust ("GESE") and Other Managed Trusts (Members, Excess Plan, Staff Plan, and Staff Excess Plan), and the Elected Officers' Retirement Trust ("EORT"). The Pension Trust Funds accumulate resources for pension benefit payments to qualified employees.

## **D.** Measurement Focus and the Financial Statement Presentation

The government-wide and fiduciary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. As a general rule, the effect of inter-fund activity has been eliminated from the government-wide financial statements. Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than program revenues. Likewise, general revenues include all taxes.

The governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the fiscal period, except for grant revenues which are considered to be available if collected within one year.

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, insurable claims, pollution remediation obligations, pension benefits and other post-employment benefits are recorded only when payment is due or when City has made a decision to fund these obligations with current available resources.

Certain revenues associated with the current fiscal period are considered measurable and are recognized as revenues of the current fiscal period when available. These include:

Property taxes Intergovernmental revenue Sales tax, franchise and utility taxes Charges for services, and Interest

All other revenue items are considered to be measurable only when cash is received by the City.

## E. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance

## **Deposits and Investments**

The City has defined "cash, cash equivalents and investments" to include cash on hand, demand deposits, money market funds, debt securities, and cash with fiscal agents. Each fund's equity in the City's investment pool is considered to be a cash equivalent since funds can be deposited or effectively withdrawn at any time without prior notice or penalty. In addition, the City considers all highly liquid investments with a maturity of three months or less when purchased, to be a cash equivalent.

All investments, including those of the Pension Trust Funds, are recorded at fair value, which is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The City and the Pension Trust Funds categorizes its fair value measurements within the fair value hierarchy established by GASB 72. The hierarchy is based on the valuation inputs to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. In addition, certain investments of the Pension Trust Funds are measured at the net asset value ("NAV") per share (or its equivalent). See Note 2 for more detail regarding methods used to measure the fair value of investments.

## **Interfund Receivables and Payables**

Activity between funds that is representative of lending/borrowing arrangements outstanding at the end of the fiscal year is referred to as "due to/from other funds".

## Receivables

Receivables include amounts due from other governments and others for services provided by the City and are recorded when the related revenue is earned. Allowances for uncollectible receivables are based upon historical trends and the periodic aging of receivables. The City fully reserves for all receivables greater than 60 days with the exception of grant receivables and other accounts that are in the collection process, which are based on historical collection experience and other factors.

## Prepaids

Prepaid items of both government-wide and governmental fund statements are recorded under the consumption method. Prepaid expenses consist of certain costs which have been paid prior to the end of the fiscal year, but represent items which are applicable to future accounting periods. Reported amounts in governmental funds are equally offset by non-spendable fund balance in the fund financial statements, which indicates that these amounts do not constitute "available spendable resources" even though they are a component of current assets.

Long term service agreements, other than insurance policies, are expensed in the year of renewal. The City uses the "Alternate Expense Recognition" method for long term service agreements covering one or more fiscal period.

## **Inventory and Assets Held for Resale**

There are no inventory values presented in the governmental funds. Purchases considered inventoriable items are recorded as expenditures/expenses at the time of purchase since the year-end balances are not material. The government-wide financial statements present inventory values of the City, which are properties held by the Community Development Department for resale. Such balances are recorded at lower of cost or net realizable value.

## **Restricted Assets**

Certain proceeds from bonds, loans and deposits are classified as restricted assets because their use is limited by applicable bond indentures, contracts, agreements, and other externally imposed constraints.

## **Capital Assets**

Capital assets, which include property, plant, equipment, and infrastructure (e.g. roads, sidewalks, drainage, and similar items), are reported in the governmental activities column in the government-wide financial statements and fiduciary fund and discrete component unit financial statements. Capital assets are defined by the City as assets with an initial cost of \$1,000 or more and an estimated useful life in excess of one year. Such assets are recorded at historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value on the date of the donation. Major outlays for capital assets and improvements are capitalized as projects are constructed. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Property, plant, equipment, and infrastructure are depreciated using the straight-line method over the following estimated useful lives:

Asset	Years
Buildings	20 - 50
Improvements	10 - 30
Machinery and equipment	3 - 15
Infrastructure	15 - 75

## **Compensated Absences**

Under terms of Civil Service regulations, labor contracts and administrative policy, City employees are granted vacation and sick leave in varying amounts. Additionally, certain overtime hours can be accrued and carried forward as earned time off. Unused vacation and sick time is payable upon separation from service, subject to various limitations depending upon the employee's seniority and civil service classification. The City accrues a liability for compensated absences as well as certain other salary related costs associated with the payment of compensated absences. The liability for such accumulated leave is reflected in the government-wide financial statements as current and long-term liabilities. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignations and retirements. The fund-level liability for compensated absences includes salary-related payments, paid sixty days subsequent to year end.

## **Deferred Outflows and Inflows of Resources**

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s). The City has two items that qualifies for reporting in this category. The first item is a deferred outflow of resource related to pension benefits. Deferred outflows on pensions arise from differences between projected and actual earnings on pension plan investments and are amortized to pension expense using a systematic and rational method over a closed five-year period. Deferred outflows on pensions also include the difference between expected and actual experience with regard to economic, or demographic factors. These are amortized over the average expected remaining service lives of all employees that are provided with pensions through each pension plan. Employer contributions to pension plans made subsequent to the measurement date are also deferred and reduce net pension liability in the subsequent year. The second item is a deferred charge on refunding, which is the difference between the carrying value of the

refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

Amounts related to governmental fund receivables that are measureable, but not available (not received within 60 days from fiscal year end), are recorded as unavailable (a deferred inflow of resources) in the governmental fund financial statements. In addition, amounts received in advance, for which time requirements are not met for revenue recognition are reported as a deferred inflow at both the fund level and the government-wide level.

Deferred inflows on pensions are recorded when investment return on pension plan assets exceeds actuarial assumptions and are amortized using a systematic and rational method over a closed five-year period. Deferred inflows on pensions also include the difference between expected and actual experience with regard to economic, or demographic factors; changes of assumptions about future economic, demographic, or other factors. These are amortized over the average expected remaining service lives of all employees that are provided with pensions through each pension plan.

**Employee Benefit Plans and Net Pension Obligation** - The City provides separate defined benefit pension plans for general employees, sanitation employees and for uniformed police and fire department personnel, as well as a defined contribution pension plan created in accordance with Internal Revenue Code Section 401(a) primarily for directors and other unclassified administrator employees. The City also offers an optional deferred compensation plan created in accordance with Internal Revenue Code Section 457.

For the purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the City's defined benefit pension plans and additions to/deductions from the plans' fiduciary net position have been determined on the same basis as they are reported by the plans. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms and investments are reported at fair value.

**Post-Employment Benefits Other Than Pensions (OPEB)** - Pursuant to Section 112.0801, Florida Statutes, the City is required to permit participation in the health insurance program by retirees and their eligible dependents at a cost to the retiree that is no greater than the cost at which coverage is available for active employees. Retired police officers are offered coverage at a discounted premium under the FOP Health Trust that is administered separately from the City's health care plan. For non-police retirees (fire fighters, general employees, sanitation employees and elected officials) and their dependents, the City subsidizes health care coverage and life insurance at a premium equal to the blended group rate.

The City is financing the post employee benefits on a pay-as-you go basis. As determined by an actuarial valuation, the City recorded a net OPEB obligation in its government-wide financial statements related to the implicit subsidy. The OPEB obligation represents the cumulative difference between the actuarial required contribution and amounts funded under the pay-as-you-go basis since the City's adoption of GASB 45 in fiscal year 2008.

## **Unearned Revenues**

Resources that do not meet revenue recognition requirements (not earned) are recorded as unearned revenue in the government-wide and the governmental fund financial statements.

Unearned revenues in the government-wide and governmental funds financial statements at September 30, 2017 are as follows:

Source	Balance		
College of Policing - Lease Income	\$ 9,397,348		
Skyrise Miami - Lease Income	9,483,431		
Grants and Others	 18,000		
Total	\$ 18,898,779		

## **Long-Term Obligations**

In the government-wide financial statements long-term debt and other long-term obligations are reported as liabilities on the statement of net position. Bonds payable as reported includes, bond premiums or discounts. Bond premiums, discounts and prepaid insurance cost are amortized over the life of the bonds using the effective interest method.

In the fund financial statements, governmental fund types recognize bond premiums and discounts during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received and payment of debt principal, are reported as debt service expenditures.

Under GASB 49, Accounting and Financial Reporting for Pollution Remediation Obligations, a pollution remediation is an obligation to address the current or potential detrimental effects of existing pollution by participating in pollution remediation activities such as assessments and clean-ups.

## **Risk Management**

Under the protection of the sovereign immunity limit, Florida Statutes 768.28 and Chapter 440, Florida Statutes covering Workers' Compensation, the City has established a self-insured program to provide coverage for almost all areas of liability including Workers' Compensation, General Liability, Automotive Liability, Police Professional Liability, Public Officials' Liability, and Employment Practices Liability. Section 768.28, Florida Statutes, provides for waiver of sovereign immunity in tort actions or claims against the state and its agencies and subdivisions. The present limit of recovery in the absence of special relief granted by the Florida legislature is \$200,000 per person per claim or judgment. The limit of recovery for all claims or judgments arising out of the same incident or occurrence is \$300,000. The City also provides group health benefits for its active employees, retirees, and their dependents through a fully self-funded health insurance program and uses a commercial carrier as the administrator. The City records a liability for Workers' Compensation, General Liability, Employee Health Programs, Automotive Liability, Police Professional Liability, Public Officials' Liability, and Employment Practices Liability.

## **Net Position**

Equity in the government-wide statement of net position is displayed in three categories: 1) net investment in capital assets, 2) restricted, and 3) unrestricted. Net investments in capital assets consists of capital assets reduced by accumulated depreciation and by any outstanding debt incurred to acquire, construct, or improve those assets, excluding unexpended proceeds. Deferred outflow and inflow of resources that are attributable to acquisition of those assets or related debt are included in this component of net position. Net position is reported as restricted when there are legal limitations imposed on their use by State Statutes, City legislation or external restrictions by other governments, creditors, or grantors. Unrestricted net position consists of all items that do not meet the definition of either of the other two components. As of fiscal year end the City reported an unrestricted net deficit, which will require future funding to eliminate this deficit amount.

When restricted resources are available for use, it is the City's policy to use restricted resources first as they are needed. Similarly, within fund balance categories committed amounts are reduced first, followed by assigned, and then by unassigned amounts when expenditures are incurred for purposes for which amounts in any of these fund balance classifications could be used.

## **Fund Balance**

Governmental Accounting Standards Board Statement No.54, Fund Balance Reporting and Governmental Fund Type Definitions, established the accounting and financial reporting standards for government entities to report fund balance in classifications that comprise a hierarchy based primarily on the extent to which the government is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. The following is a description of the classifications used by the City.

*Nonspendable Fund Balance* – This amount includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. Examples of this would be inventory, prepaid assets, and permanent endowments.

*Restricted Fund Balance* – This amount includes amounts that are restricted to specific purposes as stipulated by (a) external creditors, grantors, contributors, or laws or regulations of other governments or (b) imposed by law through constitutional provisions or enabling legislation.

*Committed Fund Balance* – This amount includes amounts that can only be used for specific purposes pursuant to constraints imposed by the City's highest level of decision making authority which is the City Commission. The commitment can only be revised or removed by adoption of a new resolution.

*Assigned Fund Balance* – This amount includes amounts that are constrained by the City's intent to be used for specific purposes, but are neither restricted nor committed. Assignments are made directly by formal action of the City Commission.

*Unassigned Fund Balance* – This amount is the residual classification for the general fund. This classification represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the general fund. An assigned fund balance cannot result in an unassigned fund balance deficit.

## **CITY OF MIAMI, FLORIDA** NOTES TO FINANCIAL STATEMENTS September 30, 2017

The following schedule classifies the City's fund balances as of fiscal year end September 30, 2017:

	City of Miami, Florida Fund Balance Classification Major Governmental Funds September 30, 2017						
			Major l	Funds			
_	General		pecial ation Bonds	Other Capital Projects	Impact Fee	Non-Major Governmental Funds	Total Governmental Funds
FUND BALANCES							
Non Spendable:							
Recycling Trust Fund	\$	- \$	-	s -	\$-	\$ 1,000,000	\$ 1,000,000
Prepaid Items	2,101,634	4	-	-	-	21,897	2,123,531
	2,101,634	4	-	-	-	1,021,897	3,123,531
Spendable:							
Restricted for:							
Debt Service (Required by Debt Covenants)		-	35,092,296	-	-	5,580,816	40,673,112
Physical Environment		-	-	-	-	2,940,013	2,940,013
Water Sewer Combination		-	-	7,351,718	-	-	7,351,718
Park Projects		-	-	-	-	4,298,539	4,298,539
Capital Improvements		-	-	10,548,564	80,840,498	1,498,214	92,887,276
Transportation and Transit	4,069,20	0	-	-	-	47,778,749	51,847,949
Housing and Urban Development		-	-	-	-	8,214,130	8,214,130
Public Safety		-	-	345,072	-	7,310,101	7,655,173
Building	68,749,06	3	-	-	-	-	68,749,063
Other Facilities Improvement		-		2,908,964	-	3,651,052	6,560,016
Community Redevelopment Agencies		-	-	-	-	40,304,923	40,304,923
Other		-	-	-	-	6,837,698	6,837,698
	72,818,26	3	35,092,296	21,154,318	80,840,498	128,414,235	338,319,610
Committed to:							
Housing and Urban Development		-	-	-	-	6,457,432	6,457,432
Capital Improvement		-	-	536,013	-	5,237,954	5,773,967
Transportation Projects		-	-	23,392,126	-	17,088,512	40,480,638
Public Safety		-	-	570,791	-	9,347,751	9,918,542
Public Works		-	-	551,219	-	-	551,219
Physical Environment		-	-	3,188,550	-	-	3,188,550
Facilities Improvement		-	-	7,219,732	-	1,118,762	8,338,494
Parks Projects		-	-	26,843,251	-	1,044,813	27,888,064
Water-Sewer Combination		-	-	15,316,534	-	-	15,316,534
Other		-	-	-	-	3,170,084	3,170,084
		-	-	77,618,216	-	43,465,308	121,083,524
Assigned to:							
Parks Projects		-	-	2,000,000	-	502,678	2,502,678
Public Facilities Projects		-	-	6,902,129	-	-	6,902,129
Transportation Projects		-	-	7,618,855	-	-	7,618,855
Post-Retirement Benefits, Self-Insurance Claims							
and Other	25,386,64	7	-	-	-	-	25,386,647
Other		-	-	553,433	-	1,683,315	2,236,748
	25,386,64	7	-	17,074,417	-	2,185,993	44,647,057
Unassigned:							
Other	59,836,87	4	-	-	-	(218,262)	59,618,612
	\$ 160,143,41	0 0	35,092,296	\$ 115,846,951	\$ 80,840,498	\$ 174,869,171	\$ 566,792,334

The City's Financial Integrity Principles require the City to maintain a minimum General Fund balance equal to twenty percent, (10% Assigned and 10% Unassigned) of the prior three years average of general revenues (excluding transfers). The average three years revenues for fiscal years 2014, 2015, and 2016 were approximately \$598.4 million. Based on this, the City is required to individually retain assigned and unassigned fund balance of approximately \$59.8 million each. As of September 30, 2017, the City has approximately \$25.4 million as assigned, which includes the \$5.0 million Required Contingency Reserve, and the City has reported an unassigned fund balance of \$59.8 million as required and in accordance with the City's Financial Integrity Ordinance. Consequently, the 10% of the three-year revenue average required for the assigned fund balance was not met.

## Use of Estimates

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, deferred inflow/outflow and disclosure of contingent assets and liabilities at the date of the financial statements. Estimates also affect the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from estimates.

## **Excess of Expenditures over Appropriations**

The following funds' actual expenditures exceeded appropriations for the year ended September 30, 2017:

Fund		Exceeds Budget Authorization
General:		
Office of City Clerk	\$	18,647
Office of NET		2,428
Capital Improvements Administration		52,737
City Administration		2,698
Non-Departmental		1,893,145
Office of Resiliency and Sustainability		710
Building		80,586
Fire - Rescue		328,301
Special Revenue:		
Emergency Services		5,522,878
Debt Service:		
SEOPW CRA Other Special Obligation Bonds		4,542,514

The excess of expenditures over appropriations in the Emergency Services Fund can be attributed to expenditures related to Hurricane Irma not anticipated. The excess of expenditures over appropriations in the Debt Service Fund can be attributed to expenditures related to the SEOPW CRA Special Obligation Series 2014 A-1 which was not appropriated.

Budgets are monitored at varying levels of classification detail; however, budgetary control is legally maintained at the fund level except for the General Fund, which is maintained at the departmental level. City departments will work closely with the Budget Department to minimize these instances in the ensuing fiscal year.

## **Fund Deficits**

The following fund had fund balance deficits in the amounts indicated as of September 30, 2017:

Fund	Deficit		
Special Revenue:			
<b>Emergency Special Revenue Fund</b>	\$	218,262	

The fund deficit reported as of September 30, 2017, for the Emergency Services Special Revenue Fund is attributed to expenditures exceeding collections in the current fiscal year due to Hurricane Irma. The City expects to address this issue in the ensuing fiscal year.

## **New Accounting Pronouncements**

The following new pronouncements effective for the year ending September 30, 2017 were adopted by the City:

**GASB Statement No. 77, Tax Abatement Disclosures,** requires governments that enter into tax abatement agreements to disclose any tax being abated, the authority under which tax abatements are provided, eligibility criteria, the mechanism by which taxes are abated, provisions for recapturing abated taxes, and the types of commitments made by tax abatement recipients.

In Fiscal Year 2017, the Management determined that these requirements do not affect the financial reporting for the City, consequently this Statement is not currently applicable.

**GASB Statement No. 80**, *Blending Requirements for Certain Components Units*, this Statement is to improve financial reporting by clarifying the financial statement presentation requirements for certain component units. This Statement amends the blending requirements established in paragraph 53 of Statement No.14, The Financial Reporting Entity, as amended. Management has evaluated GASB Statement No.80 and determined it did not have an effect on the City's financial reporting

# NOTE 2. – DEPOSITS AND INVESTMENTS

# **Pooled Cash**

The City (excluding the Pension Trust Funds and restricted cash balances) maintains a cash management pool for its cash, cash equivalents, and investments in which each fund and/or account or sub-account of a fund participates on a dollar equivalent and daily transaction basis. Interest income (which includes unrealized gains and losses) is distributed monthly to all eligible funds, accounts and/or sub-account, based on the available cash balance at month end. The yield is determined for these eligible funds, based on the amount of time they are available for investing. A cash balance that is needed within a three month period will receive the yield on a 3 month treasury bill as determined by the current bond market.

### Deposits

**Custodial Credit Risk** – This is the risk in the event of a financial institution failure, the City's deposits may not be recoverable. In addition to insurance provided by the Federal Deposit Insurance Corporation, deposits are held in banking institutions approved by the State Treasurer of Florida to hold public funds. The City's adopted policy is governed by Florida Statutes Chapter 280, *Security for Public Deposits*, which requires all Florida qualified public depositories to deposit with the Treasurer or other banking institution eligible collateral. In the event of failure of a qualified public depository, the remaining public depositories would be responsible for covering any resulting losses.

### Investments

As required by Florida Statutes, the City has adopted a written investment policy, which may, from time to time, be amended by the City Commission.

The City Code authorizes the Director of Finance and/or a designee in his/her absence to purchase and invest idle funds prudently in US Treasuries and obligations of agencies of the United States – provided such are guaranteed by the United States or by the issuing agency; general obligations of states, municipalities, school districts, or other political subdivisions; revenue and excise tax bonds of the various municipalities of the State of Florida – provided none of such securities have been in default within five years prior to date of purchase; negotiable certificates of deposit, bankers acceptance drafts, money market investments, the State Board of Administration Investment Pool, and prime commercial paper.

The State Board of Administration administers the Local Government Surplus Funds Trust Fund which is governed by Ch. 19-7 of the Florida Administrative Code. These rules provide guidance and establish the general operating procedures for the administration of the Local Government Surplus Funds Trust Fund. Additionally, the State of Florida Office of the Auditor General performs the operational audit of the activities and investments of the State Board of Administration. The Local Government Surplus Funds Trust Funds Trust Fund is not a registrant with the Securities and Exchange Commission; however, the board has adopted operating procedures consistent with the requirements for a 2a-7 fund. These investments are valued using the pooled share price, which is based on amortized cost. The value of the position in the external investment pool is the same as the value of the pool shares.

At September 30, 2017, pooled cash, cash equivalents and investments including restricted amounts of the primary government, exclusive of the Pension Trust Funds and discrete component units balances, consisted of the following:

Investment Type	 Balance
United States Treasury Notes	\$ 115,790,774
Federal National Mortgage Association	30,327,050
Federal Home Loan Mortgage Corporation	38,346,278
Federal Farm Credit Bank	23,660,623
Federal Home Loan Bank	57,466,211
Corporate Notes	43,325,349
Commercial Paper	132,757,901
Money Market Fund	 14,327,659
Total Investments	456,001,845
Bank Deposits	 188,253,950
Total Pooled Cash, Cash Equivalents and Investments	\$ 644,255,795

**Custodial Credit Risk** – This is the risk in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities in the possession of an outside party. The City's investment policy requires securities be registered in the name of the City. All safekeeping receipts for investment instruments are held in accounts in the City's name.

As of September 30, 2017, \$44.3 million of the total balance listed above relates to unspent bond and lease proceeds restricted for capital projects. Unspent bond and lease proceeds by debt issue consisted of the following:

Debt Issue	Unspe	nt Debt Proceeds
2009 Homeland Defense	\$	1,480,086
2009 Streets & Sidewalks		11,555,983
2010B Marlins Garage Taxable		481,635
2014A-1 CRA SEOPW Tax Increment Rev		5,863,866
2014A-2 CRA SEOPW Tax Increment Rev		5,959,549
2017 Special Obligation Bond		7,756,329
Citywide Radio Equipment Lease		11,224,079
Total	\$	44,321,527

The City also has an additional \$14.3 million of cash, cash equivalents, and investments restricted for debt service payments.

**Interest Rate Risk** – Interest rate risk is the risk that changes in market rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in the market interest rates.

The City's policy limits the maturity of an investment to a maximum of five years. As of September 30, 2017, the City had the following investments with the respective weighted average maturity in years. The respective weighted average maturities were based on the securities' maturity date.

Investment Type		Fair Value	Weighted Average Maturity in Years		
United States Treasury Notes	\$	115,790,774	0.40		
Federal National Mortgage Association		30,327,050	0.80		
Federal Home Loan Mortgage Corporation		38,346,278	0.43		
Federal Farm Credit Bank		23,660,623	0.60		
Federal Home Loan Bank		57,466,211	0.75		
Corporate Notes		43,325,349	1.04		
Commercial Paper		132,757,901	0.23		
Money Market Fund	3	14,327,659	Less than 1 year		
Total	\$	456,001,845			

The City's portfolio of U.S. agency securities includes callable securities. If a callable investment is purchased at a discount or premium, the maturity date is assumed to be the maturity date of the investment. As of September 30, 2017, the City owned callable securities with a fair value of \$49.0 million.

The portfolio's overall weighted average duration was 0.50 years. The City's investment policy dictates the overall weighted average duration of the City's portfolio shall be three (3) years or less at the time of purchase. As of September 30, 2017, the City recorded an unrealized gain of approximately \$0.37 million.

**Credit Risk** – Credit Risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The City's investment policy (the Policy), minimizes credit risk by restricting authorized investments to the highest ratings of at least one of the nationally recognized statistical rating organizations (NRSROs). Commercial paper and bankers acceptances must have the highest letter and numerical rating as provided for by at least one NRSRO. The credit ratings below were consistent among the two major rating agencies (Standard & Poor's and Moody's). The table that follows summarizes the investments by credit rating at September 30, 2017:

	Standard & Poor's	Moody's
Investment Type	Credit Rating	Credit Rating
Federal National Mortgage Association	AA+	Aaa
Federal Home Loan Mortgage Corporation	AA+	Aaa
Federal Farm Credit Bank	AA+	Aaa
Federal Home Loan Bank	AA+	Aaa
Corporate Notes	A+	A1
Commercial Paper	A1	P1
Money Market Fund	AAAm	Aaa-mf

**Concentration of Credit Risk** – The City's policy establishes limitations on portfolio composition by investment type and by issuer to limit its exposure to concentration of credit risk.

The City's investment policy allows investment in the following instruments:

Sector	Sector Maximum (%)	Per Issuer Maximum (%)	Minimum Ratings Requirement
U.S. Treasury	100%	100%	Not Applicable
GNMA		40%	
Other U.S. Government Guaranteed (e.g. AID, GTC)		10%	
Federal Agency/GSE: FNMA, FHLMC, FHLB, FFCB	75%	40%	Not Applicable
Federal Agency/GSE other than those above		10%	
Supranationals where U.S. is a shareholder and voting member	25%	10%	Highest ST or LT Rating Category (A-1/P-1, AAA-/Aaa3, or equivalent)
Foreign Sovereign Governments (OECD countries only) and Canadian Provinces	5%	2%	Highest ST or Two Highest LT Rating Categories (A-1/P-1, AA-/Aa3, or equivalent)
Corporates	25%	5%	Highest ST or Two Highest LT Rating Categories (A-1/P-1, A-/Aa3, or equivalent)
Municipals	25%	5%	Highest ST or Three Highest LT Rating Categories (SP-1/MIG 1, A-/A3, or equivalent)
Agency Mortgage-Backed Securities (MBS)	5%	40%	Not Applicable
Asset-Backed Securities (ABS)	5%	5%	Highest ST or LT Rating (A-1+/P-1, AAA/Aaa, or equivalent)
Non-Negotiable Collateralized Bank Deposits or Savings Accounts	10%	None, if fully collateralized	None, if fully collateralized.
Commercial Paper (CP)	35%	5%	Highest ST Rating Category (A-1/P-1, or equivalent)
Repurchase Agreements (Repo or RP)	20%	20%	Counterparty (or if the counterparty is not rated by an NRSRO, then the counterparty's parent) must be rated in the Highest ST Rating Category (A-1/P-1, or equivalent) If the counterparty is a Federal Reserve Bank, no rating is required
Money Market Funds (MMFs)	25%	25%	Highest Fund Rating by all NRSROs that rate the fund (AAAm/Aaa- mf, or equivalent)
Intergovernmental Pools (LGIPs)	25%	25%	Highest Fund Quality and Volatility Rating Categories by all NRSROs that rate the LGIP, (AAAm/AAAf, S1, or equivalent)
Florida Local Government Surplus Funds Trust Funds ( "Florida Prime" or "SBA")	25%	N/A	Highest Fund Rating by all NRSROs who rate the fund (AAAm/Aaa- mf, or equivalent)

As of September 30, 2017, the following issuers represent 5 percent or more of the City's investment portfolio:

Issuer	Percentage
United States Treasury Notes	26%
Federal Farm Credit Bank (FFCB)	5%
Federal Home Loan Bank (FHLB)	13%
Federal Home Loan Mortgage Corporation (FHLMC)	9%
Federal National Mortgage Association (FNMA)	7%

**Fair Value Measurements** – The City categorizes its fair value measurements within the fair value hierarchy established by GASB 72. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Investments measured and reported at fair value are classified and disclosed in one of the following categories. Level 1 inputs are investments traded in an active market with available quoted prices for identical assets as of the reporting date. Level 2 inputs are inputs other than quoted prices included in level 1 that are observable for an asset or liability, either directly or indirectly, as of the reporting date. Level 3 inputs are investments not traded in an active market and for which no significant observable market inputs are available as of the reporting date. All of the City's investments are categorized as Level 2.

The following table summarizes the valuation of the City's investments in accordance with the above mentioned fair value hierarchy levels as of September 30, 2017:

			-	Fair Value easurements Using
estments by Level: Fair Value		Significant Other Observable Inputs (Level 2)		
Debt Securities:				
United States Treasury Notes	\$	115,790,774	\$	115,790,774
Federal National Mortgage Association		30,327,050		30,327,050
Federal Home Loan Mortgage Corp.		38,346,278		38,346,278
Federal Farm Credit Bank		23,660,623		23,660,623
Federal Home Loan Bank		57,466,211		57,466,211
Corporate Notes		43,325,349		43,325,349
Commercial Paper		132,757,901		132,757,901
Money Market Fund		14,327,659		14,327,659
Total Investments by fair value level	\$	456,001,845	\$	456,001,845

# <u>City of Miami Firefighters and Police Officers Retirement Trust (FIPO)</u>

FIPO's investment policy is determined by its Board of Trustees and has engaged outside investment professionals to manage the assets of the Trust. The policy has been identified by the Board as having the greatest expected investment return, and the resulting positive impact on asset values, funded status and benefits, without exceeding a prudent level of risk. The Trustees are authorized to acquire and retain property, real, personal or mixed and investments specifically including, bonds, debentures and other corporate obligations, and stocks, preferred or common.

Alternative investments of FIPO include private equity, private debt, venture capital and equity real estate investments where no readily ascertainable market value exists. Management, in consultation with the general partner and investment advisors, have determined the fair values for the individual investments based upon net asset value per the partnership's or limited liability company's most recent available financial information adjusted for cash flow activities through September 30, 2017. Please refer to Pension Note 10 for additional detail regarding FIPO.

FIPO has adopted the following asset allocation policy as of September 30, 2017:

Asset Class	<b>Target Allocation</b>
Core Fixed Income	29%
Domestic Equity	26%
International Equity	17%
Real Estate	11%
Absolute Return	13%
Private Equity	4%
	100%

**Interest Rate Risk** – Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment the greater the sensitivity of its fair value to changes in market interest rates. As a means of limiting its exposure to interest rate risk, FIPO diversifies its investments by security type and institution, and limits holdings in any one type of investment with any one issuer with various durations of maturities.

Information about the sensitivity of fair values of FIPO's investments to market interest rate fluctuations is provided by the following table that shows the distribution of FIPO's investments by maturity at September 30, 2017:

	U.S Treasuries	 U.S Agencies		Corporate Bonds		Total
Fair Value	\$ 40,797,724	\$ 57,565,369	<u>\$</u>	386,350,962	<u>\$</u>	484,714,055
Investment Maturities:						
Less than 1 Year	10,373,462	435,446		9,024,043		19,832,951
1 to 5 year	18,590,877	163,811		75,374,418		94,129,106
6 to 10 year	6,736,735	3,188,792		272,797,833		282,723,360
More than 10 Years	5,096,650	53,777,320		29,154,668		88,028,638

**Credit Risk** – Credit risk is the risk that a security or a portfolio will lose some or all of its value due to a real or perceived change in the ability of the issuer to repay its debt. This risk is generally measured by the assignment of a rating by a nationally recognized statistical rating organization. FIPO's investment policy utilizes portfolio diversification in order to control this risk.

The following table discloses credit ratings, at September 30, 2017:

Investment Type/ Rating	Fair Value	Percentage of Portfolio
U.S. Agencies	\$ 57,565,368	11.88%
U.S. Treasuries	40,797,725	8.42%
U.S. Government guaranteed*	 98,363,093	20.29%
Credit risk debt securities:		
AAA	4,935,105	1.02%
AA+	1,127,761	0.23%
AA	1,836,738	0.38%
AA-	3,431,913	0.71%
A+	3,614,111	0.75%
Α	11,019,726	2.27%
A-	144,959,014	29.91%
BBB+	30,658,129	6.32%
BBB	17,451,883	3.60%
BBB-	14,060,034	2.90%
BB+ and Lower	70,754,219	14.60%
Not Rated	82,502,329	17.02%
Total	 386,350,962	79.71%
Grand Total	\$ 484,714,055	100.00%

\*Obligations of the U.S. government or obligations explicitly or implicitly guaranteed by the U.S. government are not considered to have credit risk and do not have purchase limitations.

**Custodial Credit Risk** – This is the risk that in the event of the failure of the counterparty to a transaction, the Plan will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. Consistent with the Plan's investment policy, the investments are held by the Plan's custodial bank and registered in the Plan's name. All of the FIPO deposits are insured or collateralized by a financial institution separate from FIPO's depository financial institution.

**Concentration of Credit Risk** – The investment policy of FIPO contains limitations on the amount that can be invested in any one issuer as well as maximum portfolio allocation percentages. There were no individual investments that represent 5 percent or more of FIPO's fiduciary net position at September 30, 2017.

**Foreign Currency Risk** – Foreign currency risk is the risk that changes in exchange rates will adversely affect the fair value of the investment or a deposit. FIPO may have exposure to foreign currency risk to the extent its investments contain non-U.S. dollar denominated holdings in foreign countries. All asset classes may hold non-U.S. securities, depending on portfolio guidelines. There is no requirement that this exposure to foreign currency be hedged through forward currency contracts, although the investment manager uses them in many cases

FIPO has an indirect exposure to foreign currency fluctuation as follows:

	Ho	ldings valued
	in	U.S. Dollars -
Currency	Intern	national Equities
Swiss Franc	\$	17,348,228
Australian Dollar		8,212,820
Brazilian Real		794,023
British Pound Sterling		19,051,816
Canadian Dollar		5,828,890
Danish Krone		4,008,561
Euro		52,654,473
Hong Kong Dollar		12,999,333
Indonesian Rupiah		3,777,183
Japanese Yen		34,649,617
Mexican Peso		1,442,604
Norwegian Krone		2,340,895
Other		1,827,890
Singapore Dollar		4,763,527
South Korean Won		7,257,403
Swedish Krona		1,810,011
Taiwan Dollar		6,191,391
Total	\$	184,958,665

**Securities Lending Transactions** – A retirement system is authorized by state statutes and board of trustees' policies to lend its investment securities. The lending is managed by FIPO's custodial bank. All loans can be terminated on demand by either FIPO or the borrowers. The average term of loans outstanding at September 30, 2017, is approximately 67 days. The custodial bank and its affiliates are prohibited from borrowing FIPO's securities.

The agent lends FIPO's U.S. government and agency securities and domestic corporate fixed-income and equity securities for securities or cash collateral of 102 percent of the value of the securities plus any accrued interest and international securities of 105 percent of the market value of the securities plus any accrued interest. The securities lending contracts do not allow FIPO to pledge or sell any collateral securities unless the borrower defaults. Cash collateral is invested in the agent's collateral investment pool, whose share values are based on the amortized cost of the pool's investments. Investments are restricted to issuers with a credit rating A3 or A- or higher by Moody's or Standard & Poor's. At year-end, the pool has a weighted average term to maturity of 30 days, respectively. The relationship between the maturities of the investment pool and FIPO's loans is affected by the maturities of the securities' loans made by other entities that use the agent's pool, which FIPO cannot determine. There are policy restrictions by the custodial bank that limits the amount of securities that can be lent at one time or to one borrower.

The following represents the balances relating to securities lending transactions at September 30, 2017:

Securities Lent:		Fair Value of Underlying Securities	Rec	Cash Collateral Cash Col Received/Securities Invest Collateral Value Value		
Lent for cash collateral:						
U.S. Government and Agency Obligations	\$	31,055,510	\$	31,707,036	\$	31,707,036
International Equities		1,727,180		1,762,909		1,762,909
Domestic Corporate Stocks		73,865,209		75,399,422		75,399,422
Domestic Corporate Bonds		20,585,436		21,039,184		21,039,184
Total	\$	127,233,335	\$	129,908,551	\$	129,908,551

The contract with FIPO's custodian requires the custodian to indemnify FIPO if the borrower fails to return the securities, due to the insolvency of a borrower, and the custodian has failed to live up to its contractual responsibilities relating to the lending of those securities. At year-end, FIPO has no credit risk exposure to borrowers because the amounts of collateral held by FIPO exceed the amounts the borrowers owe FIPO. There are no significant violations of legal or contractual provisions, no borrowers or lending agent default losses, and no recoveries of prior period losses during the year. There is no income distributions owing on securities lent.

The following table details FIPO investments as of September 30, 2017:	:

		Amount
Investments, at fair value:		
Debt Securities (Domestic):		
U.S. Treasuries	S	40,797,725
U.S. Agencies		57,565,368
U.S. Government Obligations		98,363,093
Corporate Bonds:		
Corporate Bonds		342,337,269
Asset Backed Securities		7,015,590
Mortgage Backed Securities		2,587,557
Guaranteed Fixed Income		4,442,572
Debt Securities (International):		
International Government Bonds		3,007,151
International Corporate Bonds		26,960,823
Corporate Bonds		386,350,962
Corporate Stocks		355,958,115
International Equity		256,089,706
Mutual Funds		181,181,304
Real Estate		169,762,725
Private Equity		139,235,059
Absolute Return Funds		99,722,597
Total Investments	\$	1,686,663,561

**Fair Value Measurements** – The FIPO Trust categorizes its fair value measurements within the fair value hierarchy established by GASB 72. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Investments measured and reported at fair value are classified and disclosed in one of the following categories. Level 1 inputs are investments traded in an active market with available quoted prices for identical assets as of the reporting date. Level 2 inputs are investments not traded on an active market but for which observable market inputs are available for an asset, either directly or indirectly, as of the reporting date. Level 3 inputs are investments not traded in an active market and for which no significant observable market inputs are available as of the reporting date.

The Trust has established a framework to consistently measure the fair value of the Trust's assets and liabilities in accordance with applicable accounting, legal, and regulatory guidance. This framework has been provided by establishing valuation policy and procedures that will provide reasonable assurance that assets and liabilities are carried at fair value. In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, an investment's level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement. The Trust's assessment of the significance of a particular input to the fair value measurement requires judgment and considers factors specific to the investment.

The following table summarizes the valuation of the FIPO Trust's investments in accordance with the above mentioned fair value hierarchy levels as of September 30, 2017:

		Fair Value Measurements Using		
Investments by level:	Fair Value	Quoted Prices in Actives Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Debt Securities:				
Government and Agency Obligations Municipal/Provincial Obligations Asset Backed Securities Mortgage Backed Securities Corporate Bonds <b>Total Debt Securities</b>	\$ 98,363,092 4,441,517 7,015,590 2,587,558 240,192,566 <b>352,600,323</b>	\$ - - - - - -	\$ 98,363,092 \$4,441,517 \$7,015,590 \$2,587,558 \$164,526,065 <b>276,933,822</b>	\$ - - - 75,666,501 75,666,501
Equity Securities:				
Domestic Equities International Equities	255,185,642 234,288,747	255,185,642 234,288,747	-	-
Total Equity Securities	489,474,389	489,474,389		
Alternative Investments:				
Private Equity	139,235,059	-	-	139,235,059
Real Estate Equity	169,762,725	-		169,762,725
<b>Total Alternative Investments</b>	308,997,784	-	-	308,997,784
Total Investments by fair value level	1,151,072,496	\$ 489,474,389	\$ 276,933,822	\$ 384,664,285
Investments Measured at The Net Asset Value (NAV)				
Commingled Domestic Fixed Income Funds	132,113,732			
Commingled International Equity Funds	28,865,695			
Commingled Domestic Equity Funds	93,707,737			
Absolute Return Funds	99,722,597			
Mutual Funds	181,181,304			
Total Investments measured at the NAV	535,591,065			
Total Investments Measured at Fair Value	\$ 1,686,663,561			

**Debt Securities -** Debt securities consist primarily of negotiable obligations of the U.S. government and U.S. government-sponsored agencies, corporations, securitized offerings backed by residential and commercial mortgages, and foreign debt securities. These securities can typically be valued using the close or last traded price on a specific date (quoted prices in active markets). When quoted prices are not available, fair value is determined based on valuation models that use inputs that include market observable inputs. These inputs included recent trades, yields, price quotes, cash flows, maturity, credit ratings, and other assumptions based upon the specifics of the investment's type.

**Equity Securities -** These include domestic and international equities. Domestic securities traded on a national securities exchange are valued at the last reported sales price on the last business day of the fiscal year. Securities traded in the over-the counter market and listed securities for which no sale was reported on that date are valued at the last reported bid price. International equities are valued based upon quoted foreign market prices and translated into U.S. dollars at the exchange rate in effect at September 30, 2017. Securities which are not traded on a national security exchange are valued by the respective fund manager or other third parties based on yields currently available on comparable securities of issuers with similar credit ratings.

Alternative Investments - These investments include private equity and real estate equity investments where no readily ascertainable market value exists. To value these investments, management, in consultation with the general partner and investment advisors, determines the fair values for the individual investments based upon the partnership's or limited liability company's most recent available financial information adjusted for cash flow activities through September 30, 2017. The estimated fair value of these investments may differ from values that would been used had a ready market existed.

The following table displays information regarding The FIPO Trust's investments that use net asset value (NAV) per share (or equivalent) to value investments.

Investment Type	 Fair Value 9/30/2017	Redemption Frequency	Redemption Notice Period
Commingled Domestic Fixed Income Funds	\$ 132,113,732	Daily	Same day
Absolute Return Funds	99,722,597	Quarterly	30 Days
Commingled International Equity Funds	28,865,695	Daily	Same day
Commingled Domestic Equity Funds	93,707,737	Daily	Same day
Mutual Funds	 181,181,304	Daily	Same day
Total Investments Measured at the NAV	\$ 535,591,065		

(1) Commingled domestic fixed income funds consist of two commingled investment vehicle which primarily invests in publicly traded domestic commercial mortgage backed securities. The investment is valued at the net asset value of units held at the end of the period based upon the fair value of the underlying investments.

(2) Absolute return funds aim to provide positive investment returns in all market conditions over the medium to long term. The funds are actively managed, with a wide investment remit to target a level of return over rolling three-year periods equivalent to cash plus five percent a year, gross of fees. They exploit market inefficiencies through active allocation to a diverse range of market positions. The funds use a combination of traditional assets (such as equities and bonds) and investment strategies based on advanced derivative techniques, resulting in a highly diversified portfolio. The funds can take long and short positions in markets, securities and groups of securities through derivative contracts.

(3) Commingled international equity funds consist of a commingled investment vehicles which invest primarily in publicly traded global equity securities. The funds are valued at the net asset value of units held at the end of the period based upon the fair value of the underlying investments.

(4) Commingled domestic equity funds consist of three comingled investment vehicle which invests primarily in publicly traded equity securities. The funds are valued at the net asset value of units held at the end of the period based upon the fair value of the underlying investments.

(5) These mutual funds are open-end mutual funds that are registered with the Securities and Exchange Commission. These funds are required to publish their daily NAV and to transact at that price. They are determined to be actively traded.

### **GESE Pension Trust Funds**

Investments for the City of Miami Employees and Sanitation Employees Retirement Trust (GESE Trust) and the City of Miami General Employees and Sanitation Employees Retirement Trust Staff Pension Plan (Staff Trust), as of September 30, 2017, is as follows:

	Fair Value			
Investment Type		GESE Trust		Staff Trust
U.S.Government and Agency Securities	\$	92,661,641	\$	-
Corporate Stocks		447,212,229		2,766,180
Corporate Bonds		60,168,704		1,017,075
		600,042,574		3,783,255
Real Estate Fund		26,109,055		-
Money Market Funds and Commercial Paper		38,143,857		-
Total Investments	\$	664,295,486	\$	3,783,255

**Fair Value Measurements** – The GESE Trust and Staff Trust categorizes its fair value measurements within the fair value hierarchy established by GASB 72. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Investments measured and reported at fair value are classified and disclosed in one of the following categories. Level 1 inputs are investments traded in an active market with available quoted prices for identical assets as of the reporting date. Level 2 inputs are investments not traded on an active market but for which observable market inputs are available for an asset, either directly or indirectly, as of the reporting date. Level 3 inputs are investments not traded in an active market and for which no significant observable market inputs are available as of the reporting date.

The following table summarizes the valuation of the GESE Trust and Staff Trust investments in accordance with the above mentioned fair value hierarchy levels as of September 30, 2017:

				leasurements ing
Investments by level	GESE Trust Fair Value	Staff Plan Fair Value	Quoted Prices in Actives Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)
Debt Securities:			<b>* •</b> ••••••	ф. од одо <i>со с</i>
US Government and Agency Securities	\$ 50,602,370	-	\$ 29,289,844	\$ 21,312,526
Corporate Bonds	60,168,704	-	6,199,796	53,968,908
Mortgage Bonds	42,059,271		13,450,865	28,608,406
Total Debt Securities	152,830,345	-	48,940,505	103,889,840
Equity Securities: Corporate Stocks	259,702,073	-	259,702,073	-
International Equities	26,109,055	-	26,109,055	-
Total Equity Securities	285,811,128	-	285,811,128	
Total Investments by fair value level	438,641,473		\$334,751,633	\$103,889,840
Investments Measured at The Net Asset Value (NAV) International Equities Commingled (Allianz & Barings) Domestic Commingled Funds SSGA Money Market Funds Staff - (Vanguard) Total Investments measured at the NAV	39,465,967 148,044,189 38,143,857 - - 225,654,013	3,783,255 3,783,255		
Total Investments Measured at Fair Value	\$664,295,486	\$ 3,783,255		
	, ,			

**Debt Securities -** Debt securities consist primarily of negotiable obligations of the U.S. government and U.S. government-sponsored agencies, corporations, securitized offerings backed by residential and commercial mortgages, TIPS and foreign debt securities. These securities can typically be valued using the close or last traded price on a specific date (quoted prices in active markets). When quoted prices are not available, fair value is determined based on valuation models that use inputs that include market observable inputs. These inputs include recent trades, yields, price quotes, cash flows, maturity, credit ratings, and other assumptions based upon the specifics of the investment's type.

**Equity Securities -** These include domestic and international equities. Domestic securities traded on a national securities exchange are valued at the last reported sales price on the last business day of the fiscal year. Securities traded in the over-the counter market and listed securities for which no sale was reported on that date are valued at the last reported bid price. International equities are valued based upon quoted foreign market prices and translated into U.S. dollars at the exchange rate in effect at September 30, 2017. Securities which are not traded on a national security exchange are valued by the respective fund manager or other third parties based on yields currently available on comparable securities of issuers with similar credit ratings.

The following table displays information regarding the GESE Trust and Staff Trust investments that use Net Asset Value (NAV) per share (or equivalent) as their fair value measurement:

	Fair Value	Redemption
Investment Type	 9/30/2017	Frequency
International Equities Commingled (Allianz & Barings)	\$ 39,465,967	Monthly
Domestic Commingled Funds SSGA	148,044,189	Daily
Money Market Funds	38,143,857	Daily
Staff- (Vanguard)	 3,783,255	Daily
<b>Total Investment Measured at the NAV</b>	\$ 229,437,268	

# **GESE Trust**

The investment policy, approved by the Board of Trustees for the GESE Trust, stipulates the permissible investments and the allowable long-range asset allocation, measured at market value at the end of each quarter. The investment objectives are to achieve rates of return that equal or exceed actuarial interest rate, and performance results that rank in the top half of the investment consultants universal database, over a rolling three-year period, without undue risk. Compliance with the investment policy is monitored by the GESE Trust's investment consultant. The Board of Trustees for the GESE Trust has engaged outside investment professionals to manage the assets of the GESE Trust. The GESE Trusts are potentially exposed to various types of investment risk including credit risk, custodial credit risk, concentration of credit risk, interest rate risk, and foreign currency risk. Please refer to Pension Note 10 for additional detail regarding GESE Trust.

The GESE Trust has adopted the following asset allocation policy as of September 30, 2017:

Asset Class	Target Allocation
U.S Large Cap Equity	42%
U.S Small Cap Equity	10%
International Equity	13%
U.S Fixed Income	29%
Real Estate	5%
Cash and Other	1%
	100%

**Interest Rate Risk** – The GESE Trust limits the maturities of investments to control this risk. The GESE Trust investment policy requires that the average maturity of the fixed-income asset class be targeted within a range of three to ten years. In addition, each manager is expected to keep its maturity at +/- one year of the benchmark duration. The GESE Trust utilizes duration to manage its risk to changes in interest rates.

The following represents investment value and weighted average maturity of the GESE Trust investments at September 30, 2017:

Investment Type	 Fair Value	Weighted Avg. Maturity Years
Other Government	\$ 2,667,000	7.11
Asset - Backed	2,231,000	1.50
Corporate Bonds - Bank	11,521,000	1.92
Corporate Bonds - Finance	11,745,000	3.95
Corporate Bonds - Industrial	22,790,000	6.32
Corporate Bonds - Transportation	1,792,000	5.43
Corporate Bonds - Electric Utility	1,694,000	9.44
US Treasury Bonds	8,178,000	18.32
US Treasury Notes	43,014,000	5.20
US Agency	12,338,000	0.16
Yankee - Finance	1,718,000	3.63
Yankee - Industrial	2,036,000	6.94
Mortgages	33,187,000	16.41
Cash	 1,875,000	-
Total	\$ 156,786,000	

**Credit Risk** – The GESE Trust utilizes portfolio diversification as well as limiting investments to the highest rated securities as rated by nationally recognized rating agencies. The GESE Trust's Investment Policy limits credit risk by requiring fixed-income securities to be rated by Moody's as a Baa3/BBB- or better. However, a maximum of 20 percent of each manager's portfolio may be invested in high yield securities rated by Moody's/S&P as Caa/CCC or better.

I

At September 30, 2017, the following table displays Moody's ratings and the fair value of GESE Trust's fixed-income portfolio investments:

Investment Type/Rating	Fair Value
US Treasury*	\$ 51,192,000
US Agency*	12,338,000
Other Government**	369,000
Asset-Backed**	4,529,000
Mortgages**	33,187,000
Aaa	493,000
Aa	3,025,000
Α	30,155,000
Baa	19,013,000
Ba	121,000
В	288,000
Not Rated	201,000
Cash	1,875,000
Total	\$ 156,786,000

\* Implied AAA rating

\*\* There is no rating classification for these investments

**Custodial Credit Risk** –This is the risk that in the event of the failure of the counterparty, the GESE Trust will not be able to recover the value of its investments that are in the possession of an outside party. The GESE Trust utilizes an independent custodial safekeeping agent for its investments. The GESE Trust's custodial credit is limited because its investments are registered in the name of the plan.

**Concentration of Credit Risk** – The GESE Trust utilizes limitations on securities of a single issuer or industry to manage this risk. The GESE Trust investment policy requires that corporate bond issues must be diversified by industry and in number so that no investment in the securities of a single issue shall exceed 7 percent (at market) of the value of the portfolio. Single industry weightings will be a maximum of 25 percent, except U.S. government and agency securities. Investments issued or explicitly guaranteed by the U.S. Government and investments in mutual funds, external investment pools and other pooled investments are not subject to concentration of credit risk. At September 30, 2017, the GESE Trust did not have any corporate bond investments with issuers greater than 5 percent.

**Foreign Currency Risk** – The GESE Trust Investment policy allows a maximum of 20 percent of each manager's portfolio to be invested in aggregate to Yankee bonds, foreign credits, Eurodollar bonds, and Rule 144A securities. At September 30, 2017, the GESE Trust did not have any foreign denominated fixed income investments.

# <u>Staff Trust</u>

The investment policy for the Staff Trust was determined by the Board of Trustees and is monitored by the Staff Trust's investment consultant. The policy stipulates the permissible investments, and the allowable long-range asset allocation, measured at market value, at the end of each quarter. The investment objectives are to achieve rates of return that equal or exceed actuarial interest assumption rate, and performance results that rank in the top half of the investment consultants universe database, over a rolling three-year period, without undue risk. The Board of Trustees has engaged outside investment professionals to manage the assets for the Staff Trust.

The Staff Trust has adopted the following asset allocation policy as of September 30, 2017:

Asset Class	Target Allocation
U.S Large Cap Equity	42%
U.S Small Cap Equity	10%
International Equity	13%
U.S Fixed Income	35%
Cash and Other	0%
	100%

**Interest Rate Risk** – The Staff Trust limits the maturities of investments to control this risk. The Staff Trust investment policy requires that the average duration of the fixed-income asset class be targeted within a range of three to ten years. In addition, the manager is expected to keep its duration at +/- one year of the benchmark duration. The effective duration of held passive mutual funds is 6.1 years.

**Credit Risk** – The Staff Plan utilizes portfolio diversification in order to limit this risk as well as limiting investments to the highest rated securities as rated by nationally recognized rating agencies. The Staff Plan Investment Policy limits credit risk by requiring all fixed income securities to be rated by Moody's/S&P as a Baa3/BBB- or better.

The Board of Trustees for the GESE Trust has elected to hire outside investment professionals to manage the assets for the Staff Trust. As of September 30, 2017, the fixed income assets of the Staff Trust were invested in a mutual fund managed passively by Vanguard.

The value of the fixed income portfolio was approximately \$1,020,900. Vanguard manages the assets in accordance with the investment policy statement approved by the trustees.

nvestment Type/Rating	Fair Value	
Government*	\$	672,800
Aaa		33,700
Aa		39,800
A		119,400
Baa		155,200
Total	\$	1,020,900

The table below summarizes Staff Trust investments by credit rating at September 30, 2017:

\* Implied AAA rating

**Custodial Credit Risk** – This is the risk that in the event of the failure of the counterparty, the plan will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Staff Trust utilizes an independent custodial safekeeping agent for its investments. Custodial credit risk is limited since its investments are held in independent custodial safekeeping accounts, external investment pools, and/or open-end mutual funds are registered in the Plan's name. All cash in each money manager's portfolio is swept into a money market mutual fund on a daily basis.

**Concentration of Credit Risk** – The Staff Trust utilizes limitations on securities of a single issuer or industry to manage this risk. Investments issued or explicitly guaranteed by the U.S. government and investments in mutual funds, external investment pools and other pooled investments are excluded from this requirement. The Staff Trust investment policy requires that corporate bond issues must be diversified by industry and in number so that no investment in the securities of a single issue shall exceed 20 percent (at market) of the value of the portfolio. Single industry weightings will be a maximum of 20 percent, except U.S. government and agency securities. As of September 30, 2017, the Staff Trust did not have any positions with issuers greater than 5 percent.

**Foreign Currency Risk** – The Staff Trust Investment policy prohibits investments in foreign currency denominated securities and is therefore not exposed to foreign currency risk.

# **Elected Officer's Retirement Trust (EORT)**

The EORT Trust follows the City's investment policy. As September 30, 2017, the investments of EORT are as follows:

Investment Type	]	Fair Value			
Federal Home Loan Bank	\$	5,975,437			
Money Market Fund		909,227			
Total	\$	6,884,664			

The EORT has the following target asset allocation as of September 30, 2017:

Asset Class	Target Allocation
U.S Fixed Income	80%
Cash	20%
	100%

**Interest Rate Risk** – Interest rate risk is the risk that as market rate changes the fair value of an investment will vary. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in the market interest rate. The City's investment policy limits the maturity of an investment to a maximum of 5 years. As of September 30, 2017, EORT had the following investments with the respective weighted average maturity in years.

The respective weighted average maturities were based on the securities call date, not the maturity date.

	Weighted Average
Investment Type	Maturity In Years
Federal Home Loan Bank	0.33
Money Market Funds	Less than 1 year

The investments at September 30, 2017, were in compliance with the City's investment policy at the time of purchase.

**Credit Risk** – The Plan's investment policy minimizes credit risk by restricting authorized investments to the highest ratings of at least one of the nationally recognized statistical rating organizations (NRSROs). Investments in the State Board of Administration, The Local Government Surplus Funds Trust Fund, do not have a rating from the NRSRO. Commercial paper and bankers acceptances must have the highest letter and numerical rating as provided for by at least one NRSRO. At September 30, 2017, all of the Plan's investments were held in Government Agencies and Money Market Funds. Money Market Funds are authorized by the City's investment policy, but are not rated by the major rating agencies.

**Custodial Credit Risk** – This is the risk that in the event of the failure of the counterparty, the Plan will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The EORT Plan utilizes an independent custodial safekeeping agent for its investments. All investments are held by the plans custodial bank and registered in the City's EORT name.

**Concentration of Credit Risk** – The Plan's policy establishes limitations on portfolio composition by investment type and by issuer to limit its exposure to concentration of credit risk. The policy provides that a maximum of 20 percent of the portfolio may be invested in SEC registered money market funds with no more than 10 percent to any single money market fund. A maximum of 100 percent of available funds may be invested in the Local Governments Surplus Funds Trust Fund. A maximum of 100 percent of the total portfolio may be invested in U.S. Government securities and federal instruments, with a limit of 25 percent invested in any one issuer of federal instruments. A maximum of 35 percent of the portfolio may be invested in prime commercial paper with a maximum of 5 percent with any one issuer. A maximum of 10 percent of the portfolio may be invested in banker's acceptances with a maximum of

5 percent with any one issuer. At September 30, 2017, the EORT Trust did not have any positions with issuers greater than 5 percent.

**Fair Value Measurements** – The City's EORT categorizes its fair value measurements within the fair value hierarchy established by GASB 72. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Investments measured and reported at fair value are classified and disclosed in one of the following categories. Level 1 inputs are investments traded in an active market with available quoted prices for identical assets as of the reporting date. Level 2 inputs are investments not traded on an active market but for which observable market inputs are available for an asset, either directly or indirectly, as of the reporting date. Level 3 inputs are investments not traded in an active market and for which no significant observable market inputs are available as of the reporting date.

The following table summarizes the valuation of the EORT's investments in accordance with the above mentioned fair value hierarchy levels as of September 30, 2017:

Investments by level:	Fair Value		Fair Value <u>Measurements Using</u> Significant Other Observable Inputs (Level 2)			
Debt Securities:				,		
Federal Home Loan Bank	\$	5,975,437	\$	5,975,437		
Money Market Fund		909,227		909,227		
Total Investments by fair value level	\$	6,884,664	\$	6,884,664		

# NOTE 3. – RECEIVABLES

Receivables at year-end for the City in individual major and non-major funds in the aggregate, including the applicable allowance for uncollectible accounts are as follows:

		Special Obligation	Other Capital		Non-Major	
Receivables	General	Bonds	Projects	Impact Fee	Govt Funds	Total
Accounts	\$ 44,891,875	\$ 333,333	\$ 2,138,087	\$ 251,659	\$ 5,237,188	\$ 52,852,142
Property Tax	2,346,146	-	-	-	229,413	2,575,559
Due From Other Governments	7,003,195	-	1,204,266	-	14,884,001	23,091,462
Loans Receivable		13,821,919		-	1,794	13,823,713
Gross Receivables	54,241,216	14,155,252	3,342,353	251,659	20,352,396	92,342,876
Less: Allowance for						
Uncollectibles	(17,337,042)	(13,821,919)	(2,131,879)	(251,659)	(1, 642, 858)	(35,185,357)
Net Total Receivables	\$ 36,904,174	\$ 333,333	\$ 1,210,474	\$ -	\$ 18,709,538	\$ 57,157,519

The City, the County, HUD and Parrot Jungle and Gardens of Watson Island Inc. (Jungle Island) entered into various agreements that allowed Jungle Island to obtain a \$13.8 million loan as presented above as loan receivable for the City, to fund construction of the Parrot Jungle Project.

On November 17, 2011, the City, Miami-Dade County, and the U.S. Department of Housing and Urban Development ("HUD") amended their May 13, 2001 Assumption of Loan Guarantee Assistance Liability and Pledge Agreement in order to refinance the Parrot Jungle Project HUD Section 108 Loan under a new note at a lesser interest rate for the then outstanding principal amount of \$15.6 million. The refinancing under the new note remained in accordance with the pro-rata payment obligations under a continuing agreement for the Parrot Jungle Project HUD Section 108 Loan whereby the City's pro-rata payment obligations remain 80 percent and the County's pro-rata payment obligations remain 20 percent.

The City and the County have multiple continuing agreements, which have been amended over time with Parrot Jungle and Gardens of Watson Island, Inc. and its various related entities (now known collectively as "Jungle Island"), regarding, *inter alia*, (1) the borrowing by Jungle Island of the Parrot Jungle Project HUD Section 108 Loan proceeds from the County and the City, (2) the leasing by Jungle Island of City-owned property for the construction of the Project, (3) City and County payments to HUD for the Parrot Jungle Project HUD Section 108 Loan due to Jungle Island's inability to pay during construction and start-up of the Project, and (4) another loan from the City to Jungle Island of \$800,000 for the payment of ad valorem taxes on the Jungle Island property to the County. At this time, Parrot Jungle's payment obligations to the City are as follows:

- 1. **Parrot Jungle Project HUD Section 108 Loan Deferred Payments** will begin August 1, 2019 to repay the City's approximately \$13.8 million. The City has recorded an allowance for the full amount of this receivable.
- 2. **Regular Lease Rent Payments** began April 1, 2013, whereby Jungle Island will pay the rent based upon a "Gross Revenues" monthly calculation. As of September 30, 2017, rental payment to the City are current.

3. **Deferred Lease Rent Payments** due from Jungle Island to the City based upon a minimum rent/percentage rent calculation formula. The deferred rent amounts to \$1.6 million and any percentage rent due. Jungle Island shall pay to the City the deferred rent on or before December 31, 2020. Given the uncertainty of the collections related to this amount, it is not recognized in the City's financial statements.

### **Single-Family Homeownership and Rehabilitation Programs**

Single-family home rehabilitation and homeownership programs funded under the Community Development Block Grant (CDBG), HOME Investment Partnership Loan Program (HOME), American Dream Down Payment Initiative (ADDI), State Housing Initiative Partnership Program (SHIP) and Affordable Housing Trust Fund, generally are repaid when the related properties are transferred or sold. If the property is transferred or sold before the end of the loan period, the proceeds from the repayment including interest, if any, are then returned to the program to assist additional low-income families. If the homeowners remain in their homes for the full term of the deferred loan, the loan is forgiven and becomes a grant. A mortgage or a covenant is placed against the property to ensure the repayment of the loan and interest. Given the nature of these loans, collection is not assured, consequently they are not recognized in the City's financial statements.

A summary of single-family, deferred long-term loans that are not recognized in the City's financial statements, as of September 30, 2017, are as follows:

Program	Loans Outstanding	Amount				
CDBG	50 loans	\$	2,065,340			
HOME	525 loans		25,128,486			
SHIP	301 loans		14,975,359			
Other	2 loans		63,073			
Total	878 loans	\$	42,232,258			

### **Multi-Family Rental Loans**

As of September 30, 2017, there are 102 projects aggregating to \$79.2 million for new construction or rehabilitation of multi-family units, which under the terms of the loan agreement are to be repaid if program conditions are not met. Home ownership unit loans are usually forgiven to the developer and transferred to the home buyer. The home buyer loans are usually amortizable or deferred during the life of the affordability period. Such loans will be forgiven and become grants if the homeowners remain in their homes during the full term of the loan. Given the nature of these loans, collections are not assured, consequently they are not recognized in the City's financial statements.

### **Economic Development Commercial Loans**

As of September 30, 2017, there are 9 loans aggregating to \$7.7 million for special economic development projects under the CDBG program. Those projects are collateralized by placing a mortgage against the property of the business or non-profit entity's assets to ensure repayment of the loan and interest to the City. Some of these loans are written with no interest payment or deferred payments and are forgivable, if all program conditions are met. Given the nature of these loans, collection is not assured, consequently they are not recognized in the City's financial statements.

# **NOTE 4. – PROPERTY TAXES**

Property taxes are assessed according to the value determined by the Miami-Dade County Property Appraiser on January 1<sup>st</sup> of each year and are due, with discounts of one to four percent allowed if paid prior to March 1<sup>st</sup> of the following calendar year. In accordance with Florida Statute 197.122, taxes become an enforceable lien on the assessed property at this time. Taxes are levied after the millage rate is certified in September of each year. Taxpayers also have the option of paying their taxes in advance in equal quarterly payments based on the prior year's tax assessment with quarterly discounts varying between 2 percent and 4 percent. All unpaid taxes on real and personal property become delinquent on April 1<sup>st</sup> and bear interest at 18 percent until a tax sale certificate is sold at auction. The County bills and collects all property taxes for the City, and sells tax certificates for delinquent taxes.

The assessed value of property, as established by the Miami-Dade County Property Appraiser, at January 1, 2016, upon which the 2016-2017 levy was based, was \$49.6 billion. The City is permitted by Article 7, Section 8 of the Florida Constitution to levy taxes up to ten dollars per \$1,000 of assessed valuation for general governmental services other than the payment of principal and interest on general obligation long-term debt. In addition, unlimited amounts may be levied for the payment of principal and interest on general obligation long-term debt, subject to a limitation on the amount of debt outstanding. The tax rate to finance general governmental services (other than the payment of principal and interest on general obligation long-term debt) for the year ended September 30, 2017, was \$7.6465 per \$1,000. The debt service tax rate for the same period was \$0.6435 per \$1,000.

Property taxes receivable reported in the government-wide statement of net position and the governmental funds balance sheet represent amounts due for unpaid delinquent property taxes at September 30, 2017. Property taxes that are not considered "available" have been reported as deferred inflows in the governmental funds balance sheet.

# **NOTE 5. – CAPITAL ASSETS**

The following is a summary of changes in capital assets during the year ended September 30, 2017:

	Primary Government							
		Beginning Balance			Retirements/ Transfers Out		Ending Balance	
Governmental Activities:								
Capital assets, not being depreciated:								
Land	\$	95,421,063	\$	8,129,569	\$	(38,718)	\$	103,511,914
Construction in progress		98,025,139		40,736,007		(54,764,678)		83,996,468
Total Capital Assets, not being depreciated		193,446,202		48,865,576		(54,803,396)		187,508,382
Depreciable Assets:								
Buildings		344,367,501		10,472,589		-		354,840,090
Improvements		297,021,883		6,427,071		(29,881)		303,419,073
Machinery and equipment		243,923,296		29,356,347		(15,355,169)		257,924,474
Infrastructure		1,384,888,872		32,195,674	S	1 <u>1</u>		1,417,084,546
Total capital assets being depreciated		2,270,201,552		78,451,681		(15,385,050)	_	2,333,268,183
Less Accumulated Depreciation for:								
Buildings		126,243,609		7,899,315		-		134,142,924
Improvements		174,856,462		22,020,511		(26,792)		196,850,181
Machinery and Equipment		182,433,298		19,234,275		(15,238,925)		186,428,648
Infrastructure		840,513,327		33,536,465	_	-		874,049,792
Total accumulated depreciation	2	1,324,046,696		82,690,566		(15,265,717)		1,391,471,545
Total capital assets being depreciated, net		946,154,856		(4,238,885)		(119,333)		941,796,638
Governmental activities capital assets, net	\$	1,139,601,058	\$	44,626,691	\$	(54,922,729)	\$	1,129,305,020

Depreciation expense was charged to governmental functions as follows:

Function/Program Activities	Depree	ciation Expenses
General Government	\$	48,830,724
Planning and Development		136,697
Community Development		184,154
Community Redevelpment Areas		1,287,890
Public Works		6,435,231
Public Safety		12,484,404
Public Facilities		2,677,086
Parks and Recreation		10,654,380
Total depreciation expense	\$	82,690,566

### **Construction Commitments**

As of September 30, 2017, the City had various construction projects in progress that were not completed with remaining balances that totaled approximately \$58.6 million. Funding of these projects will be made primary from proceeds of the bond issues, loans, future tax revenues and grants.

# **Discretely Presented Component Units Capital Assets**

The following is a summary of changes in capital assets of the City's component units during the year ended September 30, 2017:

MSEA, CIP, and WBID did not have any capital asset balances at September 30, 2017.

A summary of the changes in capital assets for Department of Off-Street Parking (DOSP) is as follows:

	DOSP							
	Beginning Balance		Additions/ Transfers In		Retirements/ Transfers Out			Ending Balance
Capital assests, not being depreciated:								
Land	\$	5,937,211	\$	-	\$	-	\$	5,937,211
Construction in progress		928,293		1,366,174		-		2,294,467
Total capital assets, not being depreciated		6,865,504		1,366,174		-		8,231,678
Capital assets being depreciated								
Building and structures		68,153,262		138,225		-		68,291,487
Leasehold improvements		10,936,777		-		-		10,936,777
Furniture and fixtures		860,455		14,515		-		874,970
Equipment		13,336,740		326,729		(322,451)		13,341,018
Total capital assests being depreciated	_	93,287,234		479,469		(322,451)		93,444,252
Less accumulated depreciation for:								
Building and structures		26,133,067		1,921,450		-		28,054,517
Leasehold improvements		9,928,909		177,487		-		10,106,396
Furniture and fixtures		449,089		52,875		-		501,964
Equipment		11,478,556		511,233		(241,185)		11,748,604
Total accumulated depreciation		47,989,621		2,663,045		(241,185)		50,411,481
Total capital assets being depreciated, net	_	45,297,613		(2,183,576)		(81,266)		43,032,771
DOSP capital assests,net	\$	52,163,117	\$	(817,402)	\$	(81,266)	\$	51,264,449

			D	DA		
	1	Beginning Balance	 dditions/ ansfers In		Retirements/ Fransfers Out	Ending Balance
Capital assets being depreciated:	<u></u>					
Furniture and equipment	\$	581,008	\$ 133,811	\$	(19,186)	\$ 695,633
Less accumulated depreciation for:						
Furniture and equipment	_	423,786	35,956		(19,186)	440,556
DDA capital assests, net	\$	157,222	\$ 97,855	\$	-	\$ 255,077

A summary of the changes in capital assets for Downtown Development Authority (DDA) is as follows:

A summary of changes in capital assets for Bayfront Park Management Trust (BFP) is as follows:

	BFP						
	Beginning Balance	Additions/ Transfers I	Retirements/ 1 Transfers Out	Ending Balance			
Capital assets, not being depreciated:	8						
Land	\$ 516,129	\$ -	\$ - \$	516,129			
Total capital assets, not being depreciated	516,129	-	-	516,129			
Capital assets, being depreciated:							
Buildings	2,637,934	-	-	2,637,934			
Public domain and system infrastructure	7,452,071	633,235	-	8,085,306			
Machinery and equipment	706,727	110,902	-	817,629			
Total capital assets being depreciated	10,796,732	744,137		11,540,869			
Less accumulated depreciation for:							
Buildings	1,493,790	52,759	-	1,546,549			
Public domain and system infrastructure	3,181,938	335,142	-	3,517,080			
Machinery and equipment	487,273	49,303	-	536,576			
Total accumulated depreciation	5,163,001	437,204	-	5,600,205			
Total capital assets being depreciated, net	5,633,731	306,933		5,940,664			
BFP capital assets, net	\$ 6,149,860	\$ 306,933	\$ - \$	6,456,793			

A summary of changes in capital assets for Coconut Grove Business Improvement District (CGBID) is as follows:

	CGBID										
		Beginning Balance	Additions/ Transfers In			Retirements/ Transfers Out		Ending Balance			
Capital assets being depreciated:											
Furniture and equipment	\$	192,287	\$	455,487	\$	- 3	\$	647,774			
Less accumulated depreciation for:											
Furniture and equipment	_	34,567		34,059		-		68,626			
CGBID capital assests, net	\$	157,720	\$	421,428	\$	-	\$	579,148			

Summary of the discretely presented component units capital assets at September 30, 2017 are as follows:

	_	DOSP	DDA	BFP	CGBID	Total
Capital Assets:	8.					
Non-depreciable	\$	8,231,678	\$ -	\$ 516,129	\$ -	\$ 8,747,807
Depreciable, net		43,032,771	255,077	5,940,664	579,148	49,807,660
Total	\$	51,264,449	\$ 255,077	\$ 6,456,793	\$ 579,148	\$ 58,555,467

Depreciation expenses were charged to the discretely presented component units as follows:

Entity	Depree	ciation Expense
DOSP	\$	2,663,045
DDA		35,956
BFP		437,204
CGBID		34,059
Total depreciation expense	\$	3,170,264

# NOTE 6. – ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Accounts payable and accrued liabilities reported in the governmental funds balance sheet at September 30, 2017, consisted of the following:

		Special Obligation	Other Capital	(	Non-Major Governmental	
	General	Bonds	Projects	<b>Impact Fee</b>	Funds	Total
Accounts Payables	\$16,617,481	\$22,500	\$7,967,518	\$1,397,389	\$22,227,300	\$48,232,188
Retainage	54,280	-	3,668,124	177,473	2,687,145	6,587,022
Salaries and Benefits	25,062,882	-		-	591,923	25,654,805
Total	\$ 41,734,643	\$ 22,500	\$ 11,635,642	\$ 1,574,862	\$ 25,506,368	\$ 80,474,015

# NOTE 7. – INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

The balances reflected as due from/due to other funds reported as of September 30,2017 are as follows:

<b>Receivable Fund</b>	Payable Fund		Amount
General Fund	Special Obligation Bonds		4,521,027
General Fund	Other Capital Projects		12,446,949
General Fund	Non-Major Governmental Funds		4,851,222
		Total	\$ 21,819,198

These outstanding balances between funds result mainly from the time lag between the dates that (a) reimbursable expenditures occur, (b) transactions are recorded in the accounting system, and (c) payments between funds are made.

The following is a summary of interfund transfers reported for the fiscal year ended September 30, 2017:

	 <u>Transfer In</u>									
				Non-Major						
		Special Obligation	Other Capital	Governmental						
Transfer Out	 General	Bonds	Projects	Funds	Total					
General	\$	- \$ 26,873,100	\$ 23,154,399	\$20,623,601	\$70,651,100					
Other Capital Projects	1,101,377	7 -	-	-	1,101,377					
Special Obligation Bonds			-	2,971,099	2,971,099					
Nonmajor Governmental Funds	10,971,849	9 11,118,400	4,989,514	14,181,474	41,261,237					
Total	 \$ 12,073,220	5 \$ 37,991,500	\$ 28,143,913	\$ 37,776,174	\$ 115,984,813					

Transfers are used to (a) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, (b) move receipts restricted for debt service from the funds collecting the receipts to the debt service fund as debt service payments become due, and (c) move unrestricted revenues collected in the general and public services tax funds to finance various programs accounted for in other funds in accordance with budgetary authorizations.

During the fiscal year, transfers from the General fund to other funds totaled \$70.6 million. This total was comprised of transfers of \$26.9 million for Special Obligation Bonds (SOB) Debt Service payments, \$23.1 million for Other Capital Projects fund and \$20.6 million for other Non-Major Governmental funds.

The \$26.9 million transferred into the Special Obligations fund for the payment of debt services includes funds from the Public Service Tax, Parking Surcharge, and Local Option Fuel Tax. Payments for debt service are an allowable use of such revenue. This amount also includes \$0.4 million contribution from the General fund to pay for Vehicle Lease debt service.

The \$23.1 million transferred for Other Capital Projects were from unrestricted sources for various capital improvement projects, including \$4.1 million for Parks' projects, \$3 million for general government functions such as IT and General Services Administration (GSA), \$8 million for capital improvements to Public Facilities, \$2.1 million for Storm Sewers, \$3.7 million for Streets and Sidewalks and \$2.2 million for various smaller capital projects related to Public Safety, Mass Transit and Solid Waste.

The \$20.6 million transferred to other Non-Major funds from unrestricted sources of the General fund were assigned to various departmental initiatives including amongst others: \$5.5 million to cover some departments' cost allocation, \$5 million to the Emergency Fund for the repair of hurricane Irma's damages, \$2.3 million for the maintenance of the Miami Convention Center, \$1.9 million for Police in order to cover the match of some of the 2016 grants and \$2.5 million as contribution for the Citywide anti-Poverty Initiative Program,

Also included in this fiscal year's transfers is \$41.3 million from Non-Major Governmental funds. This total was comprised of \$11 million to the General fund, \$11.1 million to SOB Debt Service funds, \$5 million to Other Capital Projects and \$14.2 million to other Non-Major Governmental funds.

The \$11 million to the General fund consists primarily of \$5.5 million transfer as a result of moving the James L Knight Center operations from a Special Revenue Fund to the General Fund, \$3.2 million transfer of Increment Revenues from South East Park West (SEOPW) Community Redevelopment Agency (CRA) pursuant to Section 5(e) of the Global Agreement, \$0.8 million from the SEOPW CRA to reimburse the City for the Sunshine Loan payment related to Gibson Park and \$1.4 million for enhancement of Police and Fire services.

The \$11.1 million transferred into SOB Debt Service includes \$6.1 million contribution from Transportation and Transit to Streets and Sidewalks' bonds payments, \$4.2 million from OMNI CRA for the Port Tunnel, and \$0.8 million from the Marlins Garage to SOB debt.

The \$5 million to Other Capital Projects include \$2 million contribution from the OMNI CRA for capital improvements at Museum Park, \$1.8 million contribution of Downtown Development supplemental fee, \$0.6 from Lane Closure funds and \$0.6 from Tree Trust funds and the Public Facilities' surplus funds.

The \$14.2 million to other Non-Major Governmental funds includes \$6.6 million from the Transportation and Transit Special Revenue fund (TTSR) to the Transportation and Transit Capital fund (TTC), and \$4.5 million transfer from the SEOPW CRA Special Revenue fund to Debt Service for the payment of SEOPW CRA bonds Series 2014-A-1. Additionally, in order to comply with the County's audit of surtax funds the City was required to transfer \$3 million from the Debt Service fund to TTC fund corresponding to funds previously allocated for the Streets and Sidewalks' bond debt payments, and then transferred back \$3 million from the TTC to the TTSR.

Finally, in FY 2017, \$1.1 million were transferred out of Other Capital Projects funds to the General fund for the de-appropriation of Sunshine State loan dollars related to the James L Knight center and the Hyatt Equities settlement agreement.

# NOTE 8. – LONG-TERM OBLIGATIONS

### **Changes in Long-Term Obligations**

The following is a summary of changes in long-term obligations reported for the year ended September 30, 2017:

Primary Government		Beginning Balance		Additions	Reduction		Ending Balance		Due within One Year
General Obligation Bonds	\$	189,735,000	\$	114,380,000	\$ (129,475,000)	\$	174,640,000	\$	20,255,000
Special Obligation and Revenue Bonds,									
Loans and Leases		462,609,755		49,314,922	(25,703,297)		486,221,380		31,527,882
Total Bonds, Loans and Leases		652,344,755		163,694,922	(155,178,297)		660,861,380		51,782,882
Bond Premium (Discounts)		8,547,344		-	(2,110,834)		6,436,510		-
Total Bond Costs		8,547,344			(2,110,834)		6,436,510		2-
Total Bonds, Loans and Leases		660,892,099		163,694,922	(157,289,131)		667,297,890		51,782,882
Other Liabilities:									
Compensated Absences		54,103,043		13,253,372	(17,341,167)		50,015,248		9,932,465
Claims Payable		209,618,213		84,573,859	(84,765,643)		209,426,429		33,213,190
Other Post Employement Benefits		385,955,000		85,618,000	(14,248,000)		457,325,000		-
Net Pension Liability		823,454,753		384,493,041	(295,132,043)		912,815,751		
Total Governmental Activities	\$ 2	124 022 108	¢	721 622 104	\$ (569 775 094)	¢.	2 206 880 218	¢	04 028 527
Long-Term Liabilities	эZ,	134,023,108	Э	731,633,194	\$ (568,775,984)	Э.	2,296,880,318	\$	94,928,537

Claims payables, compensated absences, net pension liability, and other post-employment obligations are generally liquidated by the General Fund.

Claims payable balance of \$209.4 million includes an accrual of \$4.4 million for pollution remediation obligations, which are obligations to address the current or potential detrimental effects of existing pollution and \$5.3 million for potential legal claims as discussed in Note 12. Claims payables of \$199.7 million reported in connection with the City's self-insurance program is discussed in Note 9.

**Bonds, Loans and Leases Outstanding** – The following presents the City's bonds, loans and leases outstanding at September 30, 2017:

DESCRIPTION	Purpose of Issue	Maturity Date		Amount Issued	Outstanding Balance	Interest Rate Range
General Obligation Bonds:						
Homeland Defense/Neighborhood CIP Series 2009 (Limited)	Homeland Defense	1/1/2019		51,055,000	4,800,000	5.000%
General Obligation Refunding Bond Series 2015	Refunding	1/1/2028		57,240,000	55,460,000	2.640%
General Obligation Refunding Bond Series 2017	Refunding	1/1/2029	_	114,380,000	114,380,000	2.170%
Total General Obligation Bonds			\$	222,675,000	\$ 174,640,000	
Special Obligation and Revenue Bonds, Loans and	Leases:					
Special Obligation Non-Ad Valorem Revenue Series 1995	Pension	12/1/2020		72,000,000	14,085,000	7.200%
Special Obligation Non-Ad Valorem Refunding Bonds Series 2009	Refunding	12/1/2025		37,435,000	25,635,000	6.750%- 7.550%
Special Obligation Tax-Exempt Revenue Bonds Series 2010A	Parking	7/1/2039		84,540,000	84,540,000	5.000%-5.250%
Special Obligation Tax Revenue Bonds, Garages Series 2010B	Parking	7/1/2027		16,830,000	16,095,000	5.9375%-7.443%
Special Revenue Bonds Series 2007	Street & Sidewalks	1/1/2037		80,000,000	65,565,000	4.250%-5.250%
Special Revenue Bonds Series 2009	Street & Sidewalks	1/1/2039		65,000,000	57,920,000	4.25%-5.625%
Special Obligation Non-Ad Valorem Refunding 2012	Refunding/Port Tunnel	3/1/2030		44,725,000	40,365,000	4.000%-5.000%
Special Obligation Refunding Bonds Series 2011-A	Refunding	2/1/2031		70,645,000	67,450,000	4.000%-6.000%
Special Obligation Bonds Series 2017	Park Improvements	1/1/2032		27,160,000	27,160,000	2.560%
Special Obligation Refunding Bonds Series 2014	Refunding	7/1/2026		18,049,380	11,482,463	3.280%
CRA SEOPW Tax Increment Revenue Bonds Series 2014A-1	Redevelopment	3/1/2030		50,000,000	43,540,000	5.000%
Gran Central Corporation Loan	Redevelopment	N/A		1,708,864	1,708,865	0.000%
Vehicle Replacement Program Series 2016	Vehicle Lease	1/1/2021		10,644,628	8,520,130	1.6765%
Vehicle Replacement Program Series 2017	Vehicle Lease	1/1/2022		10,054,922	10,054,922	2.186%
P25 Citywide Radio Equip. Lease	Radio System Lease	1/1/2024	_	12,100,000	12,100,000	2.0590%
Total Special Obligation Bonds, Revenue Bo	nds, Loans and Leases		\$	600,892,794	\$ 486,221,380	
Total Bonds, Loans and Leases			\$	823,567,794	\$ 660,861,380	

### Annual Debt Service Requirements to Maturity

Year Ended		eneral tion Bon	ds		Special C Revenu Loans a	e B	onds,	T	otal	ſ
September 30,	Principal	Int	terest		Principal		Interest	Principal		Interest
2018	\$ 20,255,000	\$ 3,	941,109	\$	31,527,882	\$	23,775,321	\$ 51,782,882	\$	27,716,430
2019	19,070,000	3,4	423,817		30,841,642		22,221,267	49,911,642		25,645,084
2020	20,075,000	2,9	957,634		30,898,235		20,729,136	50,973,235		23,686,770
2021	20,895,000	2,	506,753		27,348,316		19,403,855	48,243,316		21,910,608
2022	23,065,000	2,0	026,603		22,232,253		18,303,199	45,297,253		20,329,802
2023-2027	54,960,000	5,	618,549		114,219,188		75,315,178	169,179,188		80,933,727
2028-2032	16,320,000		281,244		115,560,000		43,989,656	131,880,000		44,270,900
2033-2037	-	6	-		80,660,000		20,710,106	80,660,000		20,710,106
2038-2042	-		-		32,933,864		1,872,684	 32,933,864		1,872,684
Total	\$ 174,640,000	\$ 20,	755,709	\$ -	486,221,380	\$ 2	246,320,402	\$ 660,861,380	\$	267,076,111

The annual debt service requirements for all bonds, loans and leases outstanding as of September 30, 2017 are as follows:

### Long-Term Debt Issued

The following is a summary of debt issued during the fiscal year September 30, 2017:

**\$10,054,922** Vehicle Replacement Program - On March 30, 2017, The City obtained a \$10,054,922 Lease from Santander Bank, N.A. under a Master Lease Purchase Agreement. The lease was issued with an interest rate of 2.1856% and a maturity date of January 1, 2022. The purpose of the lease is to purchase police and fleet vehicles and to pay financing costs. At the end of the lease, the City will own the vehicles outright; the City is not pledging any revenue as security for the lease. The vehicles themselves will collateralize the lease.

**\$27,160,000 Special Obligation Non-Ad Valorem Bond Series 2017** – On June 27, 2017, the City issued \$27,160,000 in Non-Ad Valorem Bond, Series 2017. The proceeds from the Series 2017 were to reimburse itself for the funds advanced by the City for certain expenses incurred with respect to Citywide Environmental Remediation and certain Capital Improvement Projects for the areas surrounding the Miami Marine Stadium.

**\$114,380,000 Limited Ad-Valorem Tax Refunding Bond, Series 2017** - On June 29, 2017, the City issued \$114,380,000 in Limited Ad-Valorem Tax Refunding Bond, Series 2017. The proceeds from the Series 2017 Bond were used to refund a portion of the City's outstanding Limited General Obligation Bond, Series 2009 and all of the Series 2007A and pay cost of issuance. The refunding resulted in an aggregate difference in debt service payments of \$13.1 million, and in an economic gain of \$ 12.1 million.

**\$12,100,000, Tax-Exempt Master Equipment Lease-Purchase Financing** – On August 18, 2017, The City obtained a \$12,100,000 Lease from Signature Public Funding Corp, under a Master Equipment Lease-Purchase Agreement. The lease was issued with an interest rate of 2.0590% and a maturity date of January 1, 2024. The purpose of the lease is to purchase 800 Megahertz ("MHZ") Digital Trunked Simulcast Network System ("System") as part of the ongoing efforts to upgrade and enhance two (2) way radio communications throughout the City, specifically for the Miami Police Department, Fire-Rescue Department, and General Services Administration Department

# Debt Authorized but Unissued

As of September 30, 2017, the City has authorized but not issued the following:

On July 9, 2015, the City adopted resolution #15-0304 approving a design and construction loan to the City of Miami for an amount not to exceed \$22,413,800 from the State of Florida Department of Environmental Protection Clean Water State Revolving Fund Program for the Wagner Creek Seybold Canal Project.

On September 24, 2015, the Miami City Commission approved resolution # 15-0410 authorizing a financing arrangement that would provide the City with up to \$32,000,000 which it will use to acquire through lease-purchase of approximately 1,000 vehicles of various types. On October 30, 2015, The City entered into a Master Lease-Purchase Agreement with Santander Bank, N.A. Under the Vehicle Lease Program, the City at September 30, 2017 has acquired \$20,699,550 in funds and approximately \$11,300,450 is pending to be acquired to fund the remaining vehicles being purchased. At the end of the lease, the City will own the vehicles outright; the City is not pledging any revenue as security for the lease.

On November 17, 2016, the Miami City Commission approved resolution #16-0563 for a declaration of intent to issue tax-exempt and/or taxable special obligation bonds in the expected total maximum principal amount of \$45,000,000. This was done to reimburse the City for eligible expenses incurred with respect to certain capital improvement projects at the Miami Marine Stadium and the associated Welcome Center and Museum Complex.

On January 2, 2017, the Miami City Commission approved resolution #17-0020 for a declaration of intent to issue tax-exempt and/or taxable special purpose improvement bonds in the expected total maximum principal amount of \$18,000,000. This was done to reimburse the City from the proceeds of such special purpose improvement bonds for funds advanced by the City to pay eligible expenses incurred with respect to certain public governmental capital improvement portions of the Miami Central Station Project pursuant to the interlocal agency agreement among the City, the Southeast Overtown/Park West Community Redevelopment Agency, and South Florida Regional Transportation Authority

On February 9, 2017, the Miami City Commission approved a resolution #17-0071 to issue a City of Miami, Florida Special Obligation Refunding Bonds, Series 2017 (Street and Sidewalk Improvement Program) in an aggregate principal amount not exceeding \$130,000,000, for the purposes of (i) refunding certain obligations of the City, (ii) funding a deposit to the reserve account for the Series 2017 Bonds, if required, and (iii) paying the costs of issuance of the Series 2017 Bonds. The bonds to be refunded are the City of Miami Series 2007 and Series 2009 Street and Sidewalk Bonds. This resolution rescinded resolution #16-0374 adopted by the City commission on July 29, 2016.

### **Defeasance of Long-Term Debt**

During FY2017, the City defeased certain debt involving advance refunding. The proceeds of the new bonds were placed in an irrevocable trust to provide for all future debt services payments on the defeased bonds. At September 30, 2017, the following outstanding bonds are considered defeased:

		Date of	Call	Principal Amount	Principal Outstanding, September
Туре	Series	Defeasance	Date	Defeased	30, 2017
General Obligation Refunding					
Bonds	2009	6/29/2017	1/1/2019	\$ 32,370,000	\$ 32,370,000

### **Capital Lease Obligations**

The City has entered into two agreements as lessee for financing the acquisition of police and fleet vehicles valued at \$20,699,550. The lease agreement qualifies as a capital lease for accounting purposes and, therefore, have been recorded at the present value of their future minimum lease payments as of the inception date. At year end the cost and accumulated depreciation of assets under lease were \$20,699,550 and \$3.2 million respectively.

The following is a schedule showing the future minimum lease payments under capital lease by years and the present value of the minimum lease payments as of September 30, 2017:

Year Ending September 30,		
2018	\$ 4,406,4	74
2019	4,366,8	38
2020	4,326,8	13
2021	4,286,3	96
2022	2,088,9	59
Total minimum lease payments	19,475,4	-80
Less: Amount representing interest	(900,42	28)
Present Value of minimum lease payments	\$ 18,575,0	52

The City has entered into an agreement as lessee for financing the acquisition of 800 Megahertz ("MHZ") Digital Trunked Simulcast Network System ("System") as part of the ongoing efforts to upgrade and enhance two (2) way radio communications throughout the City, specifically for the Miami Police Department, Fire-Rescue Department, and General Services Administration Department valued at \$12,100,000. The lease agreement qualifies as a capital lease for accounting purposes and, therefore, have been recorded at the present value of their future minimum lease payments as of the inception date. At year end the cost of assets under lease were \$864,343.

The following is a schedule showing the future minimum lease payments under capital lease by years and the present value of the minimum lease payments as of September 30, 2017:

Year Ending September 30,	_	
2018	\$	1,861,516
2019		1,861,516
2020		1,861,516
2021		1,861,516
2022		1,861,516
2023		1,861,516
Total minimum lease payments		13,030,613
Less: Amount representing interest		(930,613)
Present Value of minimum lease payments	\$	12,100,000

### **Synopsis of Bond Covenants**

Debt service for general obligation bonds is provided for by a tax levy on non-exempt property value. The total general obligation debt outstanding is limited by the City Charter to 15 percent of the assessed non-exempt property value. At September 30, 2017, the statutory debt limitation of assessed non-exempt property value for the City amounted to \$7.1 billion providing a debt margin of \$6.9 billion after consideration of \$174,.6 million of general obligation bonds outstanding at September 30, 2017 and adjusted for the fund balance of \$5.6 million in the related Debt Service Fund.

Special Obligation debt of the City for which no revenue is pledged is collateralized by covenants to budget and appropriate non-ad-valorem revenues, and tax increment revenue in accordance with their bond indentures. The bond indentures require that sufficient funds be available in the sinking fund to meet the annual debt service requirements. At September 30, 2017, the City had approximately \$35.1 million available in the sinking fund to meet this requirement. Principal and interest to be paid in subsequent years totals \$339.5 million on all other Special Obligation debt of the City.

### **Pledged Revenue**

The City pledged future revenue proceeds of (i) 80 percent Transportation Taxes, (ii) 100 percent new Local Option Gas Taxes, and (iii) 20 percent of the City's Parking Surcharge to repay \$80 million in Special Obligation Revenue Bonds, Series 2007 and \$65 million Special Obligation Revenue Bonds, Series 2009. The proceeds from the bonds were used for the improvement of streets, sidewalks and drainage within the City. Those bonds are payable solely from the pledged revenues listed above through January 1, 2039. Principal and interest paid for the current year were \$3.0 million and \$6.4 million respectively. The current year pledged revenues were (i) \$13.3 million (ii) \$7.3 million and (iii) \$4.4 million respectively. Principal and interest to be paid in subsequent years totals \$104.4 million on the Series 2007 bonds and \$104.6 million on the Series 2009 bonds.

The City further pledged future revenue proceeds of (i) 100 percent Convention Development Taxes, (ii) Parking Revenues in connection with MLB Home Games at the Miami Marlins Baseball Stadium, and (iii) Parking Surcharge revenues on the Parking Revenues to repay \$84.5 million Tax-Exempt Special Obligation Parking Revenue Bonds, Series 2010A and \$16.8 million Taxable Special Obligation Parking Revenue Bonds, Series 2010B. The proceeds from the bonds were used for the construction of the parking facilities for the Miami Marlins Baseball Stadium. The bonds are payable solely from the pledged revenues listed above through July 1, 2039. Debt service payments began on January 1, 2012. Principal and interest to be paid in subsequent years totals \$159.4 million on the Series 2010B bonds and \$24.4 million on the Series 2010B bonds. Principal payments commenced in fiscal year 2016. The total pledge revenue collected during the year was approximately \$9.0 million and total principal and interest payments during the year were 0.4 million and \$5.6 million.

## **Escrow Agreement**

On March 17, 1997, an agreement was entered into by and among an Escrow Agent, the Oversight Board, acting through its committee (Fiscal Sufficiency Advisory Board), and the City. The agreement directs the Escrow Agent to establish two escrow accounts, and maintain appropriate balances to ensure the timely payment of debt service on certain outstanding bonds issued prior to 1997 and other debt obligations with no third party trustee.

The City agreed that certain ad-valorem tax revenues received will be deposited each month into the escrow account in an amount specified by the underlying agreement. If the ad-valorem taxes received in any month are inadequate to make the required deposit, the City must use other sources of funds to supplement the required deposits. The City also made deposits of \$45.2 million with the Escrow Agent during fiscal year 2017 to cover its debt service requirements on outstanding bonds and other debt obligations. The City has agreed to deposit revenues each month in amounts specified in the underlying agreement. As of September 30, 2017, approximately \$6.9 million of the \$45.2 million remained with the escrow agent for future debt service. The balance of such debt at fiscal year-end related to certain special obligation bonds is \$442.6 million.

# Purchase of Redemption Right

On November 10, 2004, Societe Generale, New York Branch, (the "Owner"), a beneficial owner of all Non-Ad-Valorem Revenue Bonds Taxable Pension Series 1995 (the "Bonds") of the City of Miami, Florida (the "City") maturing in the years 2015 and 2020 ( the "2015 and 2020 Maturities"), finalized an Agreement with the City to pay \$295,000, annually on each December 1, commencing on December 1, 2005 and ending on December 1, 2025, in exchange for the City's irrevocable agreement not to exercise its option of redemption with respect to the 2015 and 2020 maturities.

### **Conduit Debt Obligations**

On July 1, 1989, the City issued \$30 million in Rental Revenue Bonds Series 1988 to finance a portion of the costs of acquiring real estate and constructing thereon an office building to be leased from the City by the General Service Administration, an agency of the United States of America (the Government), pursuant to a Lease Agreement between the City and the Government. The bond was issued with an interest rate of 8.650%, to mature on July 1, 2019. The bond is payable solely from and secured by a pledge of rentals to be received from the lease agreement between the City and the Government. Lease Annual Rent payments are made directly by the General Services Administration as an agency of the United States to the Bond Trustee and Paying Agent. Annual Rental has been calculated to provide sufficient funds to pay, when due, principal of and interest on the Bond. The Bond is not a general debt, liability or obligation of the City or a pledge of the faith and credit of the City, but will be payable solely from the Pledged Revenues. The obligation of the United States Government acting through General Service Administration is stated in the Official Statement for the bonds to make payments of Annual Rent under the Lease is an absolute and unconditional general obligation of the United States, for which the full faith and credit of the United States are pledged. Accordingly, the bond is not reported as liabilities in the accompanying financial statements.

At September 30, 2017, the amount of conduit debt outstanding related to the Rental Revenue Bond totaled \$5.7 million.

Debt Issue	B	eginning Balance	F	rincipal Payment	Outstanding Balance			
Series 1988	\$	8,165,000	\$	2,500,000	\$	5,665,000		

HEALTH FACILITY AUTHORITY ("HFA") – The HFA is an agency established by the City in 1979 under the authority of Chapter 154, Florida Statutes and City Resolution No. 79-93 to serve as a conduit to issue revenue bonds. The City Commission must approve the HFA's board membership and operating budget. Therefore, the HFA is fiscally dependent and the City is discretely presenting the HFA in the accompanying financial statements. Proceeds from these bond issues were used to finance construction of buildings and parking facilities; land acquisitions; equipment purchases including beds and other medical apparatus; renovation of existing facilities; and engineering costs. Debt obligations issued under the purview of the HFA do not constitute an indebtedness, liability or pledge of the faith or credit of the HFA or the City. The HFA does not issue stand-alone audited financial statements.

At September 30, 2017, the City of Miami Health Facilities Authority conduit debt activity and outstanding balance totaled \$43.6 million.

Debt Issue Beginning Balance		Pri	incipal Payment	<b>Outstanding Balance</b>		
Series 2017	\$	44,035,000	\$	459,584	\$	43,575,416

The scheduled debt service payments were made by Miami Jewish Home and the payments are current.

# **Discretely Presented Component Units Long-Term Debt**

# **Department of Off-Street Parking (DOSP)**

The changes in DOSP's long-term debt for 2017 are as follows:

	Beginning Balance		Additions		Reductions		Ending Balance		Due Within One Year	
Bonds Payable	\$	66,595,000		-	\$	1,505,000	\$	65,090,000	\$	1,585,000
Premium (discount)		(683,000)		30,000		-		(653,000)		-
Compensated absences		660,000		862,000		770,000		752,000		406,000
Other post-employment benefit obligation Loan from		110,000		13,000		-		123,000		-
primary government		1,350,000		-	<i>V</i> .	150,000		1,200,000		150,000
	\$	68,032,000	\$	905,000	\$	2,425,000	\$	66,512,000	\$	2,141,000

The City issued fixed rate revenue bonds on behalf of DOSP. The principal and interest of the revenue bonds are payable solely from the revenues of the parking facilities and, accordingly, are included in the accounts of the DOSP.

On July 21, 2005, DOSP entered into a loan agreement with the City of Miami. The loan was obtained through CDBG program in the amount of \$3 million to be used for the construction of a parking garage facility. The loan bears no interest and is payable in 40 semi-annual installments of \$75,000 which started December 1, 2005. The outstanding balance as of September 30, 2017 is \$1.2 million.

The following summarizes the debt service to maturity of outstanding DOSP debt at September 30, 2017:

Year Ending		Loan				
September 30,	Principal	Interest	Total	Principal		
2018	\$ 1,585,000	\$ 3,157,454	\$ 4,742,454	\$ 150,000		
2019	1,670,000	3,063,784	4,733,784	150,000		
2020	1,760,000	2,964,679	4,724,679	150,000		
2021	1,860,000	2,883,304	4,743,304	150,000		
2022	1,940,000	2,796,004	4,736,004	150,000		
2023-2027	11,130,000	12,480,601	23,610,601	450,000		
2028-2032	14,065,000	9,354,275	23,419,275	-		
2033-2037	17,975,000	5,242,294	23,217,294	-		
2038-2042	13,105,000	699,500	13,804,500	-		
Total	\$ 65,090,000	\$ 42,641,895	\$ 107,731,895	\$ 1,200,000		

Range of Rates 4.25%-5.66%

# NOTE 9. – RISK MANAGEMENT SELF-INSURANCE

# A. Risk Management- Self Insurance

Section 768.28, Florida Statute, provides for waiver of sovereign immunity in tort actions or claims against the state and its agencies and subdivisions. The present statutory limit of recovery in the absence of special relief granted by the Florida legislature is \$200,000 per person and \$300,000 per incident. Under the protection of this sovereign immunity limit, Florida Statutes 768.28 and Chapter 440, Florida Statutes covering Workers' Compensation, the City has established a self-insured program to provide coverage for almost all areas of liability including workers' compensation, general liability, automotive liability, police professional liability, public officials' liability, and employment practices liability. The City also purchases excess insurance coverage to limit catastrophic losses associated with its liability exposures. The excess liability insurance program provides for \$10 million in total limits for GL and AL lines. In addition, the program provides for excess auto physical damage coverage with a \$1 million primary limit and \$4 million excess subject to \$100,000 retention, along with a \$250,000 workers' compensation coverage buffer. The excess insurance program currently has a self-insured retention of \$750,000 per occurrence for workers' compensation, and \$500,000 for all other liability coverage. In addition, the City has in place standalone polices providing coverage for Law Enforcement Liability and Public Officials Liability with a \$5 million limit per line of coverage subject to a \$500,000 retention. The City also purchases dedicated commercial general liability policies for the Grapeland Waterpark, Bayfront Park, and the various marinas that it operates. These policies typically carry a \$1 million limit per occurrence and on an aggregate basis.

The City's master property insurance program provides for a total of \$150 million in insurance limits. The City's total insured value is \$511 million. Included in this amount is \$40 million for named windstorm and flood coverage. With the exception of earthquake, flood and named windstorm, the all-other-perils deductible is \$50,000 per occurrence. In regard to the named windstorm, flood, and earthquake exposures, the deductible is 5 percent of the value of the affected location subject to a minimum of \$250,000 for any one occurrence, and \$7.5 million aggregate loss.

The City also maintains separate property insurance programs for the James L. Knight Center and the Marlins Stadium parking garages. The James L. Knight Center property program provides \$46.4 million in limits for all perils including windstorm and flood. The James L. Knight Center property program has a \$50,000 all other perils deductible, and a deductible of 3 percent of total insured values at time of loss, with a \$1 million minimum for named windstorm and flood perils. The Marlins Stadium parking garage program provides for \$25 million in total limits for windstorm and flood, and for \$81.2 million for all other perils. The Marlins Stadium parking garage program has a \$25,000 all other perils deductible, and a deductible of 1000 minimum perils deductible, and a deductible of 5 percent of total insured values at time of loss, with a \$100,000 minimum per location for named windstorm and flood perils.

The payment of losses within the self-insured retention level are made from the General Fund. Claims are being predominantly adjusted by a third party administrator. Claims expenditures and liabilities are reported when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated. The budgeting process utilizes information developed in the previous year's actuarial report.

The City provides group health plan for its active employees, retirees, and their dependents through a fully self-funded health insurance program. The City is currently contributing approximately 87 percent, while the employees are contributing 13 percent of the theoretical health insurance premium. The City is currently contributing approximately 8 percent of the theoretical health insurance premium cost for non-

Medicare eligible retirees and approximately 38 percent for Medicare eligible retirees. The City is currently purchasing specific stop loss coverage for claims in excess of \$250,000.

At September 30, 2017, the total estimated undiscounted liability is recorded in the government-wide financial statements. Changes in the claims liability amount in 2016 and 2017 were as follows:

Fiscal Year Ended September 30,	Ended Fiscal Year		Claims	rrent Year and Changes estimates	]	Claim Payments	Balance at Fiscal Year End		
2017	\$	209,618,213	\$	84,573,859	\$	(84,765,643)	\$	209,426,429	
2016		183,818,450		89,651,413		(63,851,650)		209,618,213	

# **NOTE 10. – PENSIONS**

The City sponsors separate single-employer, defined benefit pension plans under the administration and management of separate Boards of Trustees: the City of Miami Fire Fighters and Police Officers Retirement Trust ("FIPO"), the City of Miami General Employees and Sanitation Employees Retirement Trust ("GESE") and Other Managed Trusts, and the City of Miami Elected Officers' Retirement Trust ("EORT"). Thereafter the "Plans."

<u>Basis of Accounting</u>. The financial statements for the Plans are prepared using the accrual basis of accounting. All Plans are reported as pension trust funds in the City's financial statements. Plan member contributions are recognized in the period in which the contributions are due. Employer contributions are recognized when due and the employer has made a formal commitment to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of the Plans.

<u>Method Used to Value Investments</u>. Investments of the Plans are recorded at fair value, which is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Plans categorizes its fair value measurements within the fair value hierarchy established by GASB 72. The hierarchy is based on the valuation inputs to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. In addition, certain investments of the Pension Trust Funds are measured at the net asset value ("NAV") per share (or its equivalent).

# FIREFIGHTERS' AND POLICE OFFICERS' RETIREMENT TRUST (FIPO)

The audited financial statements for the plan can be obtained from the FIPO Trust Fund, 1895 SW 3<sup>rd</sup> Avenue, Miami Florida, 33129.

## Plan Description

FIPO is a single-employer, defined benefit plan established by the City pursuant to the provisions and requirements of Ordinance No. 10002 as amended. Participants are contributing police officers and fire fighters with full-time employment status in the Police or Fire Department of the City.

As of October 1, 2016, the date of the most recent actuarial report valuation, membership in the FIPO consisted of the following:

Retirees and beneficiaries currently receiving benefits and terminated members	<u>Members</u>
entitled to benefits but not yet receiving benefits	2,220
Current members	<u>1,869</u>
Total	4,089

## Pension Benefits

Members may elect to retire after 10 or more years of creditable service upon attainment of normal retirement age. Normal retirement pursuant to Section 40-203 of the City of Miami code shall be determined as follows:

Plan A - For members employed on September 30, 2010, who as of that date have attained age 50 with ten or more years of creditable service or eligibility for rule of 64 retirement for police officer members, or eligibility for rule of 68 for firefighter members, the normal retirement age shall be 50 years of age with ten or more years of creditable service, or rule of 64 retirement for police officer members, or rule of 68 for firefighter members.

Plan B - For members employed on September 30, 2010, who as of that date have not attained age 50 with ten or more years of creditable service, or rule of 64 retirement for police officer members, or rule of 68 retirement for firefighter members, and member hired on or after October 1, 2010 shall have to meet the be rule of 70 for retirement with a minimum age of 50 and ten or more years of creditable service.

Rule of 64, 68 and 70 is a computation consisting of the sum of a member's age and length of creditable service, which sum shall permit normal service retirement upon the member's combined age and creditable service equaling at least 64, 68 and 70, respectively.

A member entitled to a normal retirement benefit shall receive a retirement allowance equal to 3 percent of the member's average final compensation (as defined in City Code section 40-191), multiplied by years of creditable service for the first 15 years of such creditable service, plus a retirement allowance equal to 3 percent (3 <sup>1</sup>/<sub>2</sub> percent for members who retired prior to October 1, 2010) of member's average final compensation multiplied by the years of creditable service in excess of 15 years, paid in monthly installments.

The maximum benefit for members who retire after September 30, 2010 is 100 percent of average final compensation or \$100,000 per year, whichever is less, as of retirement or DROP entry date. Early retirement, disability, death and other benefits are also provided.

## Cost of Living Adjustment

Effective January 9, 1994, the FIPO Trust entered into an agreement with the City with regards to the funding methods, employee benefits, employee contributions and retiree cost of living adjustment ( "COLA"). Pursuant to the agreement, members no longer contribute to the original COLA account ( "COLA I") and a new COLA account ("COLA II") was established. The agreement included the following: (a) the funding method was changed to an aggregate cost method; (b) all accounts were combined for investment purposes (membership and benefits, COLA I, and COLA II); (c) retirees receive additional COLA benefits; and (d) active members no longer contribute 2 percent of pretax earnings to fund the original retiree COLA I account.

The COLA II account is funded annually by a percentage of the excess investment return from the COLA I account assets. The excess earnings contributed to the COLA II account are used to fund a minimum annual payment of \$2.5 million, increasing by 4 percent compounded annually. To the extent necessary, the City will fund the portion of the minimum annual payment not funded by the annual excess earnings no later than January 1 of the following year. For the year ended September 30, 2017, approximately \$6.2 million was funded by the City. Benefits payable from the COLA accounts are computed in accordance with an actuarially based formula as defined in Section 40.204 of the City of Miami Code.

# Deferred Retirement Option Plan (DROP)

Members who are eligible for service retirement or Rule of 64 Retirement after September 1998 may elect to enter the deferred retirement option plan (the "DROP"). Upon election of participation, a member's creditable service, accrued benefits, and compensation calculation are frozen and the DROP payment is based on the member's average final compensation. The member's contribution and the City contribution to the retirement plan for that member ceases as no further service credit is earned. The member does not acquire additional pension credit for the purposes of the pension plan, but may continue City employment for a maximum of 36 months prior to October 1, 2001. Effective October 1, 2001, maximum participation in the DROP for firefighters shall be 48 full months and for police officers who elect the DROP on October 1, 2003, or thereafter, maximum participation in the DROP shall be 48 full months.

Effective July 24, 2008, firefighter DROP participants may continue City employment for up to 54 full months (48 full months prior to July 24, 2008 and 36 full months prior to October 1, 2001). Police officers who elect the DROP on or after May 8, 2008, may continue City employment for up to 84 full months (48 full months prior to May 8, 2008 and 36 full months prior to October 1, 2003). Once the maximum participation has been achieved, the participant must terminate employment.

The DROP of the FIPO Trust also consists of a Benefit Actuarially Calculated DROP ("BACDROP"). The BACDROP is a DROP benefit actuarially calculated. A member may elect to BACDROP to a date, no further back than the date of the member's requirement eligibility date. The BACDROP period must be in 12 month increments, beginning at the start of a pay period, not to exceed 48 full months for firefighters (36 months prior to October 1, 2001) and for police officers who elected BACDROP on October 1, 2003 (36 months prior to October 1, 2003). The benefits of the BACDROP will then be actuarially calculated to be the equivalent to the benefit earned at the date of retirement.

An individual account is created for each participant. A series of investment vehicles, as established by FIPO's Board of Trustees, are made available to DROP participants to choose from. Any losses incurred on account of the option selected by the participant will not be made up by the City or the FIPO Trust, and will be borne by the participant only. All interest will be credited to the member's account. Upon

termination of employment, a participant may receive payment from the DROP account in a lump sum distribution; or periodic payments. A participant may elect to rollover the balance to another qualified retirement plan, individual retirement account, an Internal Revenue Code Section 457 Plan, or an annuity. A participant may defer payment until the latest date authorized by Section 401(a) (9) of the Internal Revenue Code. DROP participation will not affect any other death or disability benefit provided under law or applicable collective bargaining agreement. If a participant dies before the account balances are paid out in full, the beneficiary will receive the remaining balance.

Participants in the DROP are not entitled to receive an ordinary or service disability retirement and in the event of death of a DROP participant, there is no accidental death benefit for pension purposes. Participation in the DROP does not affect any other death or disability benefit provided to a member under federal law, state law, City ordinance, or any rights or benefits under any applicable collective bargaining agreement. The DROP balance for the year ended September 30, 2017 amounted to \$181.2 million.

## Contributions and Funding Policies

Police officer members of FIPO are required to contribute 10 percent of their salary on a bi-weekly basis (7 percent prior to October 1, 2012). Firefighter members are also required to contribute 10 percent (9 percent prior to October 1, 2009) of their salary on a bi-weekly basis. The City is required to contribute such amounts annually as necessary to maintain the actuarial soundness of FIPO and to provide FIPO with assets sufficient to meet the benefits to be paid to participants. Contributions to FIPO are authorized pursuant to Sections 40.196(a) and (b) of the City Code. Contributions to the FIPO COLA accounts are authorized pursuant to Section 40.204 of the City Code. The City's contributions to FIPO provide for non-investment expenses and normal costs. The yield on investments on FIPO serves to reduce future contributions that would otherwise be required to provide for the defined level of benefits under the FIPO Trust.

The payroll for employees covered by FIPO for the year ended September 30, 2017 was approximately 141.5 million. The City is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. For the year ended September 30, 2017, the average active employee contribution rate was 9 percent of annual pay, and the City's average contribution rate was 38 percent of annual pay.

# Summary of Significant Accounting Policies

For the purposes of measuring the net pension liability and deferred outflows/inflows of resources related to pensions, and pension expense, information about the fiduciary net position of FIPO and additions to/deductions from the Plan fiduciary net position have been determined on the same basis as they are reported by FIPO. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the Pension Plan.

FIPO

# Net Pension Liability

The components of the net pension liability for FIPO at September 30, 2017, are as follows:

	<u></u>
Total pension liability	\$ 2,365,283,830
Plan fiduciary net position	 (1,732,531,765)
Net pension liability	\$ 632,752,065

### Actuarial Assumptions

The total pension liability was based on an October 1, 2016 actuarial valuation rolled forward to the measurement date of September 30, 2017, using the following assumptions, applied to all periods in the measurement:

Actuarial Assumptions	
Measurement Date	September 30,2017
Inflation	3.25%
Actuarial cost method	Entry age cost method
Projected salary increases	1.5% for promotions plus salary merit
Cost-of-living adjustments	Amount varies annually with the adjustment on January 1st
Assumed rate of return	7.42% compounded annually, net of pension plan
on investments	investment expense including inflation.

Mortality rates are calculated with the Florida Retirement System special risk mortality projected scale BB generationally for all healthy retirees. Disabled Mortality rates are calculated based on Florida Retirement System (no projection scale).

The actuarial assumptions used in the October 1, 2016 valuations was based on the results of an actuarial experience study for the period October 1, 2011 to September 30, 2014.

The long-term expected rate of return on pension plan investments was determined in accordance with Actuarial Standard of Practice (ASOP) No.27, *Selection of Economic Assumptions for measuring Pension Obligation*. ASOP No.27 provides guidance on the selection of an appropriate assumed investment rate of return. Consideration was given to expected future real rates of return (expected returns, net of pension Plan investment expense and inflation) for each major asset class as well as historical investment data and Plan performance.

Best estimates of real rates of return for each major asset class included in the pensions Plan's target asset allocation as of September 30, 2017 are summarized in the following table:

Asset Class	Long-Term Expected Real Rate of Return
Domestic Fixed Income	3.03%
Domestic Equity	3.13%
Internaltional Equity	3.62%
Real Estate	3.13%
Private Equity	5.08%
Cash and Other	0.18%

Real rates of return are net of the long-term inflation assumption of 3.25% for 2017

## Discount Rate

The discount rate used to measure the total pension liability was 7.42 percent. The projection of cash flows used to determine the discount rate assumed that Plan member contributions will be made at the current contribution rates and that contributions from the City will be made at statutorily required rates, actuarially determined. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current Plan members. Therefore, the long-term expected rate of return on pension Plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

## Changes in Benefit Terms

The changes in benefit terms increased \$122.7 million over prior year due to a calculation of the impact of the recent Supreme Court Ruling. The plan benefits and eligibilities for the FIPO Trust have been restored to the provisions that existed prior to 10/1/2010. As part of this, the following changes have been made: (a) eligibility for retirement has reverted back to Rule of 64/68, (b) the normal form of payment form is joint and 40% Contingent Survivor with minimum of 10years Certain and Life for all benefits, (c) the maximum benefit of \$100,000 has been removed, and (d) average final compensation used to calculate benefits has reverted back to the annual earnable compensation of a member during the highest year of membership service.

## Changes in Net Pension Liability

The following table shows the FIPO changes in net pension liability based on the actuarial information provided to the City at September 30, 2017:

				<u>FIPO</u>		
			Inc	rease (Decrease)		
		Total Pension Liability (a)		Feduciary Net Position (b)	N	et Pension Liability (a) - (b)
Balance at 10/01/2016	\$	2,222,547,481	\$	1,700,098,500	\$	522,448,981
Changes for the year:						
Service Cost		26,279,333		-		26,279,333
Interest		160,085,065		1		160,085,065
Changes of benefit terms		122,641,436		-		122,641,436
Differences between expected and						
actual experience		16,422,875				16,422,875
Contributions - employer		-		53,264,009		(53,264,009)
Contributions - member		-		13,206,378		(13,206,378)
Net investment income		-		150,756,761		(150,756,761)
Benefit payments, including refunds of						
member contributions		(182,692,360)		(182,692,360)		-
Administrative expenses and other				(2,101,523)		2,101,523
Net Changes		142,736,349		32,433,265		110,303,084
Balances at 09/30/2017	\$	2,365,283,830	\$	1,732,531,765	\$	632,752,065

## Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following table illustrates the impact of interest rate sensitivity on the FIPO net pension liability as of September 30, 2017:

	Current Discount					
		1% Decrease		Rate	1	% Increase
	(6.42%)		(7.42%)		(8.42%)	
Net Pension Liability	\$	876,145,726	\$	632,752,065	\$	412,067,410

### Pension Expense and Deferred Outflows/Inflows of Resources Related to Pension

For the year ended September 30, 2017, the City recognized pension expense of \$192.4 million. At September 30, 2017 the City reported deferred outflows of resources and deferred inflows of resources from the following sources:

	FIPO						
	D	eferred Outflow of Resources		Deferred Inflows of Resources			
Differences between expected and actual			-				
experience	\$	22,775,530	\$	10,698,190			
Changes of assumptions		29,341,861		-			
Net difference between projected and actual							
earnings on pension plan investments		5,371,740		-			
Total	\$	57,489,131	\$	10,698,190			

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended September 30:	
2018	\$16,283,250
2019	\$17,846,360
2020	\$593,000
2021	\$3,134,400
2022	\$8,933,931
Thereafter	\$0.00

# GENERAL EMPLOYEES AND SANITATION EMPLOYEES RETIREMENT TRUST (GESE Trust)

The Board of Trustees of the GESE Trust administers four defined benefit pension plans: (a) GESE; (b) an Excess Benefit Plan for the City of Miami (the "EBP"); (c) General Employees and Sanitation Employees Retirement Trust Staff Pension Plan (the "Staff Trust"), and (d) General Employees and Sanitation Employees Retirement Trust Staff Excess Benefit Plan (the "Staff Excess Benefit Plan"). Each plan's assets may be used only for the payment of benefits to the members of that Plan, in accordance with the terms of the Plan.

The audited financial statements for the GESE Plans can be obtained from the pension board at: GESE Trust, 2901 Bridgeport Avenue, Coconut Grove, Florida 33133.

### **GESE** Trust

### Plan Description

The GESE Trust is a single-employer defined benefit plan. The GESE Trust was established pursuant to the City Ordinance No. 10002 and subsequently revised under City Ordinance No. 12111. The GESE Trust covers all City general and sanitation employees except certain employees eligible to decline membership. Participation in the GESE Trust is a mandatory condition of employment for all regular and permanent employees other than fire fighters, police officers and executive level employees hired after October 1, 2009.

As of October 1, 2016, the date of the most recent actuarial valuation report, membership in the GESE consisted of the following:

	Members
Retirees and beneficiaries currently receiving benefits	1,984
Terminated members entitled to benefits but not yet receiving benefits	216
Current members	<u>1,793</u>
Total	3,993

### Pension Benefits

The minimum normal retirement age is 55. Any member in service who has 10 or more years of continuous creditable service may elect to retire upon attainment of normal retirement age. A member who has completed a combination of at least 10 or more years of creditable service plus attained an age equaling 70 points may elect a Rule of 70 Retirement. Subsequent to September 30, 2010 for members not eligible to retire as of that date, the retirement age and service changed to age 55 and 30 years of creditable service or age 60 and 10 years of continuous creditable service or a combination of at least ten years of creditable service plus attained age equaling 80 points (Rule of 80).

Retirement benefits are generally based on 3 percent of the average final compensation multiplied by years of creditable service, which is paid annually in monthly installments. For service after September 30, 2010, for members not eligible to retire as of that date, benefits are based on 2.25 percent of average final compensation multiplied by creditable service up to 15 years, 2.5 percent of average final compensation for 15 to 20 years of service and 2.75 percent for service over 20 years. Effective September 30, 2012, for members not eligible to retire on that date, member retirement allowances shall not exceed \$80,000. Any member who has accrued a benefit in excess of the maximum benefit as of September 30, 2012 will retain that benefit but will not accrue any additional benefit.

Members eligible to receive accumulated sick and vacation leave from the City are able to transfer the amount to an eligible retirement plan. The GESE Trust facilitates the transfer of accumulated sick and vacation leave to any eligible retirement plan and is pursuant to Section 40-266 of the City Code.

# Cost of Living Adjustment (COLA)

Effective October 1, 1998, the GESE Trust was amended to provide for an increase in the COLA paid to retirees to 4 percent with a \$400 annual maximum increase, provided the retiree's first anniversary of retirement has been reached. The amendment also provided for retirees electing the return of their contribution option to receive a minimum COLA benefit of \$27 per year and a maximum COLA benefit of \$200 added to the previous COLA benefit, provided the retiree's first anniversary of retirement has been reached.

# Deferred Retirement Option Plan (DROP)

The DROP is available to GESE Trust members for normal retirement as of January 1, 2013 or vested as of October 1, 2010. The DROP is not available to any other GESE Trust member. The DROP is an enhancement to the GESE Trust that can provide a member with another way to save for retirement. It allows a participant to receive pension payments by depositing in the DROP program while continuing to work and receive pay and benefits as an active employee. At the end of the DROP period, when the participant is officially required to retire, the participant receives monthly pension payments based on the years of service and salary at the time that the participant enrolled in the DROP. The participant may elect to receive the accumulated DROP account balance or can be rolled over into a separate tax-qualified plan after withdrawing from the DROP. DROP pension payment for the year ended September 30, 2017 amounted to \$976,968. The DROP balance for the year ended September 30, 2017 amounted to \$976,968.

# BACKDROP Option (BACKDROP)

The Backdrop is available to all GESE Trust members effective January 1, 2013. Under the BACKDROP option a member can receive a lump sum payment in addition to a monthly pension annuity. The employee chooses to take a BACKDROP at the end of his or her employment with the City as long as he or she BACKDROPs to any date after he or she reaches the Normal Retirement date. If the member elects the BACKDROP option, the monthly benefit payable on the member's actual retirement date (when the member leaves City employment) is based on the benefit the member would have received had he or she left employment and retired on an earlier Normal Retirement date, referred to as the BACKDROP date. In addition, the member will receive a lump sum payment equal to the accumulation of annuity payments he or she would have received during the Backdrop period had he or she elected to receive immediate pension annuity payments equal to the accumulation of annuity payments he or she would have received during the BACKDROP period had he or she elected to receive immediate pension annuity payments starting as of the BACKDROP date. Annuity payments would be accumulated at the rate of 3 percent per year, compounded annually. The member's BACKDROP date can be any date after his or her Normal Retirement Date and the BACKDROP period can be any date after his or her Normal Retirement Date and the BACKDROP period can be as little as one year and as long as seven years. If the member does not elect a BACKDROP benefit option, his or her monthly retirement benefit will be calculated using his or her final average final compensation and creditable service as of the member's actual employment termination date. The participant may receive the accumulated BACKDROP account balance upon electing the BACKDROP and at the end of his or her

employment. The BACKDROP monies can be rolled over into a separate tax-qualified plan after withdrawing from the DROP. BACKDROP pension payment for the year ended September 30, 2017 amounted to \$65,340.

## Contributions and Funding Policies

Members of the GESE are required to contribute 10 percent of their salary on a bi-weekly basis. The GESE's funding policies provide for periodic contributions at actuarially determined rates that, expressed as percentages of annual covered payroll, are sufficient to maintain the actuarial soundness of the GESE and to accumulate sufficient assets to pay benefits when due. The City is required to contribute an actuarially determined amount that, when combined with participants' contributions, will fully provide all benefits as they become payable. Contributions to the GESE are authorized pursuant to Sections 40-246(a) and (b) of the City Code. Contributions from the City are designed to fund the GESE's non-investment expenses and normal costs and to fund the unfunded actuarial accrued liability. The yield (interest, dividends and net realized and unrealized gains and losses) on investment of the GESE serves to reduce or increase future contributions that would otherwise be required to provide for the defined level of benefits under the GESE Plan.

The payroll for employees covered by the GESE Trust for the year ended September 30, 2017 was approximately \$81 million. The City is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. For the year ended September 30, 2017, the average active employee contribution rate was 12 percent of annual pay, and the City's average contribution rate was 41 percent of annual payroll.

## Summary of Significant Accounting Policies

For the purposes of measuring the net pension liability and deferred outflows/inflows of resources related to pensions, and pension expense, information about the fiduciary net position of GESE Trust and additions to/deductions from the GESE Trust fiduciary net position have been determined on the same basis as they are reported by GESE Trust. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the Pension Plan.

### Net Pension Liability

The components of the net pension liability of the GESE Trust at September 30, 2017, are as follows:

	GESE Trust
Total pension liability	\$ 881,795,448
Plan fiduciary net position	 (617,704,941)
Net pension liability	\$ 264,090,507

### Actuarial Assumptions

The total pension liability was based on an October 1, 2015 actuarial valuation rolled forward to the measurement date of September 30, 2016, using the following assumptions, applied to all periods in the measurement:

Actuarial Assumptions	
Measurement Date	September 30, 2016
Inflation	3.5%
Projected salary increases	4% - 8.75%, including inflation
Assumed rate of return on	7.6% for periods from October 1, 2016, net of pension plan
investments	investment expense and including inflation

Pre-Retirement Mortality rates are calculated with the UP-1994 Morality Table projected to 2018 (using scale AA) for male and female, set forward 1 year. Post-Retirement Healthy Mortality rates are calculated based on the UP-1994 Morality Table projected to 2018 (using scale AA) for male and female, set forward 2 years. Post-Retirement Disabled Morality rates are calculated on the UP-1994 Morality Table projected to 2018 (using scale AA) for male and female, set forward 2 years.

### Long Term Rate of Return

The long term expected rate of return on pension plan investments was determined using a long-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected returns, net of retirement Plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of real rates of return for each major asset class included in the pensions Plan's target asset allocation as of September 30, 2017 are summarized in the following table:

Asset Class	Long-Term Expected Real Rate of Return
U.S. Large Cap Equity	4.90%
U.S. Small Cap Equity	5.75%
Domestic Fixed Income	1.50%
Internaltional Equity	5.25%
Real Estate	5.50%
Cash and Other	less than 1%

### Discount Rate

The discount rate used to measure the total pension liability was 7.6 percent. The projection of cash flows used to determine the discount rate assumed that Plan member contributions will be made at the current contribution rates and that contributions from the City will be made at statutorily required rates, actuarially determined. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

#### Changes in Net Pension Liability

The following table shows the GESE Trust changes in net pension liability based on the actuarial information provided to the City at September 30, 2017:

			G	ESE Trust		
			Incre	ase (Decrease)		
	Т	otal Pension Liability (a)		n Feduciary Net Position (b)	ľ	Net Pension Liability (a) - (b)
Balance at 10/01/2016	\$	873,799,058	\$	589,051,025	\$	284,748,033
Changes for the year:						
Service Cost		10,165,542		-		10,165,542
Interest		63,603,300		-		63,603,300
Differences between expected and actual						
experience		(8,476,546)		-		(8,476,546)
Contributions - employer		-		32,881,500		(32,881,500)
Contributions - member		-		9,595,465		(9,595,465)
Net investment income		-		60,237,354		(60,237,354)
Benefit payments, including refunds of						
member contributions		(73,827,066)		(73,827,066)		-
Administrative expenses and other		-		(233,337)		233,337
Net Changes		7,996,390		28,653,916		20,657,526
Balances at 09/30/2017	\$	881,795,448	\$	617,704,941	\$	264,090,507

### Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following table illustrates the impact of interest rate sensitivity on the GESE Trust net pension liability as of September 30, 2017:

	Current Discount					
		1% Decrease (6.6%)		Rate (7.6%)	1	% Increase (8.06%)
Net Pension Liability	\$	352,698,872	\$	264,090,507	\$	188,660,269

### Pension Expense and Deferred Outflows/Inflows of Resources Related to Pension

For the year ended September 30, 2017, the City recognized pension expense of \$22 million. At September 30, 2017 the City reported deferred inflows and outflows of resources from the following source:

**GESE Trust** 

		red Outflows of Resources	 red Inflows of Resources
Differences between expected and actual	- <del>-</del>	42 <sup>4</sup> 01	
experience	\$	6,767,565	\$ 4,762,548
Changes of assumptions		-	336,865
Net difference between projected and actual			
earnings on pension plan investments		4,578,557	-
Employer contribution made subsequent to			
measurement date		34,335,719	-
Total	\$	45,681,841	\$ 5,099,413

There is \$34.3 million reported as deferred outflows of resources related to pension resulting from City contributions made subsequent to the measurement date. Amount will be recognized as a reduction of the net pension liability in the year ended September 30, 2017. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended September 30:	
2018	\$1,173,107
2019	1,173,106
2020	5,675,469
2021	(1,774,973)
thereafter	0

# GESE Excess Benefit Plan (EBP)

### Plan Description

In July 2000, the City, pursuant to applicable Internal Revenue Code provisions, established a qualified governmental excess benefit plan to continue to cover the difference between the allowable pension to be paid and the amount of the defined benefit so the benefits for eligible members are not diminished by changes in the Internal Revenue Code. The GESE Board of Trustees administers the excess benefit plan. GESE members are not required to contribute to the EBP. Members of the GESE participate in this plan.

As of October 1, 2016, the date of the most recent actuarial report valuation, membership in the EBP consisted of 42 retirees and beneficiaries currently receiving benefits and 1current member.

### **Contributions and Funding Policies**

The payment of the City's contribution of excess retirement benefits for eligible members of the GESE above the limits permitted by the Internal Revenue Code is: (a) funded from the City's General Fund; (b) paid annually concurrently with the City's annual contribution to normal pension costs which causes the City to realize a reduction in normal pension costs in the same amount; and (c) deposited in a separate account established specifically for the GESE to receive the City's excess retirement benefit contributions. This account is separate and apart from the accounts established to receive the City's normal pension contributions for the GESE. The EBP is an unfunded plan and the City is required to contribute as benefits become payable.

The payroll for employees covered by the EBP for the year ended September 30, 2017 was approximately \$81 million. The City's contribution to the plan for the year ended September 30, 2017 was \$680,534 and plan benefit payments were \$680,534. The City is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. For the year ended September 30, 2017, the City's average contribution rate was 1 percent of annual payroll.

### Summary of Significant Accounting Policies

For the purposes of measuring the net pension liability and deferred outflows/inflows of resources related to pensions, and pension expense, information about the fiduciary net position of GESE EBP and additions to/deductions from the GESE EBP fiduciary net position have been determined on the same

basis as they are reported by GESE EBP. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the Pension Plan.

## Net Pension Liability

The components of the net pension liability of the GESE EBP at September 30, 2017, are as follows:

	<u>GESE EBP</u>		
Total pension liability	\$	13,481,890	
Plan fiduciary net position		-	
Net pension liability	\$	13,481,890	

### Actuarial Assumptions

The total pension liability was based on an October 1, 2015 actuarial valuation rolled forward to the measurement date of September 30, 2016 using the following assumptions, applied to all periods in the measurement:

Actuarial Assumptions	
Measurement Date	September 30, 2016
Inflation	3.50%
Projected salary increases	4% - 8.75%, including inflation
Investment rate of return	Not applicable, the plan has no assets for investments

Pre-Retirement Mortality rates are calculated with the UP-1994 Morality Table projected to 2018 (using scale AA) for male and female, set forward 1 year. Post-Retirement Healthy Mortality rates are calculated based on the UP-1994 Morality Table projected to 2018 (using scale AA) for male and female, set forward 2 years. The Post-Retirement Disabled Morality rates are calculated on the UP-1994 Morality Table projected to 2018 (using scale AA) for male and female, set forward 7 years.

### Long Term Rate of Return

The Excess Plan has no assets therefore long term rate of return is not applicable.

# Discount Rate

The discount used to measure the total pension liability was 2.93 percent. Since the Excess plan has no assets, there are no assets available to make projected future benefit payments of current plan members. Therefore, the applicable municipal bond index rate of 2.93 percent, based on the Bond Buyer General Obligation 20-year Municipal Bond Index published monthly by the Board of Governors of the Federal Reserve System as of September 30, 2016 was applied to all periods of projected benefit payments. As a result, the Single Equivalent Interest Rate (SEIR) is also 2.93 percent. The SEIR at the beginning of the measurement period was 3.78 percent based on the applicable municipal bond index rate of 3.78 percent as of September 30, 2015 applied to all periods of projected benefit payments. The projection of cash flows used to determine the discount rate assumed that employer contributions will be made in accordance with the City Ordinance and Florida Statutes.

### Changes in Net Pension Liability

The following table shows the GESE EBP changes in net pension liability based on the actuarial information provided to the City at September 30, 2017:

GESE E	BP
--------	----

	Increase (Decrease)				
		tal Pension Liability (a)	Plan Feduciary Net Position (b)	Γ	Net Pension Liability (a) - (b)
Balance at 10/01/2016	\$	12,750,481	-	\$	12,750,481
Changes for the year:					
Interest		469,106	-		469,106
Differences between expected and					
actual experience		(516,393)	-		516,393
Changes of assumptions		1,459,230	0-0		1,459,230
Contributions - employer		-	680,534		(680,534)
Benefit payments, including					
refunds of member contributions	_	(680,534)	(680,534)		-
Net Changes		731,409	-		731,409
Balances at 09/30/2017	\$	13,481,890		\$	13,481,890

### Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following table illustrates the impact of interest rate sensitivity on the GESE EBP net pension liability as of September 30, 2017:

	Current Discount					
	19	% Decrease	Rate		1% Increase	
	(1.93%)		(2.93%)		(3.93%)	
Net Pension Liability	\$	15,635,308	\$	13,481,890	\$	11,793,611

### Pension Expense and Deferred Outflows/Inflows of Resources Related to Pension

For the year ended September 30, 2017, the City recognized pension expense of \$1.5 million. At September 30, 2017 the City reported deferred outflows of resources from the following source:

### GESE EBP

	 ed Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual		
experience	\$ 2,166,107	412,282
Changes of assumptions	1,165,030	-
Employer contribution made subsequent to		
measurement date	674,572	-
Total	\$ 4,005,709	412,282

There is \$674,572 reported as deferred outflows of resources related to pension resulting from City contributions made subsequent to the measurement date. Amount will be recognized as a reduction of the net pension liability in the year ended September 30, 2017. Other amounts reported as deferred outflows of resources related to pensions will be recognized in pension expense as follows:

Year ended September 30:	
2018	\$ 997,136
2019	960,335
2020	778,903
2021	182,481
Thereafter	0

## City of Miami General Employees and Sanitation Employees Retirement Trust (Staff Trust)

## Plan Description

The Staff Trust is a single-employer, defined benefit plan. The Staff Trust was established by the rulemaking authority of the GESE, pursuant to Chapter 40 of the City Code. The Staff Trust covers all administrative full-time employees and other positions as may be named by the Board of Trustees. Participation in the Staff Trust is a mandatory condition of employment for all full-time employees, other than those eligible to decline membership.

As of October 1, 2016, the date of the most recent actuarial report valuation, membership in the Staff Trust consisted of the following:

	<u>Members</u>
Retirees and beneficiaries currently receiving benefits	3
Terminated members entitled to benefits but not yet receiving benefits	1
Current members	_7_
Total	11

### Pension Benefits

The minimum normal retirement age is 55. Any member in service who has 10 or more years of continuous creditable service may elect to retire upon attainment of normal retirement age. A member who has completed a combination of at least 10 or more years of creditable service plus attained an age equaling 70 points may elect a Rule of 70 Retirement. However, a member is entitled to early retirement at any age with at least 10 years of creditable service. Retirement benefits are generally based on 3 percent of the average final compensation during the highest two years of membership service multiplied by years of creditable service, which is paid annually in monthly installments. A retired member who dies prior to having received 12 monthly retirement payments and prior to having an optional allowance becoming effective will have a lump sum equal to the excess, if any, of 12 times the monthly payments over the actual payments received paid to his designated beneficiary.

# Deferred Retirement Option Plan (DROP)

The Staff Trust implemented a DROP for employees eligible for Rule of 70 Retirement on March 26, 2010. Any employee who is eligible for a Rule of 70 Retirement is eligible to participate in the DROP. Upon election of participation, a member's creditable service, accrued benefits, and compensation calculation are frozen and the DROP payment is based on the member's average final compensation. The member's contribution and the City contribution to the retirement plan for that member ceases as no further service credit is earned. The member does not acquire additional pension credit for the purposes of the pension plan, but may continue City employment for up to a maximum of 48 months. Once the maximum participation has been achieved, the participant must terminate employment.

Upon termination of employment, a participant may receive payment from the DROP account in a lump sum distribution; or periodic payments. A participant may elect to rollover the balance to another qualified retirement plan, individual retirement account, an Internal Revenue Code Section 457 Plan, or an annuity. A participant may defer payment until the latest date authorized by Section 401(a) (9) of the Internal Revenue Code. DROP participation will not affect any other death or disability benefit provided under law or applicable collective bargaining agreement. If a participant dies before the account balances are paid out in full, the beneficiary will receive the remaining balance. The DROP balance for the year ended September 30, 2017 amounted to \$1.03 million.

### Contributions and Funding Policy

Members of the Staff Trust are required to contribute 10 percent of their salary on a bi-weekly basis. The funding policies of the Staff Trust provide for periodic contributions at actuarially determined rates that, expressed as percentages of annual covered payroll, are sufficient to maintain the actuarial soundness of the Staff Trust and to accumulate sufficient assets to pay benefits when due. The City is required to contribute an actuarially determined amount that, when combined with member contributions, will fully provide all benefits as they become payable. The yield (interest, dividends and net realized and unrealized gains and losses) on investments of the Staff Trust serves to reduce or increase future contributions that would otherwise be required to provide for the defined level of benefits under the Staff Plan.

The payroll for employees covered by the Staff Trust for the year ended September 30, 2017 was approximately \$0.2 million. The City is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. For the year ended September 30, 2017, the average active employee contribution rate was 11 percent of annual pay, and the City's average contribution rate was 156 percent of annual payroll.

### Summary of Significant Accounting Policies

For the purposes of measuring the net pension liability and deferred outflows/inflows of resources related to pensions, and pension expense, information about the fiduciary net position of GESE Staff Trust and additions to/deductions from the GESE Staff Trust fiduciary net position have been determined on the same basis as they are reported by GESE Staff Trust. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the Pension Plan.

## Net Pension Liability

The components of the net pension liability of the GESE Staff Trust at September 30, 2017, are as follows:

	<u>GE</u>	<u>SE Staff Trust</u>
Total pension liability	\$	4,364,739
Plan fiduciary net position		(3,465,231)
Net pension liability	\$	899,508

## Actuarial Assumptions

The total pension liability was based on an October 1, 2015 actuarial valuation rolled forward to the measurement date of September 30, 2016, using the following assumptions, applied to all periods in the measurement:

Actuarial Assumptions	
Measurement Date	September 30, 2016
Inflation	3.50%
Projected salary increases	6%, including inflation
Investment rate of return	7.6% for periods from October 1, 2016, net of pension plan investment expense, including inflation.

Pre-Retirement Morality rates are calculated with the 1983 Group Annuity Table for male and female, set back 2 years. Post-Retirement Healthy Mortality rates are calculated based on the 1983 Group Annuity Table for male and female. The Post-Retirement Disabled Morality rate are calculated on the 1983 Group Annuity Table for male and female, set back 9 years.

### Long Term Rate of Return

The long term expected rate of return on pension plan investments was determined using a long-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected returns, net of retirement Plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of real rates of return for each major asset class included in the pension plan's target asset allocation as of September 30, 2017 are summarized in the following table:

Asset Class	Long-Term Expected Real Rate of Return
U.S. Large Cap Equity	4.90%
U.S. Small Cap Equity	5.75%
Domestic Fixed Income	1.50%
Internaltional Equity	5.25%

### Discount Rate

The discount rate used to measure the total pension liability was 7.6 percent. The projection of cash flows used to determine the discount rate assumed that Plan member contributions will be made at the current contribution rates and that contributions from the City will be made at statutorily required rates, actuarially determined. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

### Changes in Net Pension Liability

The following table shows the GESE Staff Trust changes in net pension liability based on the actuarial information provided to the City at September 30, 2017:

		GE	SE Staff Trust		
		Incr	ease (Decrease)	)	
	tal Pension Liability (a)		n Feduciary et Position (b)		et Pension Liability (a) - (b)
Balance at 10/01/2016	\$ 4,972,592	\$	3,145,336	\$	1,827,256
Changes for the year:					
Service Cost	45,464		-		45,464
Interest	365,280		-		365,280
Differences between expected and					
actual experience	(686,043)		-		686,043
Contributions - employer	-		269,054		(269,054)
Contributions - member	-		19,316		(19,316)
Net investment income	-		364,079		364,079
Benefit payments, including refunds					
of member contributions	 (332,554)	-	(332,554)		-
Net Changes	(607,853)		319,895		927,748
Balances at 09/30/2017	\$ 4,364,739	\$	3,465,231	\$	899,508

## Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following table illustrates the impact of interest rate sensitivity on the GESE Staff Trust Plan net pension liability as of September 30, 2017:

	Current Discount					
	1%	6 Decrease		Rate	1%	Increase
	(6.6%)		(7.6%)		(8.6%)	
Net Pension Liability	\$	1,468,824	\$	899,508	\$	437,992

## Pension Expense and Deferred Outflows/Inflows of Resources Related to Pension

For the year ended September 30, 2017, the City recognized pension expense of \$(41,400). At September 30, 2017 the City reported deferred inflows of resources as follows:

	<b>GESE Staff Trust</b>			
	Ou	eferred tflows of esources	Deferred Inflows of Resources	
Differences between expected and actual experience	\$	36,861	457,362	
Net difference between projected and actual earnings on pension plan investments		4,136		
Employer contribution made subsequent to measurement date		293,648		
Total	\$	334,645	457,362	

There is \$293,648 reported as deferred outflow of resources relates to pension resulting from City's contributions made subsequent to the measurement date Amounts reported as deferred outflows of resources related to pensions will be recognized in pension expense as follows:

Year ended September 30:	
2018	\$ (195,461)
2019	(221,609)
2020	26,049
2021	(25,344)
Thereafter	0

# GESE Staff Excess Benefit Plan

### Plan Description

The original effective date is May 25, 2001. The plan was established to fund the excess, if any, of the benefit earned under the GESE Staff Plan without taking into account the Internal Revenue Code (IRC) Section 415 limits. Membership consists of members of the GESE Trust Staff Plan who exceed the maximum benefit. There are no member contributions or plan assets.

Effective October 1, 2016, the plan document was amended to provide for an increase in the COLA paid to retirees to 4% with a \$400 annual maximum increase, provided the retiree's fifth anniversary of retirement has been reached. The amendment also provided for retirees electing the return of contribution option to receive a minimum COLA benefit of twenty-seven dollars per year and a maximum COLA benefit of two hundred dollars added to the previous COLA benefit, provided the retiree's fifth year anniversary of retirement has been reached.

As of October 1, 2016, the date of the most recent actuarial report valuation, membership in the EBP consisted of 1 active member.

# Elected Officers' Retirement Trust (EORT)

## Plan Description

Prior to October 22, 2009, the City's elected officials participated in a single-employer, non-contributory defined benefit pension plan under the administration and management of a separate Board of Trustees. Under the EORT, eligibility requires 7 years of total service if elected between October 1, 2001 and October 22, 2009, or 10 years of total service if elected prior to October 1, 2001 as an elected official of the City to be vested without requiring that such service be continuous. Any official elected after October 22, 2009 is not eligible to participate in the plan.

The City, pursuant to applicable Internal Revenue Code provisions, also established qualified governmental excess benefit plans to continue to cover the difference between the allowable pension to be paid, and the amount of the defined benefit, so that the benefits for eligible members are not diminished by changes in the Internal Revenue Code.

Separate stand-alone financial statements are not issued for EORT and are presented as part of the Combining Statement of Fiduciary Net Position and Combining Statement of Changes in Fiduciary Net Position located in the Fiduciary Funds section of the City's CAFR.

As of January 1, 2017, the date of the most recent actuarial valuation, membership in the EORT consisted of the following:

	Members
Retirees and beneficiaries currently receiving benefits	6
Terminated members entitled to benefits but not yet receiving benefits	2
Active officers with future range of service from 1 to 3 years	_2_
Total	10

### Pension Benefits

Benefits accrue for elected officers at the rate of 50 percent of the highest annual W-2 wages in the last three years of employment after 7 years of service as an elected official of the City plus 5 percent for each additional year up to 100 percent at 7 or more years of service. The Plan benefit is payable beginning on the date the participant ceases to be an elected officer, but no earlier than the participant's 55th birthday. The benefit is payable monthly, for the participant's lifetime. An active participant will be fully vested upon death and a single sum death benefit is payable. The EORT was frozen to new entrants effective October 22, 2009. Only participants who were accruing benefits and had not yet become vested in their benefits as of that date continue to accrue benefits under the EORT. Benefit accruals for all other participants were frozen.

### Contributions and Funding Policy

The annual contribution is determined using the Projected Unit Credit (PUC) Cost Method, which was adopted effective with the January 1, 2012 actuarial valuation report. The PUC Cost Method separates and develops funding components for annual contributions into 1) normal costs and 2) an amortization payment toward the unfunded accrued liability for past service benefits. Revising the actuarial funding method allows the City to fund the payment liability over a longer period of time. Contributions made to EORT are in accordance with actuarially determined contribution requirements, based on the actuarial valuation performed for each respective year.

EORT is a non-contributory defined benefit plan; therefore, all funding is provided by the City. The City is required to contribute the actuarially determined rate. The City's contribution to the plan for the year ended September 30, 2017 was \$406,911.

For the year ended September 30, 2017, EORT had no covered payroll for employees.

## Summary of Significant Accounting Policies

For the purposes of measuring the net pension liability and deferred outflows/inflows of resources related to pensions, and pension expense, information about the fiduciary net position of EORT and additions to/deductions from the EORT fiduciary net position have been determined on the same basis as they are reported by EORT. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the Pension Plan.

EODT

### Net Pension Liability

The components of the net pension liability of EORT at September 30, 2017, were as follows:

	<u>EORI</u>
Total pension liability	\$ 8,694,583
Plan fiduciary net position	 (7,102,802)
Net pension liability	\$ 1,591,781

### Actuarial Assumptions

The total pension liability in the January 1, 2017 actuarial valuation was determined using the following assumptions, applied to all periods in the measurement (measurement date January 1, 2017):

Actuarial Assumptions	
Measurement Date	January 1, 2017
Projected salary increases	0.00%
Assumed rate of return on	3.75% for the period Jan 1, 2017 and future periods, net
investments	of pension plan investment expense
Inflation Rate	2.5%

Mortality rates after commencement of monthly benefits are calculated with RP -2000 Mortality Table, sex-distinct, rates for annuitants, adjusted for white-collar employees, and with fully-generational mortality improvement projected under Scale BB2D. No mortality is assumed for years prior to the expected commencement date for monthly benefits.

### Long Term Rate of Return

The long-term expected rate of return on pension plan investments was determined using a buildingblock method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return by asset class included in the pensions plan's target asset allocation as of September 30, 2017, are as follows:

	Long-Term Expected
Asset Class	<b>Real Rate of Return</b>
U.S. Fixed Income	1.50%

### Discount Rate

The discount rate used to measure the total pension liability was 3.75 percent (includes inflation). The projection of cash flows used to determine the discount rate assumed that Plan member contributions will be made at the current contribution rates and that contributions from the City will be made at statutorily required rates, actuarially determined. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

### Changes in Net Pension Liability

The following table shows the EORT changes in net pension liability based on the actuarial information provided to the City at September 30, 2017:

				<u>EORT</u>			
			Increa	se (Decrease)	)		
	T	otal Pension Liability		n Fiduciary et Position	]	Net Pension Liability	
Balances at 10/01/2016	\$	(a) 8,642,267	\$	(b) 6,962,265	\$	<u>(a) - (b)</u> 1,680,002	
Changes for the year:	*	- ] - ]	Ŧ			<u> </u>	
Service Cost		-		-		-	
Interest		317,610		-		317,610	
Differences between expected and							
actual experience		53,460		-		53,460	
Contributions - employer		-		406,931		(406,931)	
Net investment income		-		54,780		(54,780	
Benefit payments, including							
refunds of member contributions		(318,754)		(318,754)		-	
Administrative expenses and Other		-		(2,400)		2,400	
Net Changes		52,316		140,537		(88,221)	
Balances at 9/30/2017	\$	8,694,583	\$	7,102,802	\$	1,591,781	

## Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following table illustrates the impact of interest rate sensitivity on the EORT net pension liability as of September 30, 2017:

	Current Discount							
	1%	<b>Decrease</b>		Rate	1% Increase			
	(2.75%)		_	(3.75%)	(4.75%)			
Net Pension Liability	\$	2,844,738	\$	1,591,781	\$	576,188		

## Pension Expense and Deferred Outflows/Inflows of Resources Related to Pension

For the year ended September 30, 2017, the City recognized pension expense of \$0.2 million. At September 30, 2017 the City reported deferred outflows of resources from the following sources:

	Deferred Outflow of Resources			
Net difference between projected and actual earnings on pension plan investments Employer contribution made subsequent to measurement	\$	352,733		
date		406,911		
Total	\$	759,644		

There is \$406,911 million reported as deferred outflows of resources related to pensions resulting from City contributions made subsequent to the measurement date. Amounts will be recognized as a reduction of the net pension liability in the year ended September 30, 2017. Other amounts reported as deferred outflows of resources related to pensions will be recognized in pension expense at September 30, 2017, follows:

Year ended September 30:	
2018	\$116,100
2019	\$116,099
2020	\$80,577
2021	\$39,957

The following summarizes net pension liability, deferred inflow and outflow of resources at September 30, 2017, for each Pension Plan as previously discussed in Note 10:

Plan	Net Pension Liability	Deferred Inflow of Resources	Deferred Outflow of Resources		
FIPO	\$ 632,752,065	\$ 10,698,190	\$ 57,489,131		
GESE Trust	264,090,507	5,099,413	45,681,841		
<b>GESE Excess Benefit</b>	13,481,890	412,282	4,005,709		
GESE Staff Trust	899,508	457,362	334,645		
EORT	1,591,781		759,644		
Total	\$ 912,815,751	\$ 16,667,247	\$ 108,270,970		

The schedules of changes in the net pension liability and related ratios and the schedules of contributions, presented as Required Supplementary Information (RSI) following the notes to the financial statements, provides additional information about the net pension liability, plan assets and contributions for each of the City's defined benefit pension plan.

## Special Benefit Plans (SBP)

Certain executive employees of the City are allowed to join the ICMA Retirement Trust's 401(a) plan (the "SBP"). This defined contribution deferred compensation plan, which covers governmental employees throughout the country, is governed by a Board of Directors responsible for carrying out the overall management of the organization, including investment administration and regulatory compliance. Membership for the City employees is limited by the City Code to specific members of the City Clerk, City Manager, City Attorney's offices, Department Directors, Assistant Directors, and other executives. To participate in the plan a written trust agreement must be executed, which requires the City to contribute 8 percent of the individual's earnable compensation, and the employee to contribute 10 percent of their salary. Participants may withdraw funds at retirement or upon separation based on a variety of payout options. The City does not have any fiduciary responsibility relating to the plan, consequently the plan assets are not recorded in the fiduciary funds of the City.

As of September 30, 2017 the City's participation in this plan was as follows:

Total current year's payroll for all employees	\$ 328,022,169
Current year's payroll for participating employees	7,475,378
Current year employer contributions	625,888

In addition to coverage under the FIPO, the firefighters and police officers are members of two separate non-contributory money purchase benefit plans established under the provisions of Chapters 175 and 185, Florida Statutes, respectively. These two plans are funded solely from proceeds of certain excise taxes levied by the City and imposed upon property and casualty insurance coverage within the City limits. This tax, which is collected from insurers by the State of Florida, is remitted directly to the Plans' Boards of Trustees. The City is entitled to levy such excise taxes solely for the use of the money purchase benefit plans as long as the minimum benefit provisions of Chapter 175 and 185, Florida

Statutes, are met by the FIPO. The City does not have any fiduciary responsibility relating to the SBP, consequently plan assets are not recorded in the fiduciary funds. The total of such excise taxes received from the State of Florida and remitted to the plans was \$9.5 million for the year ended September 30, 2017. Accordingly, these monies are recorded as pass through funds in the City's financial statements. Benefits are allocated to the participants based upon their service during the year and the level of funding received during said year. Participants are fully vested after nine years of service. Upon termination of service, a participant may elect to receive one of the three options (1) a lump sum payment; (2) five substantially equal payments, or (3) 10 percent or more in the first year and the remainder in any way over the next four years. The total must be paid out within five years.

# NOTE 11. – POST-EMPLOYMENT HEALTH CARE BENEFITS

Pursuant to Section 112.0801, Florida Statutes, the City is required to permit participation to the health insurance program by retirees and their eligible dependents at a cost to the retiree that is no greater than the cost at which coverage is available for active employees. Retired police officers are offered coverage at a discounted premium under the Fraternal Order of Police (FOP) Health Insurance Trust (HIT) that is administered separately from the City's health care plan. For non-police retirees (fire fighters, general employees, sanitation employees and elected officials) and their dependents, the City subsidizes health care coverage and life insurance at a discounted premium equal to the blended group rate. GASB Statement No. 45 allows flexibility to governmental employers in the use of various actuarial cost methods. Several such acceptable actuarial cost method, the aggregate cost method, and the projected unit credit normal cost method. The goal was for the City to adopt an actuarial cost method which is acceptable, appropriate, and commonly used. The City's annual Other Post Employment Benefit (OPEB) liability was calculated using the entry age normal cost method.

### **Plan Description**

The City has two separate single-employer OPEB plans for its retirees. One plan is for retiring police officers and the other plan is for all other retiring employees (the "Non-Police Retirees"). The benefits afforded to all retirees include lifetime medical, prescription, vision, dental and certain life insurance coverage for retiree and dependents. Non-Police Retirees receive the same benefits as similarly situated active employees of the City, while retired police officers receive the same benefits as provided through the FOP Health Trust.

The City offers to its retiree's comprehensive medical coverage and life insurance benefits through its self-insurance plan. This plan was established in accordance with Section 112.0801, Florida Statutes. Substantially all of the City's general employees, sanitation employees and firefighters may become eligible for these benefits when they reach normal retirement age while working for the City.

As of October 1, 2016, the most recent actuarial valuation date, there are approximately 5,389 covered participants of whom approximately 3,640 are active employees and 1,749 are retirees.

# Contributions and Funding Policy

The City is authorized to establish benefit levels and approve the actuarial assumptions used in the determination of contributions levels. Retirees are contributing the majority of their premium costs each month. Spouses and other dependents are also eligible for coverage, although the retiree pays the premium cost.

The FOP sponsors a HIT that is partially self-insured, which provides life, heath, and accidental death and dismemberment insurance to substantially all full-time sworn members of the City's Police department, eligible retirees, their families and beneficiaries. The HIT receives a significant source of its funding from the City, pursuant to the terms of a collective bargaining agreement. The agreement requires the City to reimburse the HIT an amount that is required to bring the HIT's minimum fund balance to \$2.35 million annually.

Currently, the City's subsidy to OPEB benefits is unfunded. There are no separate trust funds or equivalent arrangements into which the City makes contributions to advance-fund the OPEB obligations, as it does for its retiree pension plans. The City's cost of the OPEB benefits is funded on a pay-as-you-go basis. The City contributed \$12.7 million for the fiscal year ended September 30, 2017.

The ultimate implicit subsidies which are provided over time are financed directly by general assets of the City, which are invested in short-term fixed income instruments according to its current investment policy. The City selected an interest discount rate of 2.0 percent, which is the long-range expected return on such short-term fixed income instruments, to calculate the present values and costs of its OPEB.

The City's annual OPEB cost is calculated based on the annual required contribution of the employer, an amount actuarially determined in accordance with the parameters of GASB Statement No. 45. The annual required contribution represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize the actuarial liabilities over a period not to exceed 30 years.

## Annual OPEB Cost and Net OPEB Obligation

The City's annual OPEB cost and the net OPEB obligation for the fiscal year ended September 30, 2017 for both Non-Police and Police retirees are as follows:

		PoliceNon-PoliceRetireesRetirees			Total	
Annual required contribution (ARC)	\$	62,398,000	\$	28,248,000	\$	90,646,000
Interest on net OPEB obligation		5,724,000		1,995,000		7,719,000
Adjustment to annual required contribution		(11,106,000)		(3,142,000)		(14,248,000)
Annual OPEB cost (expense)	201	57,016,000		27,101,000		84,117,000
Contributions made		9,196,000		3,551,000		12,747,000
Increase in net OPEB obligation		47,820,000		23,550,000		71,370,000
Net OPEB obligation - beginning of year		286,212,000		99,743,000		385,955,000
Net OPEB obligation - end of year	\$	334,032,000	\$	123,293,000	\$	457,325,000

The City's annual OPEB cost, net OPEB obligations, and percentage of annual OPEB cost contributed, are as follows:

### Police

Year Ended September 30	Annual OPEB Cost	_C	OPEB ontributions_	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligations		
2017	\$ 57,016,000	\$	9,196,000	16%	\$	334,032,000	
2016	54,724,000		8,245,000	15%		286,212,000	
2015	54,814,000		8,655,000	16%		239,733,000	

### **Non-Police**

Year Ended September 30	Annual OPEB Cost		OPEB Contributions		Percentage of Annual OPEB Cost Contributed	Net OPEB Obligations	
2017	\$	27,101,000	\$	3,551,000	13%	\$	123,293,000
2016		26,141,000		3,551,000	14%		99,743,000
2015		18,451,000		3,547,000	19%		77,153,000

### Funded status and funding progress

As of October 1, 2016, the most recent actuarial valuation date, the funded status of the Police and Non-Police Retirees OPEB plan was as follows:

		Actuarial Valuation of Assets (a)	A	ctuarial Accrued Liability (b)	 nfunded Actuarial Accrued Liability (UAAL) (b-a)	Funded Ratio (a/b)
Non-Police	\$	:-	\$	277,419,000	\$ 277,419,000	0.00%
Police		-		717,602,000	717,602,000	0.00%
Total	\$	-	\$	995,021,000	\$ 995,021,000	0.00%
				Non-Police	 Police	
		Covered Payroll	\$	212,363,106	\$ 83,439,609	
UAAL as a percentage of Payroll			130.6%	860.0%		

Actuarial valuations for OPEB plans involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. These actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future.

The schedule of funding progress presented immediately following the financial statements as required supplementary information, presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

## Actuarial Methods and Assumptions

Projection of benefits for financial reporting purposes are based on the substantive OPEB plan (the OPEB plan as understood by the employer and the members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of calculations.

The annual required contribution for the OPEB Other Than Police plan year was determined as part of the plan's October 1, 2016 actuarial valuation using the following methods and assumptions:

Valuation date:	October 1, 2016		
Actuarial cost method:	Entry age normal		
Amortization method:	Level percent of payroll		
Amortization period:	The unfunded actuarial accrued liability is amortized over a period of 22 years on a closed basis with a starting amortization period of 30 years which began in FY 2008		
Actuarial Assumptions:			
Assumed rate of return on investments:	2.00%		
Projected salary increases:	3.5% Per annum		
Discount rate:	2.00%		
Assumed health care cost trend rates:	8.5% for pre-65 medical and 8.5% for post-65 medical, grading		
	down by .05% annually until an ultimate trend rate of 5.0% is		
	reached.		

Mortality rates are calculated with the RP 2014 Mortality Table with MP-2016 Projection Scale, applied on a gender specific basis.

The annual required contribution for the OPEB Police plan year was determined as part of the plan's October 1, 2016 actuarial valuation using the following methods and assumptions:

Valuation date:	October 1, 2016
Actuarial cost method:	Entry age normal
Amortization method:	Level percent of payroll
Actuarial Assumptions:	
Assumed rate of return on investments:	2.00%
Projected salary increases:	Not applicable
Discount rate:	2.00%

Mortality rates are calculated with the RPH 2014 Total Dataset mortality table using the Society of Actuaries Mortality Projection Scale MP-2015.

# NOTE 12. – COMMITMENTS AND CONTINGENCIES

The City participates in a number of federal and state assisted programs. These programs are subject to audit under the requirements of the Florida Single Audit Act and Chapter 10.550, Rules of the Auditor General and OMB Uniform Guidance. The City received revenues and contributions related to grants from Federal agencies and the State of Florida. These grants are for specific purposes and are subject to review and audit by the grantor agencies. Such audits could result in requests for reimbursement for expenditures being disallowed under the grant terms. Based upon prior experience, the City's management believes any requests for reimbursement, if any, will not be significant.

**Global Agreement:** In December 2007, the City, the County, the OMNI CRA, and the Southeast Overtown Park West CRA, entered into an inter-local agreement that establishes the funding framework for the several major facilities and infrastructure improvement projects. Those projects include the Arsht Performing Arts Center ("Arsht Center"), Miami Port Tunnel, Museum Park improvements, and the Miami Marlins Baseball Stadium and parking facilities.

The agreement specifically calls for the OMNI CRA to increase its contribution to the County to service debt and other loans on the Arsht Center. Further, the agreement established parameters by which the City, County, and CRAs would move forward with the legal process of extending the lives and expanding the geographic boundaries of both CRAs, and utilizing the additional tax increment revenues to finance affordable housing, infrastructure, and redevelopment projects consistent with the CRAs' redevelopment plans. The additional OMNI CRA tax increment revenues were available to finance the City's contributions to the Miami Port Tunnel project and the Museum Park improvements. Finally, the agreement addresses the City's and County's Miami Marlins Major League Baseball project stadium and related parking facilities built on the former Orange Bowl location site. To date, the total contributions required to be made by the City for the Museum Park Improvement projects has not been determined. The OMNI CRA has voted to provide an annual grant of tax increment revenues to the City in connection with repayment of the City's Special Obligation Non-Ad Valorem Revenue Refunding Bonds, Series (Port of Miami Tunnel Project) issued December 13, 2012. The Special Obligation Non-Ad Valorem Revenue Refunding Bonds is City debt. As such the City is responsible for all debt service. However, the OMNI CRA has agreed to provide the City with the required annual debt service. In the event the CRA defaults on its commitment to the City, the City would be responsible to pay the debt service from legally available funds. As of September 30, 2017, the total outstanding related debt for the Non-Ad Valorem Revenue Refunding Bonds, Series (Port of Miami Tunnel Project) issued December 13, 2012 was approximately \$40.4 million.

**FOP, Miami Lodge No. 20 and Alfredo Vega v. City of Miami, et al.** This is an action by the Fraternal Order of Police ("FOP") and individual law enforcement officers challenging the 1994 police sergeant's examination seeking promotions retroactive to 1994, with back pay and emoluments. The testing company was joined as a party but severed from the present proceedings. The trial court bifurcated the action to address liability separate from damages. The liability portion of this case was tried in 2007, and the trial court ruled that the exam did not comply with the Civil Service Rules. The parties are now in the damages portion. The trial court has ruled that FOP did not have standing to recover any monetary relief, thereby leaving the seven individual Plaintiffs and an additional individual who was permitted to intervene. Additional union members intervened. The Third District Court of Appeal affirmed the trial court's order denying the FOP monetary relief. The City's potential exposure may exceed \$1,000,000.

**Fraternal Order of Police, Walter E. Headley, Jr., Miami Lodge No. 20 v. City of Miami,** The FOP Miami Lodge 20 (hereinafter the "Union") alleges that it has a Collective Bargaining Agreement ("CBA")

with the City, effective through September 30, 2010, that the parties exchanged initial proposals for a successor agreement, and that the parties have held several bargaining sessions. The Union further alleges that during the several bargaining sessions, the City never advised the Union that there was a need to reach settlement on economic items expeditiously, or that the City intended to declare a "financial urgency" and invoke the process set forth in Section 447.4095, F.S. The Union contends that Section 447.4095 may only be invoked to modify the terms of an existing agreement. The Union further alleges that although the parties continued to bargain for a successor collective bargaining agreement on August 9 and 12, 2010, the parties never discussed wages or pensions, but on August 16, 2010, the City advised the Public Employees Relations Commission ("PERC") that it had engaged in negotiations on the impact of the financial urgency, and any action necessitated by the financial urgency, and that a dispute existed. The Union then alleges that on August 31, 2010, the City unilaterally took action to alter the terms and conditions of employment before reaching impasse with the Union, in violation of Section 447.501(1)(a) and (1)(c). Further, the Union alleges that, although the changes were not discussed with them, they were discussed in a closed door unnoticed "shade" meeting conducted in violation of Section 447.605, F.S. (an exemption to the Sunshine Law). The Union contends that the failure of the City to have any discussions with the Union on these matters constitutes bad faith or surface bargaining in violation of Section 447.501(1) (a), F.S. It also asserts that by unilaterally altering terms and conditions of employment before completion of the impasse procedure set forth in Section 447.403, F.S., and by not responding to a request for records, the City violated Section 447.501(1)(a) and (1)(c), F.S. The City received a recommended order from the Hearing Officer in its favor, which was ultimately adopted by the Commission. The FOP has appealed to the Florida District Court of Appeals, First District. The First District affirmed. The FOP has sought review by the Florida Supreme Court. The First District affirmed and the Florida Supreme Court has accepted review. The Supreme Court heard oral argument. On Thursday, March 2, 2017, the Florida Supreme Court rendered its opinion in Headley, et al. v. City of Miami. The court rejected the first district opinion and remanded for further proceedings consistent with the opinion. PERC has entered an Order on the Merits of the Unfair Labor Practice Charge and has scheduled a backpay hearing in February 2018. As of date of the report the City cannot predict the outcome of this case or financial consequences, if any.

International Association of Firefighters, Local 587 v. City of Miami, The IAF Local 587 (hereinafter "Union") alleges that it has a Collective Bargaining Agreement ("CBA") with the City, effective through October 1, 2010, that, in exchange for concessions by the Union, the CBA was extended through September 30, 2011, and that the City expressly waived its right not to fund any year of the CBA except in the case of "true fiscal emergency", defined in the CBA as, "the City must demonstrate that there is no other reasonable alternative means of appropriating monies to fund the agreement for that year or years". The Union further alleges that less than six (6) months after agreeing to the extension, on April 30, 2010, the City invoked the process under Section 447.4095, F.S., claiming "financial urgency," and on August 31, 2010, unilaterally took action to modify wages, insurance and pension benefits. The Union asserts that the invocation of Section 447.4095, F.S. was improper and was waived by the City in the CBA. Further, the Union alleges that, prior to their enactment, the modifications to the CBA were discussed in a closed door, unnoticed shade meeting in violation of Section 447.605, F.S. (an exemption to the Sunshine Law). Finally, the Union asserts that the City failed to bargain collectively and in good faith by enacting the changes of August 31, 2010, by not providing the Union with notice in advance, and by failing to discuss, bargain over, impact bargain, or complete the process set forth in Section 447.403 and/or Section 447.4095, F.S. The City received a recommended order from the Hearing Officer in its favor, which was adopted by the Commission. The District Court of Appeal, Third District affirmed, and the Florida Supreme Court has stayed the case pending resolution of Headley v. City of Miami. On Thursday, March 2, 2017, the Florida Supreme Court rendered its opinion in Headley, et al. v. City of Miami. The court rejected the first district opinion and remanded for further proceedings consistent with the opinion. The

Third District has remanded the case back to PERC. As of date of the report the City cannot predict the outcome of this case or financial consequences, if any.

Internal Revenue Service Examination: \$153,060,000 City of Miami, Florida Limited Ad Valorem Tax Refunding Bonds, Series 2007A (Homeland Defense/Neighborhood Capital Improvement Projects) & City of Miami, Florida Limited Ad Valorem Tax Bonds, Series 2007B (Homeland Defense/Neighborhood Capital Improvement Projects) dated July 10, 2007 (collectively, the "2007 Homeland Defense/Neighborhood Capital Improvement Bonds"). Since November 18, 2011, the City has been cooperating with the examination by the U.S. Department of Treasury, Internal Revenue Service ("IRS") of the Series 2007A&B Bonds. On October 18, 2013, the IRS sent to the City a Notification of No Change Determination, which completes that examination, confirms the tax-exempt status of the Series 2007A&B Bonds, and requires the City to continue to yield restrict any unspent proceeds and to spend any remaining proceeds as soon as possible. Currently, the City continues its required spend-down progress and continues to yield restrict any remaining unspent proceeds and interest on the Series 2007 A Bonds. The series 2007 B bonds were refunded subsequent to year end on December 17, 2015. The City has completed its required spend-down progress on Series 2007 A & B proceeds and interest thereon, and that the City has filed its update Arbitrage Rebate Report with the IRS demonstrating that the City continued to yield restrict any remaining unspent proceeds and interest of the Series 2007 A & B Bonds and therefore, the City was not required to rebate any funds to the IRS.

**Design and Construction Loan:** In July 9, 2015, the Miami City Commission passed Resolution 15-0304, accepting a design and construction loan of not to exceed \$22,413,800 at 0% interest rate (collectively, "Loan") to the City of Miami ("City") from the State of Florida Department of Environmental Protection ("Department") Clean Water State Revolving Fund Program ("Program") for the Wagner Creek/Seybold Canal Project SW132000 (collectively, the"Project"). This includes 40 semi-annual loan payments beginning on or about October 15, 2017. Additionally, there is a loan service fee of \$448,276 to be paid on or about October 15, 2017, by the City for the Loan through the Program. The City pledged Stormwater Utility Fees ("Stormwater Utility Fees") to secure the Loan, and covenants to budget and appropriate such Stormwater Utility Fees on an annual basis to pay debt service on the Loan. The Stormwater Utility Fees have not been previously pledged to any other debts of the City, and are legally available to be pledged to secure and repay the loan. As the City incurs expenditures for this Project, the City will seek reimbursements from the Department. The amount of the Loan will be known and the corresponding payments and fee will begin after the Project is completed. Consequently, as of September 30, 2017, there is no liability for this transaction.

**800 Megahertz Digital Trunked Simulcast Network System:** On May 25, 2017, the City awarded a contract to Harris Corporation for the acquisition of 800 Megahertz Digital Trunked Simulcast Network System as part of the ongoing efforts to upgrade and enhance two (2) way radio communications throughout the City, specifically for the Miami Police Department, Fire-Rescue Department, and General Services Administration Department valued at \$12,100,000. At September 30, 2017, approximately \$11.2 million is payable under this contract. The purchase will be financed through a capital lease.

**346** NW 29<sup>th</sup> Street, LLC, et al. v. City of Miami, This is a class action for declaratory relief regarding the City's obligations pursuant to Chapter 56, Article V, of the Code of the City of Miami. The city commission, at its discretion, may grant, by ordinance, ad valorem tax exemptions to new and expanding businesses located within enterprise zones. Qualifying new or expanding businesses were eligible to receive an exemption up to 100% of the municipal portion of their real or personal property ad valorem taxes. The Florida Statutes which enabled this exemption gave the right to all applicants to be considered by the City Commission. If they were approved as qualified by the administration, they were entitled to

and up or down vote by the Commission. If the administration did not approve their application, they had a right to appeal to the commission. Unfortunately, approved applicants were not submitted and rejected applicants were not advised of their right to appeal. The trial court certified the class and granted the Plaintiff's motion for summary judgment on liability. On January 25, 2018, the City of Miami Commission approved Resolution #18-0033 authorizing to pay an amount not to exceed \$12,000,000 in full settlement of any and all claims alleged against the City in the class action.

#### Litigation

The City is involved in various lawsuits arising in the ordinary course of operations. Although the outcome of these matters is not presently determinable, it is the opinion of management of the City based upon consultation with legal counsel, that the outcome of these matters will not have an adverse material effect on the financial position of the City beyond the amounts accrued for its self-insured liability and the amount accrued for estimated probable losses to date.

#### Encumbrances

Encumbrance accounting, under which purchase orders, contracts and other commitments for expenditure of funds are recorded in order to reserve that portion of the applicable appropriation, is utilized in the governmental funds. Encumbrances do not constitute expenditures or liabilities and are recorded in the appropriate fund balance classifications of restricted, committed or assigned in accordance with the City's fund balance policy.

The City has outstanding encumbrances in the governmental funds. The following is a summary of these commitments at September 30, 2017:

\$ 25,141,692
4,587,688
 28,683,365
\$ 58,412,745
\$

#### NOTE 13. – SUBSEQUENT EVENTS

On November 7, 2017, a referendum election was held and the voters approved issuance of General Obligation Bonds in an aggregate principal amount not exceeding \$400,000,000 with interest payable at or below the Maximum rate allowed by law, payable from Limited Ad Valorem taxes levied on all taxable property in the City, provided that the capital projects debt millage not exceed the current rate of 0.5935.

On November 7, 2017, the City of Miami held a municipal election and voters elected Francis Suarez as the 34<sup>th</sup> mayor of the City.

On November 28, 2017, the City issued \$59,310,000 Special Obligation Non-Ad Valorem Revenue Refunding Note, Series 2017 and the cost of issuance thereof. The proceeds from the Series 2017 Note was used to refund partially the City of Miami Special Obligation Non-Ad Valorem Revenue Refunding Bonds, Series 2011A.

On December 5, 2017, the City issued \$7,180,000 Special Obligation Non-Ad Valorem Revenue Refunding Note, Taxable Pension Series 2017 and the cost of issuance thereof. The proceeds from the Series 2017 Note was used to refund partially the Special Obligation Non-Ad Valorem Revenue Refunding Bonds, Taxable Pension, Series 2009.

On January 11, 2018, the City of Miami Commission approved Emilio T. Gonzalez, Ph.D as the new City Manager. Dr. Gonzalez has extensive experience in different levels of business and government.

On January 25, 2018, the City of Miami Commission approved Resolution #18-0033 authorizing to pay an amount not to exceed \$12,000,000 in full settlement of any and all claims alleged against the City in the class action case of NW 29th Street, LLC, et al. v. City of Miami, et al., Case No. 13-037260 CA 01, a lawsuit pending before the Circuit Court of the Eleventh Judicial Circuit in and for Miami-Dade County, without admission of liability, upon executing a release, settlement, hold harmless, and indemnification agreement of the City, its present and former officers, agents, and employees from any and all claims and demands arising in and from alleged violation of Chapter 56 of the City Code.

On March 8, 2018, the Miami City Commission approved Resolution #18-0095 to issue a City of Miami, Florida Special Obligation Taxable Parking Revenue Refunding Note, Series 2018 in an aggregate principal amount not exceeding \$18,000,000, for the purposes of (i) refunding certain obligations of the City, (ii) funding a deposit to the reserve account for the Series 2018, if required, and (iii) paying the costs of issuance of the Series 2018. The bonds refunded was a portion of the City of Miami Special Obligation Taxable Parking Revenue Bonds, Series 2010B. On March 22, 2018, a Taxable Special Obligation Revenue Refunding Note, Series 2018 was issued for \$16,555,000.

# NOTE 14. – PRONOUNCEMENTS ISSUED, BUT NOT YET ADOPTED

GASB Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other *Than Pension*, the scope of this Statement addresses accounting and financial reporting for OPEB that is provided to the employees of state and local governmental employers. The provisions of this Statement are effective for fiscal years beginning after June 15, 2017. The adoption of this statement will require the City to record a material liability for the unfunded portion of its plans.

**GASB Statement No. 81, Irrevocable Split-Interest Agreements,** the objective of this Statement is to improve accounting and financial reporting for irrevocable split-interest agreements by providing recognition and measurement guidance for situations in which a government is a beneficiary of the agreement. The requirements of this Statement are effective for financial statements for periods beginning after December 15, 2016, and should be applied retroactively

GASB Statement No. 82, Pension Issues an amendment of GASB Statements No. 67, No. 68, and No. 73, this Statement addresses issues regarding (1) the presentation of payroll-related measures in required supplementary information, (2) the selection of assumptions and the treatment of deviations from the guidance in an Actuarial Standard of Practice for financial reporting purposes, and (3) the classification of payments made by employers to satisfy employee (plan member) contribution requirements. The provisions of this Statement will be effective for the City beginning with its year ending September 30, 2017, except for the requirements of this Statement for the selection of assumptions in a circumstance in which an employer's pension liability is measured as of a date other than the employer's most recent fiscal year-end. In that circumstance, the requirements for the selection of assumptions are effective for the City beginning with its year ending September 30, 2018.

**GASB Statement No. 83, Certain Asset Retirement Obligations,** this Statement will enhance comparability of financial statements among governments by establishing uniform criteria for governments to recognize and measure certain AROs, including obligations that may not have been previously reported. This Statement also will enhance the decision-usefulness of the information provided to financial statement users by requiring disclosures related to those AROs.

**GASB Statement No. 84, Fiduciary Activities,** this Statement establishes criteria for identifying fiduciary activities of all state and local governments. The focus of the criteria generally is on (1) whether a government is controlling the assets of the fiduciary activity and (2) the beneficiaries with whom a fiduciary relationship exists. Separate criteria are included to identify fiduciary component units and postemployment benefit arrangements that are fiduciary activities. This Statement describes four fiduciary funds that' should be reported, if applicable: (1) pension (and other employee benefit) trust funds, (2) investment trust funds, (3) private-purpose trust funds, and (4) custodial funds. Custodial funds generally should report fiduciary activities that are not held in a trust or equivalent arrangement that meets specific criteria. The requirements of this Statement are effective for reporting periods beginning after December 15, 2018.

**GASB Statement No. 85, Omnibus 2017.** The objective of this Statement is to address practice issues that have been identified during implementation and application of certain GASB Statements. This Statement addresses a variety of topics including issues related to blending component units, goodwill, fair value measurement and application, and postemployment benefits (pensions and other postemployment benefits [OPEB]). The requirements of this Statement are effective for reporting periods beginning after June 15, 2017.

**GASB issued Statement No. 86,** Certain Debt Extinguishment Issues. The primary objective of this Statement is to improve consistency in accounting and financial reporting for in-substance defeasance of debt by providing guidance for transactions in which cash and other monetary assets acquired with only existing resources; that is, resources other than the proceeds of refunding debt-are placed in an irrevocable trust for the sole purpose of extinguishing debt. This Statement also improves accounting and financial reporting for prepaid insurance on debt that is extinguished and notes to financial statements for debt that is defeased in substance. The requirements of this Statement are effective for reporting periods beginning after June 15, 2017.

**GASB issued Statement No. 87,** Leases. The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lesse is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. The requirements of this Statement are effective for reporting periods beginning after December 15, 2019

The City's management has not yet determined the effect these statements will have on the City's financial statements, except for the implementation of GASB 65 which will require the City to record a material liability for the unfunded portion of its plans.

#### City of Miami, Florida Schedule of Revenues, Expenditures and Changes In Fund Balance Budget and Actual - General Fund For The Year Ended September 30, 2017 (Unaudited)

	(Unaudited)			
	Budgeted	Amounts	Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
Revenues: Property Taxes	\$ 303,610,200	\$ 303,610,200	\$ 294,888,735	\$ (8,721,465)
Franchise and Other Taxes	106,503,600	106,503,600	3 294,888,733 111,740,819	5,237,219
Licenses and Permits	56,947,100	57,640,600	72,542,186	14,901,586
Fines and Forfeitures	13,443,900	13,443,900	15,861,887	2,417,987
Intergovernmental Revenues	65,936,900	65,936,900	66,924,951	988,051
Charges for Services	110,487,800	114,625,800	115,954,235	1,328,435
Investment Earnings (Loss)	1,700,000	1,700,000	2,986,388	1,286,388
Other	3,766,200	11,603,000	13,064,144	1,461,144
Total Revenues	662,395,700	675,064,000	693,963,345	18,899,345
Expenditures:				
General Government				
Mayor	1,026,300	1,026,300	1,002,594	23,706
Board of Commissioners	3,231,000	3,231,000	2,950,413	280,587
Office of City Manager Office of Agenda Coordination	3,578,400 356,200	3,578,400 359,200	3,254,123 356,579	324,277 2,621
Office of City Clerk	1,697,400	1,697,400	1,716,047	(18,647)
Office of NET	5,800,400	6,020,900	6,023,328	(2,428)
Office of Civil Service	453,400	453,400	377,316	76,084
Office of the Auditor General	1,282,700	1,282,700	992,141	290,559
Office of Communications	1,160,700	1,161,700	1,145,395	16,305
Human Resources	4,416,800	4,416,800	4,277,899	138,901
Information Technology	9,102,000	9,102,000	8,879,552	222,448
Office of the City Attorney	8,164,800	8,164,800	7,926,310	238,490
Management and Budget	2,535,600	2,535,600	2,390,359	145,241
Procurement	2,364,800	2,403,200	2,260,758	142,442
Office of Equal Opportunity & Diversity	396,800	397,800	369,950	27,850
Finance	9,170,200	9,170,200	8,610,693	559,507
Capital Improvements Administration	2,824,600	2,847,300	2,900,037	(52,737)
Office of Grants Administration	1,566,000	1,566,000	1,533,912	32,088
City Administration	101,700	101,700	104,398	(2,698)
Non-Departmental	45,806,300	36,078,900	37,972,045	(1,893,145)
Risk Management General Government Function Input	3,098,000	3,098,000	2,874,730 2	223,270
Office of Resiliency and Sustainability	139,800	243,300	244,010	(2) (710)
Office of Film and Entertainment	422,700	422,700	399,606	23,094
General Government	108,696,600	99,359,300	98,562,197	797,103
Planning and Development				
Building	10,242,600	10,650,000	10,730,586	(80,586)
Planning and Zoning	6,547,300	6,587,300	6,183,765	403,535
Red Light Camera	86,600	86,600	76,822	9,778
Total Planning and Development	16,876,500	17,323,900	16,991,173	332,727
Public Works				
Solid Waste	31,484,800	31,597,600	31,586,261	11,339
General Service Administration	22,526,000	22,619,000	21,857,163	761,837
Public - Works	21,242,600	21,242,600	19,642,445	1,600,155
Total Public Works	75,253,400	75,459,200	73,085,869	2,373,331
Public Safety				
Office of Code Compliance	5,816,000	5,866,000	5,649,600	216,400
Fire - Rescue	125,451,500	126,885,000	127,213,301	(328,301)
Police Total Public Safety	<u>231,648,100</u> 362,915,600	<u>231,724,100</u> 364,475,100	<u>228,251,554</u> 361,114,455	<u>3,472,546</u> 3,360,645
Real Estate Asset Management	12,391,400	12,396,400	12,248,870	147,530
Community Development Parks and Recreation	3,482,500	3,482,500	3,235,624	246,876 14,065
	41,653,700	42,326,500	42,312,435	
Total Expenditures	621,269,700	614,822,900	607,550,623	7,272,277
Excess (Deficiency) of Revenues Over (Under) Expenditures	41,126,000	60,241,100	86,412,722	26,171,622
Other Financing Sources (Uses): Transfers In	7 760 000	12 104 100	10 072 006	(20. 974)
Transfers Out	7,768,900 (48,928,900)	12,104,100 (72,379,200)	12,073,226 (70,651,100)	(30,874) 1,728,100
Proceeds from Sale of Property	(48,928,900) 34,000	(72,379,200) 34,000	787,221	753,221
Total Other Financing Sources (Uses)	(41,126,000)	(60,241,100)	(57,790,653)	2,450,447
Net Change in Fund Balance	-	-	28,622,069	28,622,069
Net Change in Fund Balance Fund Balance - Beginning of Year	-	-	28,622,069 131,521,349	28,622,069 131,521,349

# Notes to Required Supplementary Information

#### City of Miami, Florida Year Ended September 30, 2017 (Unaudited)

#### **NOTE 1. - BUDGETARY POLICY**

#### A. Budget Policy

The City Commission annually adopts an operating budget ordinance for all governmental funds of the City, except for the Capital Project Funds. The Capital Project Funds are budgeted on a total project basis for which annual budgets are not available. For governmental funds, budgets are prepared on a basis consistent with accounting principles generally accepted in the United States of America.

#### **B.** Budget-Legal Compliance

The City follows these procedures in establishing the budgetary data reflected in the accompanying financial statements:

Prior to August 31<sup>st</sup>, the City Manager submits to the City Commission a proposed operating budget by fund, except for the General Fund, which is at the departmental level, for the fiscal year commencing the upcoming October 1<sup>st</sup>. The operating budget includes proposed expenditures and the means of financing them.

The Mayor prepares and delivers a budgetary address annually to the people of the City between July 1<sup>st</sup> and September 30<sup>th</sup>.

Such report is prepared after consultation with the City Manager.

Public hearings are conducted to obtain taxpayer comments.

Prior to October 1<sup>st</sup>, the budget is legally enacted through the passage of a resolution and adoption of the budget report.

Management may not make changes to the adopted budget without the approval of a majority vote of the Commission.

The Commission may transfer among departments any part of an unencumbered balance of an appropriation to a purpose for which an appropriation for the current year has proved insufficient. At the close of each fiscal year, the unencumbered balance of each appropriation reverts to the fund from which it was appropriated and is subject to future appropriations.

Budgets are monitored at varying levels of classification detail; however, budgetary control is legally maintained at the fund level except for the General Fund, which is maintained at the departmental level.

All budget amendments require City Commission approval. During fiscal year 2017, supplemental appropriations totaling \$17 million in the General Fund, comprised of increased allocations of \$12.67 million to General Fund expenditures by departments and \$4.33 million in Transfers-In. The Special Revenue Funds budget was also increased in fiscal year 2017 by approximately \$7.24 million, of which \$2.22 million were allocated to Emergency Funds, \$2.9 million to Police Services, \$500,000 to Homeless Programs, \$948,000 to Parks and Recreation Services, \$1,400 to Fire Rescue, \$575,000 to Departmental Improvement Initiatives, and \$3,250 to General Special Revenue. During fiscal year 2017, the General fund had expenditures of approximately \$3.01 million attributable to capital expenditures; these expenditures are budgeted at the department level and not reported separately on the General Fund Budget to Actual Schedule of Revenues, Expenditures and Changes in Fund Balance presented on page 141.

#### Required Supplementary Information City of Miami, Florida Other Post Employment Benefits Schedule of Funding Progress (Unaudited)

Actuarial Valuation Date	(1) Actuarial Value of Assets			(2) Actuarial Accrued Liability (AAL)		Unfunded (Overfunded) AAL (2)-(1)	Funded Ratio (1)/(2)	(3) Covered Payroll	Unfunded (Overfunded) as a Percentage of Covered Payroll ((2)-(1))/(3)
<u>City of Miami Po</u>	olice Other Post	t Emplo	oym	ent Benefits (a)					
10/01/2016	\$	-	\$	717,602,000	\$	717,602,000	0%	\$ 83,439,609	860%
10/01/2015		-		678,879,000		678,879,000	0%	80,617,980	842%
10/01/2014		-		746,226,000		746,226,000	0%	77,892,030	958%
<u>City of Miami O</u>	ther Than Polic	e Othe	r Po	st Employment I	Bene	<u>fits (a)</u>			
10/01/2016	\$	-	\$	277,419,000	\$	277,419,000	0%	\$ 212,363,106	131%
10/01/2015		-		256,912,000		256,912,000	0%	205,181,745	125%
10/01/2014		-		210,059,000		210,059,000	0%	198,243,900	106%

(a). Amounts based on actuarial valuation. No assets existed in the plan at September 30, 2017. The actuarial valuation dated 10/1/2016 was based on a discount rate of 2.0 percent.

#### Required Supplementary Information City of Miami, Florida Other Post Employment Benefits Schedule of Employer Contributions (Unaudited)

Fiscal Year Ended		Employer ontributions (1)	Annual F Contril (AR (2	bution (C)	Percentage of ARC Contributed (1)/(2)
City of Miami Other Pos	st Emplo	yment Benefits	- Non-Polic	<u>e</u>	
9/30/2017	\$	3,551,000	\$ 28	3,248,000	13%
9/30/2016		3,551,000	26	5,952,000	13%
9/30/2015		3,547,000		9,329,000	18%
City of Miami Other Pos	st Emplo	yment Benefits	- Police		
9/30/2017	\$	9,196,000	\$ 62	2,398,000	15%
9/30/2016		8,245,000	58	3,957,000	14%

#### City of Miami, Florida Schedule of Changes in the Net Pension Liability and Related Ratios Firefighters and Police (FIPO) Last Four Fiscal Years (Unaudited)

	2017		2016	2015	2014
Total pension liability		_			
Service cost	\$ 26,279,333		\$ 21,625,163	\$ 19,203,823	\$ 17,233,272
Interest	160,085,065		156,265,650	156,479,438	155,338,970
Changes of benefit terms	122,641,436		-	9,453,429	-
Differences between expected and actual					
experience	16,422,875		12,725,721	(16,970,540)	(6,638,755)
Changes of assumptions	-		30,651,781	14,895,466	-
Benefit payments, including refunds of					
member contributions	(182,692,360)	)	(166,203,470)	(165,535,327)	(139,860,276)
Net change in total pension liability	142,736,349		55,064,845	17,526,289	26,073,211
Total pension liability - beginning	2,222,547,481		2,167,482,636	2,149,956,347	2,123,883,136
Total pension liability - ending	2,365,283,830		2,222,547,481	2,167,482,636	2,149,956,347
Plan fiduciary net position					
Contributions - employer	53,264,009		48,672,615	48,616,677	47,654,757
Contributions - member	13,206,378		12,082,805	9,317,231	9,462,569
Net investment income Benefit payments, including refunds of	150,421,653		132,946,827	35,529,492	133,609,444
member contributions	(182,692,360)	)	(166,203,470)	(165,535,327)	(139,860,276)
Administrative expenses	(2,058,797)	)	(2,029,168)	(2,222,561)	(2,086,240)
Other	292,382		(42,726)	269,771	(42,726)
Net change in plan fiduciary net position	32,433,265		25,426,883	(74,024,717)	48,737,528
Plan fiduciary net position - beginning	1,700,098,500		1,674,671,617	1,748,696,334	1,699,958,806
Plan fiduciary net position - ending	\$ 1,732,531,765		\$ 1,700,098,500	\$ 1,674,671,617	\$ 1,748,696,334
City's net position liability	\$ 632,752,065		\$ 522,448,981	\$ 492,811,019	\$ 401,260,013
Covered-employee payroll	\$ 133,083,231		\$ 106,278,378	\$ 93,705,765	\$ 85,222,842
Net pension liability as a percentage of covered-employee payroll	475.46%	)	491.59%	525.91%	470.84%

Note to Schedule:

This Schedule is presented to illustrate the requirement of GASB 68.

The City implemented GASB No.68 for the fiscal year ended September 30, 2015.

#### City of Miami, Florida Schedule of Changes in the Net Pension Liability and Related Ratios General and Sanitation Employees (GESE) Last Three Fiscal Years (Unaudited)

	2017	2016	2015
Total pension liability			
Service cost	\$ 10,165,542	\$ 9,234,478	\$ 8,678,294
Interest	63,603,300	64,212,607	64,248,602
Changes of benefit terms	-	-	-
Differences between expected and actual experience	8,476,546	(8,035,778)	-
Changes of assumptions	(421,932)	-	-
Benefit payments, including refunds of member			
contributions	(73,827,066)	(73,029,933)	(73,771,095)
Net change in total pension liability	7,996,390	(7,618,626)	(844,199)
Total pension liability - beginning	873,799,058	881,417,684	882,261,883
Total pension liability - ending	881,795,448	873,799,058	881,417,684
Plan fiduciary net position			
Contributions - employer	32,881,500	33,036,318	30,710,096
Contributions - member	9,595,465	8,163,643	7,231,235
Net investment income	60,237,354	1,496,395	65,272,884
Benefit payments, including refunds of member	, ,	, ,	, ,
contributions	(73,827,066)	(73,029,933)	(73,771,095)
Administrative expenses	(233,337)	(176,693)	(265,995)
Other			
Net change in plan fiduciary net position	28,653,916	(30,510,270)	29,177,125
Plan fiduciary net position - beginning	589,051,025	619,561,295	590,384,170
Plan fiduciary net position - ending	\$ 617,704,941	\$ 589,051,025	\$ 619,561,295
City's net position liability	\$ 264,090,507	\$ 284,748,033	\$ 261,856,389
Covered-employee payroll	\$ 81,069,095	\$ 71,924,747	\$ 66,370,246
Net pension liability as a percentage of covered-employee payroll	325.76%	395.90%	394.54%

Note to Schedule:

This Schedule is presented to illustrate the requirement of GASB 68.

The City implemented GASB No.68 for the fiscal year ended September 30, 2015.

#### City of Miami, Florida Schedule of Changes in the Net Pension Liability and Related Ratios General and Sanitation Employees Excess Benefit Plan (GESE Excess) Last Three Fiscal Years (Unaudited)

	2017	2016	2015
Total pension liability			
Service cost	\$ -	\$ -	\$ -
Interest	469,106	392,659	427,362
Changes of benefit terms	-	-	-
Differences between expected and actual experience	(516,393)	3,177,002	763,199
Changes of assumptions	1,459,230	-	-
Benefit payments, including refunds of member			
contributions	(680,534)	(653,302)	(556,805)
Net change in total pension liability	731,409	2,916,359	633,756
Total pension liability - beginning	12,750,481	9,834,122	9,200,366
Total pension liability - ending	13,481,890	12,750,481	9,834,122
Plan fiduciary net position			
Contributions - employer	680,534	648,302	561,805
Contributions - member	-		-
Net investment income	-	-	-
Benefit payments, including refunds of member contributions	(680,534)	(653,302)	(556,805)
Administrative expenses	,	5,000	(5,000)
Other	-	-	-
Net change in plan fiduciary net position	-	-	-
Plan fiduciary net position - beginning	-	-	-
Plan fiduciary net position - ending	\$ -	\$ -	\$ -
City's net position liability	\$ 13,481,890	\$ 12,750,481	\$ 9,834,122
Covered-employee payroll	\$ 81,069,095	\$ 71,924,747	\$ 66,370,246
Net pension liability as a percentage of covered-employee payroll	16.63%	17.73%	14.82%

Note to Schedule:

This Schedule is presented to illustrate the requirement of GASB 68.

The City implemented GASB No.68 for the fiscal year ended September 30, 2015.

#### City of Miami, Florida Schedule of Changes in the Net Pension Liability and Related Ratios General and Sanitation Employees Staff Trust Plan (GESE Staff) Last Three Fiscal Years (Unaudited)

	2017	2016	2015
Total pension liability			
Service cost	\$ 45,464	\$ 43,416	\$ 77,022
Interest	365,280	353,121	345,755
Changes of benefit terms	-	-	-
Differences between expected and actual experience	(686,043)	99,869	-
Changes of assumptions	-	-	-
Benefit payments, including refunds of member			
contributions	(332,554)	 (340,299)	 (311,388)
Net change in total pension liability	(607,853)	156,107	111,389
Total pension liability - beginning	4,972,592	4,816,485	4,705,096
Total pension liability - ending	 4,364,739	 4,972,592	 4,816,485
Plan fiduciary net position			
Contributions - employer	269,054	291,087	291,968
Contributions - member	19,316	19,838	23,377
Net investment income	364,079	(15,614)	338,281
Net investment income	504,075	(13,014)	550,201
Benefit payments, including refunds of member contributions	(332,554)	(340,299)	(311,388)
Administrative expenses	-	-	-
Other	 -	 -	 -
Net change in plan fiduciary net position	319,895	(44,988)	342,238
Plan fiduciary net position - beginning	3,145,336	3,190,324	2,848,086
Plan fiduciary net position - ending	\$ 3,465,231	\$ 3,145,336	\$ 3,190,324
City's net position liability	\$ 899,508	\$ 1,827,256	\$ 1,626,161
Covered-employee payroll	\$ 172,459	\$ 164,547	\$ 298,958
Net pension liability as a percentage of covered-employee payroll	521.58%	1110.48%	543.94%

Note to Schedule:

This Schedule is presented to illustrate the requirement of GASB 68.

The City implemented GASB No.68 for the fiscal year ended September 30, 2015.

#### City of Miami, Florida Schedule of Changes in the Net Pension Liability and Related Ratios Elected Officers Retirement Trust (EORT) Last Four Fiscal Years (Unaudited)

2017 2016 2015 2014 **Total pension liability** Service cost \$ \$ 88,956 \$ 98,028 \$ 257,052 317,610 316,813 304,126 308,476 Interest Changes of benefit terms Differences between expected and actual experience 53,460 (20,969)(2,221)(250,718)Changes of assumptions 228,310 Benefit payments, including refunds of member contributions (318,754) (263, 320)(260, 660)(261, 135)Net change in total pension liability 52,316 140,228 348,835 53,675 Total pension liability - beginning 8,642,267 8,099,529 8,502,039 8,153,204 Total pension liability - ending 8,694,583 8,642,267 8,502,039 8,153,204 Plan fiduciary net position Contributions - employer 406,911 860,089 551,222 Contributions - member Net investment income 54,780 42,971 61,789 (19,893)Benefit payments, including refunds of member contributions (318,754)(263, 320)(260, 660)(261, 135)Administrative expenses (2,400)(2,400)(2,400)(2,400)Other Net change in plan fiduciary net position 140,537 637,340 349,951 (283, 428) Plan fiduciary net position - beginning 6,962,265 6,324,925 5,974,974 6,258,402 Plan fiduciary net position - ending 7,102,802 \$ 6,962,265 5,974,974 \$ \$ 6,324,925 \$ City's net position liability \$ 1,591,781 \$ 1,680,002 \$ 2,177,114 \$ 2,178,230 \$ 103,194 Covered-employee payroll \$ 100,788 \$ \$ 298,788 Net pension liability as a percentage of coveredemployee payroll N/A 1666.87% 2109.73% 729.02%

Note to Schedule:

This Schedule is presented to illustrate the requirement of GASB 68.

The City implemented GASB No.68 for the fiscal year ended September 30, 2015.

	ŭ	City of Miami, Florida Schedule of Contributions - FIPO Last 10 Fiscal Years September 30, 2017 (Unaudited)	ii, Florii butions al Year 30, 2017 ited)	da - FIPO s				
Actuarially determined contribution	\$	FY 2017 53,264,009	S	<b>FY 2016</b> 48,672,615	<b>FY 2015</b> \$ 48,616,677	S	<b>FY 2014</b> 47,305,679	<b>FY 2013</b> \$ 45,412,248
Contributions made in relation to the actuarially determined contribution		53,264,009		48,672,615	48,616,677		47,305,679	45,412,248
Contribution deficiency (excess)	S	I	S	ı	S	S	ı	S.
Covered-employee payroll Contributions as a nercentage of	S	141,497,840	S	133,083,231	\$ 106,278,378	S	93,705,765	\$ 85,222,842
covered-employee payroll		37.64%		36.57%	45.74%		50.48%	53.29%
		FY 2012		FY 2011	FY 2010		FY 2009	FY 2008
Actuarially determined contribution Contributions made in relation to the actuarially determined	S	47,418,316	S	47,156,797	\$ 59,025,379	S	36,993,395	\$ 36,040,251
contribution contribution Contribution deficiency (excess)	\$	47,418,316	S	47,156,797 -	59,025,379 \$ -	S	36,993,395 -	36,040,251 \$
			•			•		
Covered-employee payroll	\$	82,205,838	\$	82,164,617	\$ 80,152,355	S	122,212,346	\$ 129,369,531
covered-employee payroll		57.68%		57.39%	73.64%		30.27%	27.86%
The following actuarial methods and assumptions were used to determine contribution rates for Fiscal Year 2017, as reported in the Schedule of Contributions above:	ne contrik	ution rates for Fisc	al Year 2(	017, as reported				
Valuation date:	Octob	October 1, 2016						
Actuarial cost method: Asset valuation method:	Aggre 20% V assets	Aggregate Cost Method 20% Write-Up Method: Expected actuarial value of assets, adjusted by 20% of the difference between expected actual value	xpected and the diff	actuarial value of erence between al market value				
	(net o	(net of pending transfers to the COLA Fund)	to the CC	DLA Fund)				
Actuarial Assumptions:								
Interest rates Inflation	7.42% 3.25%	7.42% net of investment expenses 3 25%	expenses					
Projected salary increases	1.5% 1 merit	1.5% for promotions and other increase plus salary	other inc	crease plus salary				
Expense and or Contingency Loading	\$2,086,709	5,709						

	š	City of Miami, Florida Schedule of Contributions - GESE Last 10 Fiscal Years September 30, 2017 (Unaudited)	i, Florid butions - al Years 30, 2017 ted)	la - GESE					
		FY 2017		FY 2016	щ	FY 2015		FY 2014	FY 2013
Actuarially determined contribution Contributions made in relation to the actuarially determined	S	32,881,500	S	33,036,318	S	30,710,096	S	25,568,193	\$ 25,784,849
contribution		32,881,500		33,036,318		30,710,096		25,568,193	25,784,849
Contribution deficiency (excess)	S	1	S		÷	I	S	1	، ج
Covered-employee payroll	↔	81,069,095	S	71,924,747	S	66,370,246	S	64,391,195	\$ 65,509,421
covered-employee payroll		40.56%		45.93%		46.27%		39.71%	39.36%
		FY 2012		FY 2011	Ĩ	FY 2010		FY 2009	FY 2008
Actuarially determined contribution	\$	20,420,995	÷	24,037,093	S	23,191,828	S	22,762,902	\$ 24,229,028
Contributions made in relation to the actuarianty determined contribution		20,420,995	S	24,037,093		23,191,828		22,762,902	24,229,028
Contribution deficiency (excess)	S		÷		÷	'	S	'	•
Covered-employee payroll	S	70,825,712	S	92,746,558	↔	93,703,886	S	82,052,702	\$ 75,609,062
controlling as a purchase of covered-employee payroll		28.83%		25.92%		24.75%		27.74%	32.05%
The following and the sheet of the second	distance oni	hotsees and TOC and Instantian onion		L se recerced					

The following actuarial methods and assumptions were used to determine contribution rates for Fiscal Year 2017, as reported in the Schedule of Contributions above:

Valuation date: Actuarial cost method:	October 1, 2015 Entry Age Normal
Amortization method: Bemaining amortization pariod	Level percent, closed
Asset valuation method: Actuarial Assumptions:	5-Year Smoothed Market
Investment rate of return	7.6%
Projected salary increases	4% to 8.75%
Payroll Growth	3.0%
Includes inflation at	3.5%

	Sche	City of Miami, Florida Schedule of Contributions - GESE Excess Last 10 Fiscal Years September 30, 2017 (Unaudited)	mi, Flo ıtions - scal Ye: r 30, 20 dited)	rida GESE Excess ars 17					
Actuarially determined contribution Contributions made in relation to the actuarially determined	<del>s</del>	FY 2017 914,859	÷	FY 2016 947,666	FY \$	<b>FY 2015</b> 722,999	\$	FY 2014 665,659	<b>FY 2013</b> \$ 606,589
contribution Contribution deficiency (excess)	8	680,534 234,325	S	648,302 299,364	\$	<u>561,805</u> 161,194	÷	523,398 142,261	514,908 \$ 91,681
Covered-employee payroll Contributions as a percentage of	\$	81,069,095	\$	71,924,747	\$ 66	66,370,246	\$	64,391,195	\$ 65,509,421
covered-employee payroll		0.84%		%06.0		0.85%		0.81%	0.79%
Actuarially determined contribution	5	FY 2012 585 357	÷.	FY 2011 625 530	FY \$	FY 2010 566.046	_~	FY 2009 898 149	FY 2008 \$ 873 371
Contributions made in relation to the actuarially determined	9	100,000	9	CCC,CZD	÷	010,000	9	146.016	
Contribution deficiency (excess)	S	179,114	S	285,937	S	101,721	S	440,210	\$ 347,119
Covered-employee payroll	S	70,825,712	\$	92,746,558	\$ 93	93,703,886	S	82,052,702	\$ 75,609,062
contrubutions as a percentage of covered-employee payroll		0.57%		0.37%		0.50%		0.54%	0.63%
The following actuarial methods and assumptions were used to detreported in the Schedule of Contributions above:	ermine co	determine contribution rates for Fiscal Year 2017, as	r Fiscal Y	ear 2017, as					
Valuation date: Actuarial cost method: Amortization method: Remaining amortization period: Asset valuation method: Actuarial Assumptions: Investment rate of return Projected salary increases Includes inflation at	October 1, 2 Entry Age Nc Level dollar i 15 years Not Applicak 7.60% 3.5%	October 1, 2015 Entry Age Normal Level dollar amounts, closed 15 years Not Applicable, the plan has 7.60% 3.5% 3.5%	ed as no ass	October 1, 2015 Entry Age Normal Level dollar amounts, closed 15 years Not Applicable, the plan has no assets for investment 7.60% 3.5% 3.5%					

	Sch	City of Miami, Florida Schedule of Contributions - GESE Staff Last 10 Fiscal Years September 30, 2017 (Unaudited)	mi, Flor utions - scal Yez r 30, 20 dited)	ida GESE Staff urs 17						
		FY 2017		FY 2016	щ	FY 2015		FY 2014	Ξ.	FY 2013
Actuarially determined contribution Contributions made in relation to the actuarially determined	s	269,054	\$	291,087	Ś	291,968	S	219,774	Ś	226,793
contribution		269,054		291,087		291,968		219,774		226,793
Contribution deficiency (excess)	\$	ı	\$	1	\$	1	\$	1	S	1
Covered-employee payroll	\$	172,459	\$	164,547	S	298,958	\$	354,937	\$	735,056
Controutions as a percentage of covered-employee payroll		156.01%		176.90%		97.66%		61.92%		30.85%
		FY 2012		FY 2011		FY 2010		FY 2009	H	FY 2008
Actuarially determined contribution	S	164,490	\$	132,542	S	159,837	S	109,163	S	57,995
Contributions made in relation to the actualianty determined contribution		164,490		133,487		159,837		109,163		57,995
Contribution deficiency (excess)	÷	I	S	(945)	S		S		S	
Covered-employee payroll	S	842,955	S	738,898	S	632,259	S	734,116	S	643,770
Contributions as a percentage of covered-employee payroll		19.51%		18.07%		25.28%		14.87%		9.01%
The following actuarial methods and assumptions were used to determine contribution rates for Fiscal Year 2017, as reported in the Schedule of Contributions above:	ermine co	ntribution rates fo	r Fiscal Y	ear 2017, as						
Valuation date: Actional cost mathod:	Octobe	October 1, 2015 Entry And Normal								

October 1, 2015	Entry Age Normal	Level dollar amounts, closed	1 to 20 years	3 year smoothed market		7.60%	6.00%	3.50%	
Valuation date:	Actuarial cost method:	Amortization method:	Remaining amortization period:	Asset valuation method:	Actuarial Assumptions:	Investment rate of return	Projected salary increases	Includes inflation at	

		City of Miami, Florida Schedule of Contributions - EORT Last 6 Fiscal Years September 30, 2017 (Unaudited)	of Miami, Fl Contributio t 6 Fiscal Ye tember 30, 2 (Unaudited)	orida .ns - EORT ars 017						
		FY 2017		FY 2016	Η	FY 2015		FY 2014		FY 2013
Actuarially determined contribution Contributions made in relation to the actuarially determined	\$	406,911	\$	469,450	S	390,314	S	570,348	÷	488,713
contribution	e	406,911	e	860,089	e	551,222	e	-	e	1,054,965
Contribution derictency (excess)	A		A	(450,045)	<b>A</b>	(100,908)	•	845,U/C	A	(707,000)
Covered-employee payroll Contributions as a nercentage of	Ś	ı	\$	100,788	S	103,194	S	298,788	\$	335,952
covered-employee payroll		N/A		853.36%		534.16%		0.00%		314.02%
		FY 2012		FY 2011						
Actuarially determined contribution Contributions made in relation to the actuarially determined	S	566,252	S	431,995						
contribution		432,170		962,677						
Contribution deficiency (excess)	÷	134,082	S	(530,682)						
Covered-employee payroll	S	209,260	S	209,260						
Contributions as a percentage of covered-employee payroll		206.52%		460.04%						
Actuarial valuation reports prior to 2010 are not available.										
The following actuarial methods and assumptions were used to determine contribution rates for Fiscal Year 2016, as reported in the Schedule of Contributions above:	ermine (	ontribution rates	for Fiscal	Year 2016, as						
Valuation date:	Janua	January 1, 2017								
Actuarial cost method:	Proje	Projected Unit Credit Cost Method	ost Metho	рс						
Amortization method: Remaining amortization neriod:	Level 5 to 9	Level dollar, closed 5 to 9 vears								
Equivalent single amortization period:	8 years	s S								
Asset valuation method: Actuarial Assumptions:	Mark	Market Value								
Investment rate of return	3.75%									
Projected salary increases	None									
Payroll Growth	None									
Includes inflation at	2.50%									
Cost of living adjustments	None									

# City of Miami, Florida Schedule of Investment Returns Last 3 Fiscal Years September 30, 2017 (Unaudited)

# Annual money-weighted rate of return, net of investment expense

Elected	Officers	Retirement	Trust	(EORT)	0.81%	0.65%	0.93%
<b>General and</b>	Sanitation	Employees	Staff Trust Plan	(GE <u>SE Staff P</u> lan)	11.80%	-0.40%	12.10%
<b>General and</b>	Sanitation	Employees	<b>Excess Benefit</b>	(GES <u>E Excess</u> Plan)	Not applicable (a)	Not applicable (a)	Not applicable (a)
	<b>General and</b>	Sanitation	Employees	(GESE)	10.60%	0.23%	11.20%
	Firefighters	and	Police	(FIPO)	9.22%	9.70%	1.84%
			Year Ended	September 30,	2017	2016	2015

Note to Schedule:

This Schedule is presented to illustrate the requirement of GASB 68. This Schedule will present 10 years as information becomes available (a) The GESE Excess Plan has no assets

155

# SPECIAL REVENUE FUNDS

Special Revenue Funds are used to account for special revenues that are legally restricted to expenditures for specified purposes.

# **Community Redevelopment Agency (OMNI CRA)**

To account for revenues and expenditures to be used for general operations in the defined OMNI Community Redevelopment Area.

# **Community Redevelopment Agency (Midtown CRA)**

To account for revenues and expenditures to be used for special operations in the defined Midtown Community Redevelopment Area.

# **Community Redevelopment Agency (SEOPW)**

To account for revenues and expenditures to be used for special operations in the defined Southeast Overtown Park West Community Redevelopment Area.

# **Homeless Program**

To account for the activities of the City's homeless program.

# **Community Development**

To account for the proceeds from the Federal government under the U.S. Department of Housing and Urban Development.

# **Housing Choice Vouchers**

To account for the monies received for administration and assistance to be provided in accordance with Section 8 of the U.S. Housing Act of 1937, as amended under the Choice Housing Voucher Program.

# State Housing Initiatives Program (SHIP)

To account for the monies received from the State of Florida Housing Finance Corporation to used to provide home ownership and rental housing programs at the local level.

# **Convention Center**

To account for the operations of the City of Miami/ University of Miami James L. Knight International Center and Parking Garage.

# SPECIAL REVENUE FUNDS

# **Economic Development & Planning Services**

To account for the operations of the Economic Development and Planning Services.

# **NET Offices**

To account for the operations of the City's Neighborhood Enhancement Teams (NET Offices).

# **Parks & Recreation Services**

To account for the operations of the Parks and Recreation Services.

#### **Police Services**

To account for the proceeds of various grants from Local, State, and Federal Agencies that are expended for police activities.

#### Law Enforcement Trust

To account for confiscated monies awarded to the City for law enforcement related expenditures as stipulated by State Statutes.

# **Public Works Services**

To account for the proceeds granted from Local and State Agencies to be used for maintenance of streets, highways, sidewalks and infrastructure.

# **City Clerk Services**

To account for the operations of the Passport Facility, Municipal Archives and Records, and related programs.

# **Emergency Services Fund**

This Special Revenue Fund accounts for grants and FEMA reimbursements related to disasters. Additionally, this fund accounts for non-disaster related reimbursable expenditures.

# **Fire Rescue Services**

To account for the grants revenues and expenditures which supplement the City's emergency Fire Rescue operations

# SPECIAL REVENUE FUNDS

# **General Special Revenue**

To account for activities that are designated as special revenue which do not fall into one of the previous special revenue categories.

# **Departmental Improvement Initiatives**

To account for the funds designated for the City of Miami initiatives related to quality of life and technology.

# **Transportation and Transit**

To account for the operations of the City's transit and transportation projects.

# **Miami Ballpark Parking Facility**

To account for the operations of the Miami Ballpark Parking Facility.

# **Liberty City Revitalization Trust**

To account for the revitalization efforts for the redevelopment of the Liberty City Community Revitalization District.

# Virginia Key Beach Park Trust

To account for the activities to preserve, restore, and maintain the Historic Virginia Key Beach Park.

# Solid Waste Recycling Trust

To account for funds received through the recycling program that are utilized to pay for scholarships annually to educational institutions for Solid Waste employees and for the children or legal dependents of Solid Waste employees.

# **DEBT SERVICE FUNDS**

Debt Service Funds are used to account for the accumulation of resources, payments of general obligation bond principal, interest from government resources, special obligation bond principal and interest from pledged revenues when the government is obligated in some manner for the payment.

#### **General Obligation Bonds**

To account for monies for payment of principal, interest, and other costs related to various issues of long-term general obligation bonds. Debt Service is financed primarily by an ad valorem tax.

# **SEOPW CRA Other Special Obligation Bonds**

To account for monies for payment of principal, interest, and other costs related to various CRA special obligation bonds and loans.

# **CAPITAL PROJECTS FUNDS**

Capital Projects Funds are used to account for the acquisition and construction of major capital facilities.

# **SEOPW Community Redevelopment Agency**

To account for the acquisition or construction of major capital facilities for community redevelopment in the defined Community Redevelopment Area.

# **Transportation and Transit**

To account for expenditures for the improvement to infrastructure that enhances transportation options, improves safety, and increases mobility within city limits.

# **General Obligation Bond Projects (G.O.B.)**

To account for the receipt and disbursement of bond proceeds from general obligation debt to be used for constructions and/or acquisition activities for the City.

# Special Obligation Bond Projects (S.O.B.)

To account for the receipt and disbursement of bond proceeds from special obligation debt and loan agreements to be used for constructions and/or acquisition activities for the City.

	Omni CRA	SEOPW CRA	Homeless Program	Community Development	Housing Choice Vouchers
Assets					
Pooled Cash, Cash Equivalents, and Investments	\$ 6,617,611	\$ 26,066,868	\$ -	\$ 14,385,227	\$ 228,005
Restricted Cash, Cash Equivalents, and Investments	-	-	-	-	-
Receivables (Net of Allowance for Uncollectibles):					
Loans Receivable	-	-	-	1,794	-
Accounts Receivable	61,200	34,744	-	-	-
Property Tax	-	-	-	-	-
Due From Other Governments	-	481,451	1,079,070	3,437,347	-
Accrued Interest	18,404	40,638	-	5,220	(12)
Prepaids	-	-	-	-	-
Other Assets	-	181,788	-	-	-
Total Assets	\$ 6,697,215	\$ 26,805,489	\$ 1,079,070	\$ 17,829,588	\$ 227,993
Liabilities and Fund Balances					
Liabilities:					
Accounts Payable and Accrued Liabilities	3,142,049	2,197,323	94,590	2,005,238	11,170
Other Liabilities	-	-	-	4,224	-
Due to Other Funds	-	-	571,662	552,559	-
Due to Other Governments	-	-	-	1,681,999	-
Unearned Revenue	-	-	-	-	-
Deposits	-	14,961	-	78,823	-
Total Liabilities	3,142,049	2,212,284	666,252	4,322,843	11,170
Deferred Inflows of Resources					
Revenue Received in Advance	-	-	-	-	-
Unavailable Revenue - Other	-	-	-	-	-
Total Deferred Inflows of Resources	-	-	-	-	
Fund Balances (Deficit):					
Non-Spendable Fund Balance					
Non Spendable					
Spendable Fund Balance	-	-	-	-	-
Restricted	3,555,166	24,593,205	412,818	6,432,853	216,823
Committed	5,555,100		-+12,010	7,073,892	210,023
Assigned	-	-	-	1,015,072	-
Unassigned	-	-	-	-	-
Total Fund Balances	3,555,166	24,593,205	412,818	13,506,745	216,823
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 6,697,215	\$ 26,805,489	\$ 1,079,070	\$ 17,829,588	\$ 227,993

		S	pecial Revenue Funds		
	SHIP	Convention Center	Economic Development & Planning Services	NET Offices	Parks & Recreation Services
Assets					
Pooled Cash, Cash Equivalents, and Investments	\$ 1,206,465	\$ 1,119,368	\$ 17,263,215	\$ 1,676,012	\$ 3,304,023
Restricted Cash, Cash Equivalents, and Investments	-	-	-	-	-
Receivables (Net of Allowance for Uncollectibles):					
Loans Receivable	-	-	-	-	-
Accounts Receivable	-	-	138,636	2,408	228
Property Tax	-	-	-	-	-
Due From Other Governments	-	-	-	-	2,261
Accrued Interest	675	-	-	-	-
Prepaids	-	-	-	-	-
Other Assets		-	-	-	-
Total Assets	\$ 1,207,140	\$ 1,119,368	\$ 17,401,851	\$ 1,678,420	\$ 3,306,512
Liabilities and Fund Balances					
Liabilities:					
Accounts Payable and Accrued Liabilities	100,194	606	101,876	11,478	19,876
Other Liabilities	-	-	-	-	-
Due to Other Funds	-	-	-	-	-
Due to Other Governments	-	-	-	-	-
Unearned Revenue	18,000	-	-	-	-
Deposits	-	-	-	324	-
Total Liabilities	118,194	606	101,876	11,802	19,876
Deferred Inflows of Resources					
Revenue Received in Advance	-	-	-	-	-
Unavailable Revenue - Other	-	-	-	-	-
Total Deferred Inflows of Resources		-	-	-	-
Fund Balances (Deficit):					
Non-Spendable Fund Balance					
Non Spendable	-	-	-	-	-
Spendable Fund Balance					
Restricted	1,088,946	-	62,790	13,405	1,739,145
Committed	-	1,118,762	15,566,027	1,641,056	1,044,813
Assigned	-	-	1,671,158	12,157	502,678
Unassigned					
Total Fund Balances	1,088,946	1,118,762	17,299,975	1,666,618	3,286,636
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 1,207,140	\$ 1,119,368	\$ 17,401,851	\$ 1,678,420	\$ 3,306,512

			Special Revenue Funds		
	Police Services		Public Works Services	City Clerk Services	Emergency Services
Assets					
Pooled Cash, Cash Equivalents, and Investments	\$ 6,088,405	\$ 1,543,596	\$ 11,938,243	\$ 1,006,174	\$ 5,251,076
Restricted Cash, Cash Equivalents, and Investments	-			-	-
Receivables (Net of Allowance for Uncollectibles):					
Loans Receivable	-			-	-
Accounts Receivable	984,357	· -	- 200	-	-
Property Tax	-			-	-
Due From Other Governments	535,430			-	-
Accrued Interest	3,901	1,715	485	-	-
Prepaids	1,047	· -		-	-
Other Assets	-			-	-
Total Assets	\$ 7,613,140	\$ 1,545,311	\$ 11,938,928	\$ 1,006,174	\$ 5,251,076
Liabilities and Fund Balances					
Liabilities:					
Accounts Payable and Accrued Liabilities	686,192	39,107	601,364	3,964	5,469,338
Other Liabilities	-		· -	-	-
Due to Other Funds	849,351	-		-	-
Due to Other Governments	-			-	-
Unearned Revenue	-			-	-
Deposits	-	112,413	-	-	-
Total Liabilities	1,535,543			3,964	5,469,338
Deferred Inflows of Resources					
Revenue Received in Advance	-		51,502	-	-
Unavailable Revenue - Other	359,800		· -	-	-
<b>Total Deferred Inflows of Resources</b>	359,800		51,502	-	-
Fund Balances (Deficit):					
Non-Spendable Fund Balance					
Non Spendable	-			-	-
Spendable Fund Balance					
Restricted	3,339,932	1,393,791		-	-
Committed	2,377,865	-	10,696,808	1,002,210	-
Assigned	-			-	-
Unassigned				-	(218,262)
Total Fund Balances	5,717,797	1,393,791	11,286,062	1,002,210	(218,262)
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 7,613,140	\$ 1,545,311	\$ 11,938,928	\$ 1,006,174	\$ 5,251,076

		;	Special Revenue Funds	•	
	Fire Rescue Services	General Special Revenues	Departmental Improvement Initiatives	Transportation & Transit	Miami Ballpark Parking Facilities
Assets	<b>* •</b> • • • • • • •	<b>•</b> • • • • • • • • •	<b>*</b> • • • • • • • • • •	<b>•</b> • <b>- •</b> • • • •	<b>*</b> • • • • • • • • • •
Pooled Cash, Cash Equivalents, and Investments Restricted Cash, Cash Equivalents, and Investments Receivables (Net of Allowance for Uncollectibles): Loans Receivable	\$ 2,138,913 - -	\$ 1,476,215 - -	\$ 9,682,923 - -	\$ 4,739,982	\$ 1,648,098
Accounts Receivable	901	4	324,968	-	2,039,948
Property Tax	-	-	-	-	-
Due From Other Governments	3,807,432	-	75,456	5,375,554	-
Accrued Interest	71	-	-	17,386	-
Prepaids	21,897	-	_		-
Other Assets	,-,-,-	-	_	-	-
Total Assets	\$ 5,969,214	\$ 1,476,219	\$ 10,083,347	\$ 10,132,922	\$ 3,688,046
Liabilities and Fund Balances					
Liabilities:					
Accounts Payable and Accrued Liabilities Other Liabilities	2,661,297	778,402	512,609	1,771,216	518,629
Due to Other Funds	633,567	-	-	-	-
Due to Other Governments	-	-	-	-	-
Unearned Revenue	-	-	-	-	-
Deposits	-	-	-	-	-
Total Liabilities	3,294,864	778,402	512,609	1,771,216	518,629
Deferred Inflows of Resources					
Revenue Received in Advance	-	-	-	-	-
Unavailable Revenue - Other		-	_	2,480,000	-
Total Deferred Inflows of Resources				2,480,000	
Fund Balances (Deficit):					
Non-Spendable Fund Balance					
Non Spendable	21,897	-	_	-	-
Spendable Fund Balance	21,077	-	-	-	-
Restricted	2,576,378	697,817	6,835,844	5,881,706	3,169,417
Committed	76,075		2,734,894		
Assigned		-		-	-
Unassigned	-	-		-	-
Total Fund Balances	2,674,350	697,817	9,570,738	5,881,706	3,169,417
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 5,969,214	\$ 1,476,219			\$ 3,688,046

			Revenue Inds		Debt Service Funds
	Liberty City Revitalization Trust	Virginia Key Beach Park Trust	Solid Waste RecyclingTrust	Total Special Revenue	General Obligation Bonds
Assets			l C		
Pooled Cash, Cash Equivalents, and Investments	\$ 276,670	\$ 99,179	\$ 1,138,522	\$ 118,894,790	\$ -
Restricted Cash, Cash Equivalents, and Investments	-	24,170	-	24,170	7,600,020
Receivables (Net of Allowance for Uncollectibles):					
Loans Receivable	-	-	-	1,794	-
Accounts Receivable	-	-	-	3,587,594	6,736
Property Tax	-	-	-	-	229,413
Due From Other Governments	90,000	-	-	14,884,001	-
Accrued Interest	71	4	384	88,942	-
Prepaids	-	-	-	22,944	-
Other Assets		377	_	182,165	
Total Assets	\$ 366,741	\$ 123,730	\$ 1,138,906	\$ 137,686,400	\$ 7,836,169
Liabilities and Fund Balances					
Liabilities:					
Accounts Payable and Accrued Liabilities	35,417	100,617	6,000	20,868,552	4,560
Other Liabilities	-	-	-	4,224	-
Due to Other Funds	-	-	-	2,607,139	2,021,380
Due to Other Governments	-	-	-	1,681,999	-
Unearned Revenue	-	-	-	18,000	-
Deposits	-	-	-	206,521	-
Total Liabilities	35,417	100,617	6,000	25,386,435	2,025,940
Deferred Inflows of Resources					
Revenue Received in Advance	-	-	-	51,502	-
Unavailable Revenue - Other	-	-	-	2,839,800	229,413
Total Deferred Inflows of Resources		-	-	2,891,302	229,413
Fund Balances (Deficit):					
Non-Spendable Fund Balance			1 000 000		
Non Spendable	-	-	1,000,000	1,021,897	-
Spendable Fund Balance				(a a	
Restricted	331,324	23,113	-	62,953,727	5,580,816
Committed	-	-	132,906	43,465,308	-
Assigned	-	-	-	2,185,993	-
Unassigned		-	-	(218,262)	
Total Fund Balances Total Liabilities, Deferred Inflows of Resources and	331,324	23,113	1,132,906	109,408,663	5,580,816
Fund Balances	\$ 366,741	\$ 123,730	\$ 1,138,906	\$ 137,686,400	\$ 7,836,169

			Capital l Fur		
-	Total Debt Service	SEOPW Community Redevelopment7 Agency		Special Obligation Bonds Projects H	General Obligation Bonds Projects
Assets					
Pooled Cash, Cash Equivalents, and Investments	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted Cash, Cash Equivalents, and Investments	7,600,020	11,825,228	31,626,412	19,766,287	1,479,229
Receivables (Net of Allowance for Uncollectibles):					
Loans Receivable	-	-	-	-	-
Accounts Receivable	6,736	-	-	-	-
Property Tax	229,413	-	-	-	-
Due From Other Governments	-	-	-	-	-
Accrued Interest	-	-	-	19,510	18,985
Prepaids	-	-	-	-	-
Other Assets			-	-	
Total Assets	\$ 7,836,169	\$ 11,825,228	\$ 31,626,412	\$ 19,785,797	\$ 1,498,214
Liabilities and Fund Balances					
Liabilities:					
Accounts Payable and Accrued Liabilities	4,560	-	814,304	3,818,952	-
Other Liabilities	-	-	-	-	-
Due to Other Funds	2,021,380	-	-	222,703	-
Due to Other Governments	-	-	-	-	-
Unearned Revenue	-	-	-	-	-
Deposits			-	-	
Total Liabilities	2,025,940	-	814,304	4,041,655	<u>-</u>
Deferred Inflows of Resources					
Revenue Received in Advance	-	-	-	-	-
Unavailable Revenue - Other	229,413	-	-	-	-
<b>Total Deferred Inflows of Resources</b>	229,413		-	-	
Fund Balances (Deficit):					
Non-Spendable Fund Balance					
Non Spendable	-	-	-	-	-
Spendable Fund Balance					
Restricted	5,580,816	11,825,228	30,812,108	15,744,142	1,498,214
Committed	-	-	-	-	-
Assigned	-	-	-	-	-
Unassigned			-	-	-
Total Fund Balances	5,580,816	11,825,228	30,812,108	15,744,142	1,498,214
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 7,836,169	\$ 11,825,228	\$ 31,626,412	\$ 19,785,797	\$ 1,498,214

-	Total Capital Projects	Total Non- Major Governmental Funds
Assets		
Pooled Cash, Cash Equivalents, and Investments	\$ -	\$ 118,894,790
Restricted Cash, Cash Equivalents, and Investments	64,697,156	72,321,346
Receivables (Net of Allowance for Uncollectibles):		
Loans Receivable	-	1,794
Accounts Receivable	-	3,594,330
Property Tax	-	229,413
Due From Other Governments	-	14,884,001
Accrued Interest	38,495	127,437
Prepaids	-	22,944
Other Assets		182,165
Total Assets	\$ 64,735,651	\$ 210,258,220
Liabilities and Fund Balances		
Liabilities:		
Accounts Payable and Accrued Liabilities	4,633,256	25,506,368
Other Liabilities	-	4,224
Due to Other Funds	222,703	4,851,222
Due to Other Governments	-	1,681,999
Unearned Revenue	-	18,000
Deposits		206,521
Total Liabilities	4,855,959	32,268,334
Deferred Inflows of Resources		
Revenue Received in Advance	-	51,502
Unavailable Revenue - Other		3,069,213
<b>Total Deferred Inflows of Resources</b>		3,120,715
Fund Dalangas (Daficid):		
Fund Balances (Deficit):		
Non-Spendable Fund Balance		1 021 007
Non Spendable	-	1,021,897
Spendable Fund Balance	50.070 (02	100 414 005
Restricted	59,879,692	128,414,235
Committed	-	43,465,308
Assigned	-	2,185,993
Unassigned		(218,262)
Total Fund Balances Total Liabilities, Deferred Inflows of Resources and	59,879,692	174,869,171
Fund Balances	\$ 64,735,651	\$ 210,258,220

			Special R Fund			
	Omni CRA M	Midtown CRA S	SEOPW CRA	Homeless Program	Community Development	Housing Choice Vouchers
Revenues						
Property Taxes	\$ 18,129,129	\$ 5,143,195	\$ 18,314,449	\$ -	\$ -	\$-
Licenses and Permits	-	-	-	-	-	-
Fines and Forfeitures	-	-	-	-	-	-
Intergovernmental Revenues	-	-	761,342	2,368,401	21,110,584	2,247,405
Charges for Services	-	-	-	-	411,549	-
Investment Earnings (Loss)	174,997	-	312,961	-	8,042	-
Other	609,028	-	649,700	-	-	_
Total Revenues	18,913,154	5,143,195	20,038,452	2,368,401	21,530,175	2,247,405
Expenditures						
Current Operating:						
General Government	-	-	-	2,939,314	-	-
Planning and Development	-	-	-	-	89,550	-
Community Development	-	-	-	7,321	21,535,970	2,223,246
Community Redevelpment Areas	11,759,082	5,096,563	12,872,722	-	-	-
Public Works	-	-	-	-	-	-
Public Safety	-	-	-	-	-	-
Public Facilities	-	-	-	-	-	-
Parks and Recreation	-	-	-	-	-	-
Debt Service:						
Principal	-	-	-	-	-	-
Interest and Other Charges	-	-	-	-	-	-
Capital Outlay	4,516,869	-	3,260,528	11,667	19,422	-
Total Expenditures	16,275,951	5,096,563	16,133,250	2,958,302	21,644,942	2,223,246
Excess (Deficiency) of Revenues		, ,	, ,	, ,		
Over (Under) Expenditures	2,637,203	46,632	3,905,202	(589,901)	(114,767)	24,159
Other Financing Sources (Uses)						
Transfers In	49,466	5,668	-	925,900	306,000	-
Transfers Out	(6,910,563)	(49,466)	(9,355,094)	-	-	-
Proceeds Received from Refunding	-	-	-	-	-	-
Payment To Escrow Agent For Refunding Issuance of Debt	-	-	-	-	-	-
Discount from Issuance of Debt	-	-	-	-	-	
Total Other Financing Sources (Uses)	(6,861,097)	(43,798)	(9,355,094)	925,900	306,000	
Net Changes in Fund Balances	(4,223,894)	2,834	(5,449,892)	335,999	191,233	24,159
Fund Balances (Deficit) - Beginning	7,779,060	(2,834)	30,043,097	76,819	13,315,512	192,664
Fund Balances (Deficit) - Ending	\$ 3,555,166					

	Special Revenue Funds						
	SHIP	Convention Center	Economic Development & Planning Services	NET Offices	Parks & Recreation Services	Police Services	
Revenues							
Property Taxes	\$ -	\$	- \$ -	\$ -	\$	- \$ -	
Licenses and Permits	-		- 51,800	-	286,000	) -	
Fines and Forfeitures	-			3,450			
Intergovernmental Revenues	1,778,025			-	787,350	5,132,971	
Charges for Services	-		- 2,287,133	45,084		- 159,469	
Investment Earnings (Loss)	3,887		- 786	39		- 25,269	
Other	305,928		- 124,292	-	70,450	) -	
Total Revenues	2,087,840		- 2,464,011	48,573	1,143,800		
Expenditures							
Current Operating:							
General Government	-		- 37,601	-			
Planning and Development	-		- 254,561	-			
Community Development	2,055,431			-			
Community Redevelpment Areas	-			-			
Public Works	-			-			
Public Safety	-			-		- 7,369,690	
Public Facilities	-			-			
Parks and Recreation	-			-	777,263	3 -	
Debt Service:					,		
Principal	-			-			
Interest and Other Charges	-			_			
Capital Outlay	_		- 101,586	_	177,080	422,518	
Total Expenditures	2,055,431		- 393,748		954,343		
Excess (Deficiency) of Revenues	2,035,451		- 575,740		<i>73</i> <b>-</b> , <i>3</i> <b>-</b> ,	1,172,200	
Over (Under) Expenditures	32,409		- 2,070,263	48,573	189,457	7 (2,474,499)	
Other Financing Sources (Uses)							
Transfers In	-		- 115,600	-	45,800	5,035,000	
Transfers Out	-	(5,537,400					
Proceeds Received from Refunding	-			-			
Payment To Escrow Agent For Refunding	-			-			
Issuance of Debt	-			-			
Discount from Issuance of Debt				-			
Total Other Financing Sources (Uses)		(5,537,400	) (1,986,614)	-	45,800	5,035,000	
Net Changes in Fund Balances	32,409	(5,537,400	) 83,649	48,573	235,257	2,560,501	
Fund Balances (Deficit) - Beginning	1,056,537	6,656,162	2 17,216,326	1,618,045	3,051,379	3,157,296	
Fund Balances (Deficit) - Ending	\$ 1,088,946	\$ 1,118,762	2 \$ 17,299,975	\$ 1,666,618	\$ 3,286,636	5 \$ 5,717,797	

Law Function         Function         Public Works Services         City Clerk Services         Emergency Services         Fire Rescue Services         General Services           Property Taxes         \$ </th <th></th> <th colspan="8">Special Revenue Funds</th>		Special Revenue Funds							
Property Taxes       S		Enforcement		City Clerk	Emergency		Special		
Leones and Permits         -         150,978         -         -         -           Fines and Forfeitures         407,720         - <t< td=""><td>Revenues</td><td></td><td></td><td></td><td></td><td></td><td></td></t<>	Revenues								
Fines and Forfeitures       407,720       -	Property Taxes	\$ -	\$ -	\$ -	\$ -	\$-	\$ -		
Intergovermental Revenues       -       -       -       316,320       5,929,811       1,054,005         Charges for Services       -       -       -       -       727         Investment Famings (Loss)       4,386       -       -       727         Other       -       -       -       16,830       492,603         Total Revenues       412,106       6,464,090       207,262       316,320       5,957,013       1,546,612         Expenditures       -       -       -       -       16,830       492,603         Current Operating:       -	Licenses and Permits	-	150,978	-	-	-	-		
Charges for Services       -       6,313,112       207,262       -       9,645         Investment Earnings (Loss)       4,386       -       -       727         Other       -       -       16,830       4926,903       4926,903         Total Revenues       412,106       6,464,090       207,262       316,320       5,957,013       1,546,612         Expenditures       -       -       -       16,830       4926,903       4926,903         Current Operating:       -       -       -       -       -       -         Community Development       -       -       -       -       -       -         Community Redevelpment Areas       -	Fines and Forfeitures	407,720		-	-	-	-		
Investment Earnings (Loss)       4,386       -       -       727         Other       -       -       -       16,830       492,603         Total Revenues       412,106       6,464,090       207,262       316,320       5,957,013       1,546,612         Expenditures         Current Operating:       -	Intergovernmental Revenues	-		-	316,320	5,929,811	1,054,009		
Other         -         -         -         -         16,830         492,603           Total Revenues         412,106         6,646,090         207,262         316,320         5,957,013         1,546,612           Expenditures         -         -         119,768         28,339         -         1,995,046           Current Operating:         -	Charges for Services	-	6,313,112	207,262	-	9,645	-		
Total Revenues         412,106         6,464,090         207,262         316,320         5,957,013         1,546,613           Expenditures           Current Operating:         General Government         -         -         119,768         28,339         -         1,995,045           Planning and Development         -	Investment Earnings (Loss)	4,386	-	-	-	727	-		
Expenditures           Current Operating:           General Government         -         119,768         28,339         -         1,995,045           Planning and Development         -         -         2,950         -         -           Community Development         -         -         2,950         -         -         -           Public Works         -         2,490,722         -         4,784,810         -         1,697           Public Safety         755,415         -         -         32,079         -         -           Parks and Recreation         -         -         -         32,079         -         -           Parks and Recreation         -         -         -         32,079         -         -           Parks and Recreation         -	Other		· -	-	-	16,830	492,603		
Current Operating:       -       -       119,768       28,339       -       1,995,045         Planning and Development       - <td< td=""><td>Total Revenues</td><td>412,106</td><td>6,464,090</td><td>207,262</td><td>316,320</td><td>5,957,013</td><td>1,546,612</td></td<>	Total Revenues	412,106	6,464,090	207,262	316,320	5,957,013	1,546,612		
General Government       -       -       119,768       28,339       -       1,995,045         Planning and Development       - <td< td=""><td>Expenditures</td><td></td><td></td><td></td><td></td><td></td><td></td></td<>	Expenditures								
General Government       -       -       119,768       28,339       -       1,995,045         Planning and Development       - <td< td=""><td>Current Operating:</td><td></td><td></td><td></td><td></td><td></td><td></td></td<>	Current Operating:								
Planning and Development       - </td <td></td> <td>-</td> <td>· -</td> <td>119,768</td> <td>28,339</td> <td>-</td> <td>1,995,049</td>		-	· -	119,768	28,339	-	1,995,049		
Community Development       -       -       2,950       -         Community Redevelpment Areas       -       -       -       -       -         Public Works       -       2,490,722       -       4,784,810       -       1,697         Public Safety       755,415       -       -       2,280,659       6,582,277       -         Public Facilities       -       -       -       32,079       -       -         Parks and Recreation       -       -       -       581,531       -       -         Principal       -       <	Planning and Development	-	· -	-	-	-	-		
Community Redevelpment Areas       - <td< td=""><td></td><td>-</td><td></td><td>-</td><td>2,950</td><td>-</td><td>-</td></td<>		-		-	2,950	-	-		
Public Safety       755,415       -       2,280,569       6,582,277         Public Facilities       -       -       32,079       -         Parks and Recreation       -       -       581,531       -         Debt Service:       -       -       -       581,531       -         Principal       -       -       -       -       -         Interest and Other Charges       -       -       -       -       -         Capital Outlay       25,445       42,313       4,929       141,000       94,152       -         Total Expenditures       780,860       2,533,035       124,697       7,851,278       6,676,429       1,996,746         Excess (Deficiency) of Revenues       (368,754)       3,931,055       82,565       (7,534,958)       (719,416)       (450,134)         Other Financing Sources (Uses)       -		-		-	-	-	-		
Public Facilities       -       -       32,079       -       -         Parks and Recreation       -       -       -       581,531       -       -         Debt Service:       - <t< td=""><td>Public Works</td><td>-</td><td>2,490,722</td><td>-</td><td>4,784,810</td><td>-</td><td>1,697</td></t<>	Public Works	-	2,490,722	-	4,784,810	-	1,697		
Parks and Recreation       -       -       581,531       -       -         Debt Service:       Principal       -	Public Safety	755,415	-	-	2,280,569	6,582,277	-		
Parks and Recreation       -       -       581,531       -       -         Debt Service:       Principal       -	Public Facilities	-		-	32,079	-	-		
Debt Service:         Principal       - <td>Parks and Recreation</td> <td>-</td> <td></td> <td>-</td> <td></td> <td>-</td> <td>-</td>	Parks and Recreation	-		-		-	-		
Interest and Other Charges       -	Debt Service:								
Interest and Other Charges       -	Principal	-		-	-	-	-		
Capital Outlay       25,445       42,313       4,929       141,000       94,152       94,152         Total Expenditures       780,860       2,533,035       124,697       7,851,278       6,676,429       1,996,746         Excess (Deficiency) of Revenues       (368,754)       3,931,055       82,565       (7,534,958)       (719,416)       (450,134)         Other Financing Sources (Uses)       -       <	-	-		-	-	-	-		
Total Expenditures         780,860         2,533,035         124,697         7,851,278         6,676,429         1,996,746           Excess (Deficiency) of Revenues         (368,754)         3,931,055         82,565         (7,534,958)         (719,416)         (450,134)           Other Financing Sources (Uses)         Transfers In         -         511,400         47,500         5,000,000         526,143         156,000           Transfers Out         -         <	_	25,445	42,313	4,929	141,000	94,152	-		
Excess (Deficiency) of Revenues Over (Under) Expenditures       (368,754)       3,931,055       82,565       (7,534,958)       (719,416)       (450,134)         Other Financing Sources (Uses)       -       -       511,400       47,500       5,000,000       526,143       156,000         Transfers In       -       511,400       47,500       5,000,000       526,143       156,000         Proceeds Received from Refunding       -       -       -       -       -       -         Payment To Escrow Agent For Refunding       -						6,676,429	1,996,746		
Over (Under) Expenditures         (368,754)         3,931,055         82,565         (7,534,958)         (719,416)         (450,134)           Other Financing Sources (Uses)         Transfers In         -         511,400         47,500         5,000,000         526,143         156,000           Transfers Out         -         6589,000)         -         -         -         -         -           Proceeds Received from Refunding         -									
Transfers In       -       511,400       47,500       5,000,000       526,143       156,000         Transfers Out       -       (589,000)       -       -       -       -         Proceeds Received from Refunding       -       -       -       -       -       -         Payment To Escrow Agent For Refunding       -       -       -       -       -       -       -       -       -         Issuance of Debt       -		(368,754)	3,931,055	82,565	(7,534,958)	(719,416)	(450,134)		
Transfers Out       - (589,000)        -       -       -         Proceeds Received from Refunding       - </td <td>Other Financing Sources (Uses)</td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td>	Other Financing Sources (Uses)								
Proceeds Received from Refunding       -	Transfers In	-	511,400	47,500	5,000,000	526,143	156,000		
Payment To Escrow Agent For Refunding Issuance of Debt       -	Transfers Out	-		-	-	-	-		
Issuance of Debt       -	Proceeds Received from Refunding	-	· -	-	-	-	-		
Discount from Issuance of Debt       -       <			- -	-	-	-	-		
Total Other Financing Sources (Uses)       -       (77,600)       47,500       5,000,000       526,143       156,000         Net Changes in Fund Balances       (368,754)       3,853,455       130,065       (2,534,958)       (193,273)       (294,134)         Fund Balances (Deficit) - Beginning       1,762,545       7,432,607       872,145       2,316,696       2,867,623       991,951		-		-	-	-	-		
Fund Balances (Deficit) - Beginning         1,762,545         7,432,607         872,145         2,316,696         2,867,623         991,951			(77,600)	47,500	5,000,000	526,143	156,000		
	Net Changes in Fund Balances	(368,754)	3,853,455	130,065	(2,534,958)	(193,273)	(294,134)		
Fund Balances (Deficit) - Ending       \$ 1,393,791       \$ 11,286,062       \$ 1,002,210       \$ (218,262)       \$ 2,674,350       \$ 697,817	Fund Balances (Deficit) - Beginning	1,762,545	7,432,607	872,145	2,316,696	2,867,623	991,951		
	Fund Balances (Deficit) - Ending	\$ 1,393,791	\$ 11,286,062	\$ 1,002,210	\$ (218,262)	\$ 2,674,350	\$ 697,817		

	Special Revenue Funds						
	Departmental Improvement Initiatives	Fransportation & Transit	Miami Ballpark Parking Facilities	Liberty City Revitalization Trust	Virginia Key Beach Park Trust	Solid Waste RecyclingTrust	
Revenues							
Property Taxes	\$ -	\$ -	\$ -	- \$ -	\$	- \$ -	
Licenses and Permits	-	-	-				
Fines and Forfeitures	1,454,673	-	-	· -	· ·		
Intergovernmental Revenues	1,901,286	16,633,464	-	539,000			
Charges for Services	-	-	5,046,958		643,091		
Investment Earnings (Loss)	67,839	27,162	-	· -	777	9,871	
Other	8,805	-	-	. 19,575			
Total Revenues	3,432,603	16,660,626	5,046,958	558,575	796,568	9,871	
Expenditures							
Current Operating:							
General Government	6,318,427	10,775,262	-				
Planning and Development	828,264	-	-				
Community Development	-	-	-				
Community Redevelpment Areas	-	-	-	636,446			
Public Works	17,738	-	-			- 24,000	
Public Safety	1,352	-	-				
Public Facilities	250	-	3,282,264	-			
Parks and Recreation	114,595	-	-		829,791	-	
Debt Service:							
Principal	-	-	-				
Interest and Other Charges	-	-	-				
Capital Outlay	272,910	322,713	-		20,936	5 -	
Total Expenditures	7,553,536	11,097,975	3,282,264	636,446	850,727	7 24,000	
Excess (Deficiency) of Revenues							
Over (Under) Expenditures	(4,120,933)	5,562,651	1,764,694	(77,871)	(54,159)	) (14,129)	
Other Financing Sources (Uses)							
Transfers In	8,011,172	2,971,100	-				
Transfers Out	(298,300)	(12,686,700)	(761,400)	) -			
Proceeds Received from Refunding	-	-	-				
Payment To Escrow Agent For Refunding	-	-	-				
Issuance of Debt	-	-	-				
Discount from Issuance of Debt		-	-		•		
Total Other Financing Sources (Uses)	7,712,872	(9,715,600)	(761,400)	) -			
Net Changes in Fund Balances	3,591,939	(4,152,949)	1,003,294	(77,871)	(54,159)	) (14,129)	
Fund Balances (Deficit) - Beginning	5,978,799	10,034,655	2,166,123	409,195	77,272	2 1,147,035	
Fund Balances (Deficit) - Ending	\$ 9,570,738	\$ 5,881,706	\$ 3,169,417	\$ 331,324	\$ 23,113	\$ 1,132,906	

			Capital Projects Funds		
	Total Special Revenue		Funds SEOPW CRA Other Special Obligation Bonds	Total Debt Service	SEOPW Community Redevelopment Agency
Revenues	¢ 41 507 772	<b>•</b> • • • • • • • • • • • • • • • • • •	¢	¢ <b>2</b> < 0< 4 10 4	¢
Property Taxes	\$ 41,586,773	\$ 26,964,194	\$ -	\$ 26,964,194	\$ -
Licenses and Permits Fines and Forfeitures	488,778	-	-	-	-
	1,865,843	-	-	-	-
Intergovernmental Revenues	60,709,968	-	-	-	-
Charges for Services	15,123,303	-	-	- 20.765	-
Investment Earnings (Loss)	636,743	29,765	-	29,765	38,990
Other Total Revenues	<u>2,299,911</u> 122,711,319	- 26,993,959	<u> </u>	- 26,993,959	38,990
	,,				
Expenditures					
Current Operating:					
General Government	22,213,760	276,915	23,389	300,304	-
Planning and Development	1,172,375	-	-	-	-
Community Development	25,824,918	-	-	-	-
Community Redevelpment Areas	30,364,813	-	-	-	2,791,027
Public Works	7,318,967	-	-	-	-
Public Safety	16,989,303	-	-	-	-
Public Facilities	3,314,593	-	-	-	-
Parks and Recreation	2,303,180	-	-	-	-
Debt Service:					
Principal	-	17,145,000	2,285,000	19,430,000	-
Interest and Other Charges	-	9,490,770	2,234,125	11,724,895	-
Capital Outlay	9,434,068	-	-	-	-
Total Expenditures	118,935,977	26,912,685	4,542,514	31,455,199	2,791,027
Excess (Deficiency) of Revenues Over (Under) Expenditures	3,775,342	81,274	(4,542,514)	(4,461,240)	(2,752,037)
Other Financing Sources (Uses)					
Transfers In	23,706,749	-	4,519,125	4,519,125	-
Transfers Out	(38,290,137)	-	-	-	-
Proceeds Received from Refunding	-	114,380,000	-	114,380,000	-
Payment To Escrow Agent For Refunding Issuance of Debt	-	(112,330,000)	-	(112,330,000)	-
Discount from Issuance of Debt					
Total Other Financing Sources (Uses)	(14,583,388)	2,050,000	4,519,125	6,569,125	
Net Changes in Fund Balances	(10,808,046)	2,131,274	(23,389)	2,107,885	(2,752,037)
Fund Balances (Deficit) - Beginning	120,216,709	3,449,542	23,389	3,472,931	14,577,265
Fund Balances (Deficit) - Ending	\$ 109,408,663	\$ 5,580,816	\$ -	\$ 5,580,816	\$ 11,825,228

	Transportation & Transit	Special Obligation Bonds Projects	General Obligation Bonds Projects	Total Capital Projects	Total Non- Major Governmental Funds	
Revenues	<u>^</u>	<u>,</u>		<b>•</b>		
Property Taxes	\$	- \$ -	\$ -	\$ -	\$ 68,550,967	
Licenses and Permits	-		-	-	488,778	
Fines and Forfeitures	-		-	-	1,865,843	
Intergovernmental Revenues	-		-	-	60,709,968	
Charges for Services	-		-	-	15,123,303	
Investment Earnings (Loss)		- 107,357	9,705	156,052	822,560	
Other	·	<u> </u>	-		2,299,911	
Total Revenues	· · · ·	- 107,357	9,705	156,052	149,861,330	
Expenditures						
Current Operating:						
General Government	725,451	3,865,213	-	4,590,664	27,104,728	
Planning and Development	-		-	-	1,172,375	
Community Development			-	-	25,824,918	
Community Redevelpment Areas			-	2,791,027	33,155,840	
Public Works			-	-	7,318,967	
Public Safety			-	-	16,989,303	
Public Facilities	-		-	-	3,314,593	
Parks and Recreation		- 5,049,296	-	5,049,296	7,352,476	
Debt Service:						
Principal			-	-	19,430,000	
Interest and Other Charges			-	-	11,724,895	
Capital Outlay	2,635,626	3,880,093	-	6,515,719	15,949,787	
Total Expenditures	3,361,077			18,946,706	169,337,882	
Excess (Deficiency) of Revenues	<u> </u>			<u> </u>	<u> </u>	
Over (Under) Expenditures	(3,361,077)	) (12,687,245)	9,705	(18,790,654)	(19,476,552)	
Other Financing Sources (Uses)						
Transfers In	9,550,300	) –	-	9,550,300	37,776,174	
Transfers Out	(2,971,100)	) -	-	(2,971,100)	(41,261,237)	
Proceeds Received from Refunding			-	-	114,380,000	
Payment To Escrow Agent For Refunding			-	-	(112,330,000)	
Issuance of Debt		- 27,067,900	-	27,067,900	27,067,900	
Discount from Issuance of Debt		- (67,900)	-	(67,900)	(67,900)	
Total Other Financing Sources (Uses)	6,579,200	) 27,000,000	-	33,579,200	25,564,937	
Net Changes in Fund Balances	3,218,123	14,312,755	9,705	14,788,546	6,088,385	
Fund Balances (Deficit) - Beginning	27,593,985	5 1,431,387	1,488,509	45,091,146	168,780,786	
Fund Balances (Deficit) - Ending	\$ 30,812,108	\$ 15,744,142	\$ 1,498,214	\$ 59,879,692	\$ 174,869,171	

#### City of Miami, Florida Schedule of Revenue, Expenditures and Changes In Fund Balance Budget and Actual - Omni CRA For The Year Ended September 30, 2017

	Budgeted Amounts						
		Original	 Final	/	Actual Amounts		Variance with Final Budget
Revenues:							
Property Taxes	\$	17,639,680	\$ 17,639,680	\$	18,129,129	\$	489,449
Fines and Forfeitures		201,481	201,481		-		(201,481)
Investment Earnings (Loss)		-	-		174,997		174,997
Other		9,264,110	 9,264,110		609,028		(8,655,082)
Total Revenues		27,105,271	 27,105,271		18,913,154		(8,192,117)
Expenditures:							
Current Operating:							
Community Redevelpment Areas		21,988,256	21,988,256		11,759,082		10,229,174
Capital Outlay		6,000	 6,000		4,516,869		(4,510,869)
Total Expenditures		21,994,256	 21,994,256		16,275,951	·	5,718,305
Excess (Deficiency) of Revenues Over (Under) Expenditures		5,111,015	 5,111,015		2,637,203		(2,473,812)
Other Financing Sources (Uses):							
Transfers In		-	-		49,466		49,466
Transfers Out		(5,111,015)	 (5,111,015)		(6,910,563)		(1,799,548)
Total Other Financing Sources (Uses)		(5,111,015)	 (5,111,015)		(6,861,097)		(1,750,082)
Net Change in Fund Balance		-	-		(4,223,894)		(4,223,894)
Fund Balance - Beginning of Year		-	-		7,779,060		7,779,060
Fund Balance - End of Year	\$	-	\$ -	\$	3,555,166	\$	3,555,166

#### City of Miami, Florida Schedule of Revenue, Expenditures and Changes In Fund Balance Budget and Actual - Midtown CRA For The Year Ended September 30, 2017

	Budgeted Amounts							
		Original		Final	A	Actual Amounts		ariance with inal Budget
Revenues:								
Property Taxes	\$	5,313,553	\$	5,313,553	\$	5,143,195	\$	(170,358)
Other		32,000		32,000				(32,000)
Total Revenues		5,345,553		5,345,553		5,143,195		(202,358)
Expenditures:								
Current Operating:								
Community Redevelpment Areas		5,345,553		5,345,553		5,096,563		248,990
Total Expenditures		5,345,553		5,345,553		5,096,563		248,990
Excess (Deficiency) of Revenues Over (Under) Expenditures		<u> </u>				46,632		46,632
Other Financing Sources (Uses):								
Transfers In		-		-		5,668		5,668
Transfers Out		_		_		(49,466)		(49,466)
Total Other Financing Sources (Uses)		<u> </u>		<u> </u>		(43,798)		(43,798)
Net Change in Fund Balance		-		-		2,834		2,834
Fund Balance - Beginning of Year		-		-		(2,834)		(2,834)
Fund Balance - End of Year	\$	_	\$	-	\$		\$	-

#### City of Miami, Florida Schedule of Revenue, Expenditures and Changes In Fund Balance Budget and Actual - SEOPW CRA For The Year Ended September 30, 2017

	Budgeted Amounts							
		Original		Final	A	Actual Amounts		/ariance with Final Budget
Revenues:								
Property Taxes	\$	18,317,072	\$	18,317,072	\$	18,314,449	\$	(2,623)
Intergovernmental Revenues		-		-		761,342		761,342
Investment Earnings (Loss)		-		-		312,961		312,961
Other		32,689,517		32,689,517		649,700		(32,039,817)
Total Revenues		51,006,589		51,006,589		20,038,452		(30,968,137)
Expenditures:								
Current Operating:								
Community Redevelpment Areas		41,466,854		41,466,854		12,872,722		28,594,132
Capital Outlay		1,833,778		1,833,778		3,260,528		(1,426,750)
Total Expenditures		43,300,632		43,300,632		16,133,250		27,167,382
Excess (Deficiency) of Revenues Over (Under) Expenditures		7,705,957		7,705,957		3,905,202		(3,800,755)
Other Financing Sources (Uses):								
Transfers Out		(7,705,957)		(7,705,957)		(9,355,094)		(1,649,137)
Total Other Financing Sources (Uses)		(7,705,957)		(7,705,957)		(9,355,094)		(1,649,137)
Net Change in Fund Balance		-		-		(5,449,892)		(5,449,892)
Fund Balance - Beginning of Year				-		30,043,097		30,043,097
Fund Balance - End of Year	\$	-	\$	-	\$	24,593,205	\$	24,593,205

#### City of Miami, Florida Schedule of Revenue, Expenditures and Changes In Fund Balance Budget and Actual - Homeless Program For The Year Ended September 30, 2017

	Budgeted	Amounts		
	Original	Final	Actual Amounts	Variance with Final Budget
Revenues:				
Intergovernmental Revenues	1,644,900	2,144,900	2,368,401	223,501
Other	352,400	352,400		(352,400)
Total Revenues	1,997,300	2,497,300	2,368,401	(128,899)
Expenditures:				
Current Operating:				
General Government	2,923,200	3,423,200	2,939,314	483,886
Community Development	-	-	7,321	(7,321)
Capital Outlay			11,667	(11,667)
Total Expenditures	2,923,200	3,423,200	2,958,302	464,898
Excess (Deficiency) of Revenues Over (Under) Expenditures	(925,900)	(925,900)	(589,901)	335,999
Other Financing Sources (Uses):				
Transfers In	925,900	925,900	925,900	
Total Other Financing Sources (Uses)	925,900	925,900	925,900	
Net Change in Fund Balance	-	-	335,999	335,999
Fund Balance - Beginning of Year	-	-	76,819	76,819
Fund Balance - End of Year	\$ -	\$ -	\$ 412,818	\$ 412,818

#### City of Miami, Florida Schedule of Revenue, Expenditures and Changes In Fund Balance Budget and Actual - Community Development For The Year Ended September 30, 2017

	Budgeted	Amounts		
	Original	Final	Actual Amounts	Variance with Final Budget
Revenues:				
Intergovernmental Revenues	42,978,100	41,219,450	21,110,584	(20,108,866)
Charges for Services	-	-	411,549	411,549
Investment Earnings (Loss)	-	-	8,042	8,042
Other	4,895,700	4,895,700	<u> </u>	(4,895,700)
Total Revenues	47,873,800	46,115,150	21,530,175	(24,584,975)
Expenditures:				
Current Operating:				
Planning and Development	-	-	89,550	(89,550)
Community Development	46,495,500	44,736,850	21,535,970	23,200,880
Capital Outlay	1,378,300	1,378,300	19,422	1,358,878
Total Expenditures	47,873,800	46,115,150	21,644,942	24,470,208
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u> </u>	<u> </u>	(114,767)	(114,767)
Other Financing Sources (Uses):				
Transfers In		<u> </u>	306,000	306,000
Total Other Financing Sources (Uses)	<u>-</u>		306,000	306,000
Net Change in Fund Balance	-	-	191,233	191,233
Fund Balance - Beginning of Year			13,315,512	13,315,512
Fund Balance - End of Year	\$ -	\$ -	\$ 13,506,745	\$ 13,506,745

#### City of Miami, Florida Schedule of Revenue, Expenditures and Changes In Fund Balance Budget and Actual - Housing Choice Vouchers For The Year Ended September 30, 2017

	Budgeted	Amounts		
	Original	Final	Actual Amounts	Variance with Final Budget
Revenues:				
Intergovernmental Revenues	2,303,100	2,303,100	2,247,405	(55,695)
Total Revenues	2,303,100	2,303,100	2,247,405	(55,695)
Expenditures:				
Current Operating:				
Community Development	2,303,100	2,303,100	2,223,246	79,854
Total Expenditures	2,303,100	2,303,100	2,223,246	79,854
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>-</u>		24,159	24,159
Net Change in Fund Balance	-	-	24,159	24,159
Fund Balance - Beginning of Year	-	-	192,664	192,664
Fund Balance - End of Year	\$ -	\$ -	\$ 216,823	\$ 216,823

#### City of Miami, Florida Schedule of Revenue, Expenditures and Changes In Fund Balance Budget and Actual - SHIP For The Year Ended September 30, 2017

	Budgeted	Amounts		
	Original	Final	Actual Amounts	Variance with Final Budget
Revenues:				
Intergovernmental Revenues	1,130,600	2,889,250	1,778,025	(1,111,225)
Investment Earnings (Loss)	-	-	3,887	3,887
Other	<u>-</u>		305,928	305,928
Total Revenues	1,130,600	2,889,250	2,087,840	(801,410)
Expenditures:				
Current Operating:				
Community Development	1,130,600	2,889,250	2,055,431	833,819
Total Expenditures	1,130,600	2,889,250	2,055,431	833,819
Excess (Deficiency) of Revenues Over (Under) Expenditures		<u> </u>	32,409	32,409
Net Change in Fund Balance	-	-	32,409	32,409
Fund Balance - Beginning of Year	<u> </u>		1,056,537	1,056,537
Fund Balance - End of Year	\$	\$ -	\$ 1,088,946	\$ 1,088,946

#### City of Miami, Florida Schedule of Revenue, Expenditures and Changes In Fund Balance Budget and Actual - Convention Center For The Year Ended September 30, 2017

Budgeted	Amounts		
Original	Final	Actual Amounts	Variance with Final Budget
5,537,400	5,537,400		(5,537,400)
5,537,400	5,537,400	<u> </u>	(5,537,400)
<u> </u>			
5,537,400	5.537.400	-	(5,537,400)
			(0,007,100)
(5,537,400)	(5,537,400)	(5,537,400)	
(5,537,400)	(5,537,400)	(5,537,400)	<u> </u>
-	-	(5,537,400)	(5,537,400)
		6,656,162	6,656,162
\$	\$ -	\$ 1,118,762	\$ 1,118,762
	Original <u>5,537,400</u> <u>5,537,400</u> <u>5,537,400</u> <u>5,537,400</u> (5,537,400)	5,537,400         5,537,400           5,537,400         5,537,400           5,537,400         5,537,400           5,537,400         5,537,400           5,537,400         5,537,400           (5,537,400)         (5,537,400)           (5,537,400)         (5,537,400)	Original         Final         Actual Amounts $5,537,400$ $5,537,400$ - $5,537,400$ $5,537,400$ - $5,537,400$ $5,537,400$ - $5,537,400$ $5,537,400$ - $5,537,400$ $5,537,400$ - $5,537,400$ $5,537,400$ - $(5,537,400)$ $(5,537,400)$ $(5,537,400)$ $(5,537,400)$ $(5,537,400)$ $(5,537,400)$ $(5,537,400)$ $(5,537,400)$ $(5,537,400)$ $ (5,537,400)$ $(5,537,400)$ $  (5,537,400)$ $  (5,537,400)$

#### City of Miami, Florida Schedule of Revenue, Expenditures and Changes In Fund Balance Budget and Actual - Economic Development & Planning Services For The Year Ended September 30, 2017

	Budgeted	Amounts		
	Original	Final	Actual Amounts	Variance with Final Budget
Revenues:				
Licenses and Permits	114,000	114,000	51,800	(62,200)
Charges for Services	1,985,000	1,985,000	2,287,133	302,133
Investment Earnings (Loss)	-	-	786	786
Other	15,526,800	17,216,300	124,292	(17,092,008)
Total Revenues	17,625,800	19,315,300	2,464,011	(16,851,289)
Expenditures:				
Current Operating:				
General Government	-	-	37,601	(37,601)
Planning and Development	17,016,400	18,705,900	254,561	18,451,339
Capital Outlay	225,000	225,000	101,586	123,414
Total Expenditures	17,241,400	18,930,900	393,748	18,537,152
Excess (Deficiency) of Revenues Over (Under) Expenditures	384,400	384,400	2,070,263	1,685,863
Other Financing Sources (Uses):				
Transfers In	115,600	115,600	115,600	-
Transfers Out	(500,000)	(500,000)	(2,102,214)	(1,602,214)
Total Other Financing Sources (Uses)	(384,400)	(384,400)	(1,986,614)	(1,602,214)
Net Change in Fund Balance	-	-	83,649	83,649
Fund Balance - Beginning of Year			17,216,326	17,216,326
Fund Balance - End of Year	\$ -	\$ -	\$ 17,299,975	\$ 17,299,975

#### City of Miami, Florida Schedule of Revenue, Expenditures and Changes In Fund Balance Budget and Actual - NET Offices For The Year Ended September 30, 2017

	Budgetee	d Amounts			
	Original	Final	Actual Amounts	Variance with Final Budget	
Revenues:					
Fines and Forfeitures	-	-	3,450	3,450	
Charges for Services	-	-	45,084	45,084	
Investment Earnings (Loss)			39	39	
Total Revenues			48,573	48,573	
Expenditures:					
Current Operating:					
Total Expenditures				-	
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u> </u>		48,573	48,573	
Net Change in Fund Balance	-	-	48,573	48,573	
Fund Balance - Beginning of Year	-	-	1,618,045	1,618,045	
Fund Balance - End of Year	\$	\$	\$ 1,666,618	\$ 1,666,618	

#### City of Miami, Florida Schedule of Revenue, Expenditures and Changes In Fund Balance Budget and Actual - Parks & Recreation Services For The Year Ended September 30, 2017

	Budgeted	Amounts		
	Original	Final	Actual Amounts	Variance with Final Budget
Revenues:				
Licenses and Permits	-	-	286,000	286,000
Intergovernmental Revenues	278,800	1,196,800	787,350	(409,450)
Charges for Services	77,000	77,000	-	(77,000)
Other	888,000	1,522,500	70,450	(1,452,050)
Total Revenues	1,243,800	2,796,300	1,143,800	(1,652,500)
Expenditures:				
Current Operating:				
Parks and Recreation	1,271,500	2,847,100	777,263	2,069,837
Capital Outlay			177,080	(177,080)
Total Expenditures	1,271,500	2,847,100	954,343	1,892,757
Excess (Deficiency) of Revenues Over (Under) Expenditures	(27,700)	(50,800)	189,457	240,257
Other Financing Sources (Uses):				
Transfers In	27,700	50,800	45,800	(5,000)
Total Other Financing Sources (Uses)	27,700	50,800	45,800	(5,000)
Net Change in Fund Balance	-	-	235,257	235,257
Fund Balance - Beginning of Year	<u>-</u>	<u> </u>	3,051,379	3,051,379
Fund Balance - End of Year	\$ -	\$ -	\$ 3,286,636	\$ 3,286,636

#### City of Miami, Florida Schedule of Revenue, Expenditures and Changes In Fund Balance Budget and Actual - Police Services For The Year Ended September 30, 2017

	Budgeted	Amounts		
	Original	Final	Actual Amounts	Variance with Final Budget
Revenues:				
Fines and Forfeitures	30,000	30,000	-	(30,000)
Intergovernmental Revenues	2,120,100	5,801,400	5,132,971	(668,429)
Charges for Services	843,000	843,000	159,469	(683,531)
Investment Earnings (Loss)	-	-	25,269	25,269
Other	2,952,300	3,575,300	-	(3,575,300)
Total Revenues	5,945,400	10,249,700	5,317,709	(4,931,991)
Expenditures:				
Current Operating:				
Public Safety	8,564,400	13,782,100	7,369,690	6,412,410
Capital Outlay	499,200	1,423,300	422,518	1,000,782
Total Expenditures	9,063,600	15,205,400	7,792,208	7,413,192
Excess (Deficiency) of Revenues Over (Under) Expenditures	(3,118,200)	(4,955,700)	(2,474,499)	2,481,201
Other Financing Sources (Uses):				
Transfers In	3,118,200	4,955,700	5,035,000	79,300
Total Other Financing Sources (Uses)	3,118,200	4,955,700	5,035,000	79,300
Net Change in Fund Balance	-	-	2,560,501	2,560,501
Fund Balance - Beginning of Year	-	-	3,157,296	3,157,296
Fund Balance - End of Year	\$ -	\$ -	\$ 5,717,797	\$ 5,717,797

#### City of Miami, Florida Schedule of Revenue, Expenditures and Changes In Fund Balance Budget and Actual - Law Enforcement Trust For The Year Ended September 30, 2017

	Budgeted Amounts			
	Original	Final	Actual Amounts	Variance with Final Budget
Revenues:				
Fines and Forfeitures	599,800	599,800	407,720	(192,080)
Investment Earnings (Loss)	-	-	4,386	4,386
Other	1,625,200	1,762,500		(1,762,500)
Total Revenues	2,225,000	2,362,300	412,106	(1,950,194)
Expenditures:				
Current Operating:				
Public Safety	1,953,800	2,091,100	755,415	1,335,685
Capital Outlay	271,200	271,200	25,445	245,755
Total Expenditures	2,225,000	2,362,300	780,860	1,581,440
Excess (Deficiency) of Revenues Over (Under) Expenditures			(368,754)	(368,754)
Net Change in Fund Balance	-	-	(368,754)	(368,754)
Fund Balance - Beginning of Year			1,762,545	1,762,545
Fund Balance - End of Year	\$ -	\$	\$ 1,393,791	\$ 1,393,791

#### City of Miami, Florida Schedule of Revenue, Expenditures and Changes In Fund Balance Budget and Actual - Public Works Services For The Year Ended September 30, 2017

	Budgeted Amounts			
	Original	Final	Actual Amounts	Variance with Final Budget
Revenues:				
Licenses and Permits	-	-	150,978	150,978
Charges for Services	4,626,000	4,626,000	6,313,112	1,687,112
Other	2,732,000	6,250,000		(6,250,000)
Total Revenues	7,358,000	10,876,000	6,464,090	(4,411,910)
Expenditures:				
Current Operating:				
Public Works	7,358,000	10,798,400	2,490,722	8,307,678
Capital Outlay			42,313	(42,313)
Total Expenditures	7,358,000	10,798,400	2,533,035	8,265,365
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u> </u>	77,600	3,931,055	3,853,455
Other Financing Sources (Uses):				
Transfers In	-	511,400	511,400	-
Transfers Out		(589,000)	(589,000)	-
Total Other Financing Sources (Uses)		(77,600)	(77,600)	
Net Change in Fund Balance	-	-	3,853,455	3,853,455
Fund Balance - Beginning of Year			7,432,607	7,432,607
Fund Balance - End of Year	\$ -	\$ -	\$ 11,286,062	\$ 11,286,062

#### City of Miami, Florida Schedule of Revenue, Expenditures and Changes In Fund Balance Budget and Actual - City Clerk Services For The Year Ended September 30, 2017

	Budgeted Amounts			
	Original	Final	Actual Amounts	Variance with Final Budget
Revenues:				
Charges for Services	130,000	130,000	207,262	77,262
Other	611,300	872,100		(872,100)
Total Revenues	741,300	1,002,100	207,262	(794,838)
Expenditures:				
Current Operating:				
General Government	788,800	1,049,600	119,768	929,832
Capital Outlay			4,929	(4,929)
Total Expenditures	788,800	1,049,600	124,697	924,903
Excess (Deficiency) of Revenues Over (Under) Expenditures	(47,500)	(47,500)	82,565	130,065
Other Financing Sources (Uses):				
Transfers In	47,500	47,500	47,500	_
Total Other Financing Sources (Uses)	47,500	47,500	47,500	
Net Change in Fund Balance	-	-	130,065	130,065
Fund Balance - Beginning of Year			872,145	872,145
Fund Balance - End of Year	\$	\$	\$ 1,002,210	\$ 1,002,210

#### City of Miami, Florida Schedule of Revenue, Expenditures and Changes In Fund Balance Budget and Actual - Emergency Services For The Year Ended September 30, 2017

	Budgeted Amounts			
	Original	Final	Actual Amounts	Variance with Final Budget
Revenues:				
Intergovernmental Revenues	-	-	316,320	316,320
Other	100,000	2,328,400	<u> </u>	(2,328,400)
Total Revenues	100,000	2,328,400	316,320	(2,012,080)
Expenditures:				
Current Operating:				
General Government	-	2,228,400	28,339	2,200,061
Community Development	-	-	2,950	(2,950)
Public Works	-	-	4,784,810	(4,784,810)
Public Safety	100,000	100,000	2,280,569	(2,180,569)
Public Facilities	-	-	32,079	(32,079)
Parks and Recreation	-	-	581,531	(581,531)
Capital Outlay			141,000	(141,000)
Total Expenditures	100,000	2,328,400	7,851,278	(5,522,878)
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u> </u>	<u> </u>	(7,534,958)	(7,534,958)
Other Financing Sources (Uses):				
Transfers In			5,000,000	5,000,000
Total Other Financing Sources (Uses)	<u> </u>		5,000,000	5,000,000
Net Change in Fund Balance	-	-	(2,534,958)	(2,534,958)
Fund Balance - Beginning of Year			2,316,696	2,316,696
Fund Balance - End of Year	\$	\$	\$ (218,262)	\$ (218,262)

#### City of Miami, Florida Schedule of Revenue, Expenditures and Changes In Fund Balance Budget and Actual - Fire Rescue Services For The Year Ended September 30, 2017

	Budgeted Amounts			
	Original	Final	Actual Amounts	Variance with Final Budget
Revenues:				
Intergovernmental Revenues	5,934,300	11,830,777	5,929,811	(5,900,966)
Charges for Services	-	-	9,645	9,645
Investment Earnings (Loss)	-	-	727	727
Other	845,100	787,500	16,830	(770,670)
Total Revenues	6,779,400	12,618,277	5,957,013	(6,661,264)
Expenditures:				
Current Operating:				
Public Safety	4,179,800	7,068,077	6,582,277	485,800
Capital Outlay	3,120,400	6,071,000	94,152	5,976,848
Total Expenditures	7,300,200	13,139,077	6,676,429	6,462,648
Excess (Deficiency) of Revenues Over (Under) Expenditures	(520,800)	(520,800)	(719,416)	(198,616)
Other Financing Sources (Uses):				
Transfers In	520,800	520,800	526,143	5,343
Total Other Financing Sources (Uses)	520,800	520,800	526,143	5,343
Net Change in Fund Balance	-	-	(193,273)	(193,273)
Fund Balance - Beginning of Year	<u> </u>	<u> </u>	<u>2,867,623</u> \$ 2,674,350	<u>2,867,623</u>
Fund Balance - End of Year		φ -	\$ 2,674,350	\$ 2,674,350

#### City of Miami, Florida Schedule of Revenue, Expenditures and Changes In Fund Balance Budget and Actual - General Special Revenues For The Year Ended September 30, 2017

	Budgeted Amounts			
	Original	Final	Actual Amounts	Variance with Final Budget
Revenues:				
Intergovernmental Revenues	361,100	581,100	1,054,009	472,909
Other	474,700	1,894,350	492,603	(1,401,747)
Total Revenues	835,800	2,475,450	1,546,612	(928,838)
Expenditures:				
Current Operating:				
General Government	811,100	2,450,750	1,995,049	455,701
Public Works	24,700	24,700	1,697	23,003
Total Expenditures	835,800	2,475,450	1,996,746	478,704
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u> </u>		(450,134)	(450,134)
Other Financing Sources (Uses):				
Transfers In			156,000	156,000
Total Other Financing Sources (Uses)			156,000	156,000
Net Change in Fund Balance	-	-	(294,134)	(294,134)
Fund Balance - Beginning of Year	<u> </u>	<u> </u>	991,951	991,951
Fund Balance - End of Year	\$	\$	\$ 697,817	\$ 697,817

#### City of Miami, Florida Schedule of Revenue, Expenditures and Changes In Fund Balance Budget and Actual - Departmental Improvement Initiatives For The Year Ended September 30, 2017

	Budgeted Amounts			
	Original	Final	Actual Amounts	Variance with Final Budget
Revenues:				
Fines and Forfeitures	320,000	320,000	1,454,673	1,134,673
Intergovernmental Revenues	2,316,200	2,498,900	1,901,286	(597,614)
Investment Earnings (Loss)	-	-	67,839	67,839
Other	5,521,900	6,735,800	8,805	(6,726,995)
Total Revenues	8,158,100	9,554,700	3,432,603	(6,122,097)
Expenditures:				
Current Operating:				
General Government	11,435,300	12,582,600	6,318,427	6,264,173
Planning and Development	777,300	1,512,500	828,264	684,236
Public Works	-	40,000	17,738	22,262
Public Safety	-	-	1,352	(1,352)
Public Facilities	-	298,300	250	298,050
Parks and Recreation	200,000	478,100	114,595	363,505
Capital Outlay			272,910	(272,910)
Total Expenditures	12,412,600	14,911,500	7,553,536	7,357,964
Excess (Deficiency) of Revenues Over (Under) Expenditures	(4,254,500)	(5,356,800)	(4,120,933)	1,235,867
Other Financing Sources (Uses):				
Transfers In	4,254,500	5,356,800	8,011,172	2,654,372
Transfers Out			(298,300)	(298,300)
Total Other Financing Sources (Uses)	4,254,500	5,356,800	7,712,872	2,356,072
Net Change in Fund Balance	-	-	3,591,939	3,591,939
Fund Balance - Beginning of Year	-	-	5,978,799	5,978,799
Fund Balance - End of Year	\$ -	\$ -	\$ 9,570,738	\$ 9,570,738

#### City of Miami, Florida Schedule of Revenue, Expenditures and Changes In Fund Balance Budget and Actual - Transportation & Transit For The Year Ended September 30, 2017

	Budgeted Amounts			
	Original	Final	Actual Amounts	Variance with Final Budget
Revenues:				
Intergovernmental Revenues	16,715,700	15,611,700	16,633,464	1,021,764
Investment Earnings (Loss)	-	-	27,162	27,162
Other	6,614,600	5,959,400		(5,959,400)
Total Revenues	23,330,300	21,571,100	16,660,626	(4,910,474)
Expenditures:				
Current Operating:				
General Government	10,643,600	11,855,400	10,775,262	1,080,138
Capital Outlay	<u> </u>		322,713	(322,713)
Total Expenditures	10,643,600	11,855,400	11,097,975	757,425
Excess (Deficiency) of Revenues Over (Under) Expenditures	12,686,700	9,715,700	5,562,651	(4,153,049)
Other Financing Sources (Uses):				
Transfers In	-	2,971,000	2,971,100	100
Transfers Out	(12,686,700)	(12,686,700)	(12,686,700)	
Total Other Financing Sources (Uses)	(12,686,700)	(9,715,700)	(9,715,600)	100
Net Change in Fund Balance	-	-	(4,152,949)	(4,152,949)
Fund Balance - Beginning of Year		<u>-</u>	10,034,655	10,034,655
Fund Balance - End of Year	\$	\$ -	\$ 5,881,706	\$ 5,881,706

#### City of Miami, Florida Schedule of Revenue, Expenditures and Changes In Fund Balance Budget and Actual - Miami Ballpark Parking Facilities For The Year Ended September 30, 2017

	Budgeted Amounts			
	Original	Final	Actual Amounts	Variance with Final Budget
Revenues:				
Charges for Services	5,536,900	5,536,900	5,046,958	(489,942)
Other	1,061,500	1,061,500	<u> </u>	(1,061,500)
Total Revenues	6,598,400	6,598,400	5,046,958	(1,551,442)
Expenditures:				
Current Operating:				
Public Facilities	5,837,000	5,837,000	3,282,264	2,554,736
Total Expenditures	5,837,000	5,837,000	3,282,264	2,554,736
Excess (Deficiency) of Revenues Over (Under) Expenditures	761,400	761,400	1,764,694	1,003,294
Other Financing Sources (Uses):				
Transfers Out	(761,400)	(761,400)	(761,400)	-
Total Other Financing Sources (Uses)	(761,400)	(761,400)	(761,400)	<u> </u>
Net Change in Fund Balance	-	-	1,003,294	1,003,294
Fund Balance - Beginning of Year			2,166,123	2,166,123
Fund Balance - End of Year	\$ -	\$ -	\$ 3,169,417	\$ 3,169,417

#### City of Miami, Florida Schedule of Revenue, Expenditures and Changes In Fund Balance Budget and Actual - Liberty City Revitalization Trust For The Year Ended September 30, 2017

	Budgeted Amounts			
	Original	Final	Actual Amounts	Variance with Final Budget
Revenues:				
Intergovernmental Revenues	289,000	539,000	539,000	-
Other	451,990	451,990	19,575	(432,415)
Total Revenues	740,990	990,990	558,575	(432,415)
Expenditures:				
Current Operating:				
Community Redevelpment Areas	740,990	990,990	636,446	354,544
Total Expenditures	740,990	990,990	636,446	354,544
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u> </u>		(77,871)	(77,871)
Net Change in Fund Balance	-	-	(77,871)	(77,871)
Fund Balance - Beginning of Year			409,195	409,195
Fund Balance - End of Year	\$	\$	\$ 331,324	\$ 331,324

#### City of Miami, Florida Schedule of Revenue, Expenditures and Changes In Fund Balance Budget and Actual - Virginia Key Beach Park Trust For The Year Ended September 30, 2017

	Budgeted Amounts			
	Original	Final	Actual Amounts	Variance with Final Budget
Revenues:				
Intergovernmental Revenues	-	-	150,000	150,000
Charges for Services	627,000	627,000	643,091	16,091
Investment Earnings (Loss)	-	-	777	777
Other	100,000	100,000	2,700	(97,300)
Total Revenues	727,000	727,000	796,568	69,568
Expenditures:				
Current Operating:				
Parks and Recreation	841,000	841,000	829,791	11,209
Capital Outlay	36,000	36,000	20,936	15,064
Total Expenditures	877,000	877,000	850,727	26,273
Excess (Deficiency) of Revenues Over (Under) Expenditures	(150,000)	(150,000)	(54,159)	95,841
Other Financing Sources (Uses):				
Transfers In	150,000	150,000		(150,000)
Total Other Financing Sources (Uses)	150,000	150,000		(150,000)
Net Change in Fund Balance	-	-	(54,159)	(54,159)
Fund Balance - Beginning of Year	-	-	77,272	77,272
Fund Balance - End of Year	\$ -	\$ -	\$ 23,113	\$ 23,113

#### City of Miami, Florida Schedule of Revenue, Expenditures and Changes In Fund Balance Budget and Actual - Solid Waste RecyclingTrust For The Year Ended September 30, 2017

	Budgeted Amounts			
	Original	Final	Actual Amounts	Variance with Final Budget
Revenues:				
Investment Earnings (Loss)	-	-	9,871	9,871
Other	179,400	147,000		(147,000)
Total Revenues	179,400	147,000	9,871	(137,129)
Expenditures:				
Current Operating:				
Public Works	179,400	147,000	24,000	123,000
Total Expenditures	179,400	147,000	24,000	123,000
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u> </u>	<u> </u>	(14,129)	(14,129)
Net Change in Fund Balance	-	-	(14,129)	(14,129)
Fund Balance - Beginning of Year		<u> </u>	1,147,035	1,147,035
Fund Balance - End of Year	\$	\$	\$ 1,132,906	\$ 1,132,906

#### City of Miami, Florida Schedule of Revenue, Expenditures and Changes In Fund Balance Budget and Actual - General Obligation Bonds For The Year Ended September 30, 2017

	 Budgeted	Amou	nts		
	 Original		Final	 Actual Amounts	Variance with Final Budget
Revenues:					
Property Taxes	\$ 27,266,700	\$	27,266,700	\$ 26,964,194	\$ (302,506)
Investment Earnings (Loss)	-		-	29,765	29,765
Other	 -		114,380,036	 _	 (114,380,036)
Total Revenues	 27,266,700		141,646,736	 26,993,959	 (114,652,777)
Expenditures:					
Current Operating:					
General Government	2,385,600		116,765,636	276,915	116,488,721
Debt Service:					
Principal	17,145,000		17,145,000	17,145,000	-
Interest and Other Charges	 7,736,100		7,736,100	 9,490,770	 (1,754,670)
Total Expenditures	 27,266,700		141,646,736	 26,912,685	 114,734,051
Excess (Deficiency) of Revenues Over (Under) Expenditures	 			 81,274	 81,274
Other Financing Sources (Uses):					
Proceeds Received from Refunding	-		-	114,380,000	114,380,000
Payment To Escrow Agent For Refunding	 -		-	 (112,330,000)	 (112,330,000)
Total Other Financing Sources (Uses)	 			 2,050,000	 2,050,000
Net Change in Fund Balance	-		-	2,131,274	2,131,274
Fund Balance - Beginning of Year	 			 3,449,542	 3,449,542
Fund Balance - End of Year	\$ 	\$		\$ 5,580,816	\$ 5,580,816

#### City of Miami, Florida Schedule of Revenue, Expenditures and Changes In Fund Balance Budget and Actual - Special Obligation Bonds For The Year Ended September 30, 2017

	Budgeted	Amounts		
	Original	Final	Actual Amounts	Variance with Final Budget
Revenues:				
Intergovernmental Revenues	3,000,000	3,000,000	4,000,002	1,000,002
Investment Earnings (Loss)	-	-	60,370	60,370
Other	7,171,200	10,212,300	<u> </u>	(10,212,300)
Total Revenues	10,171,200	13,212,300	4,060,372	(9,151,928)
Expenditures:				
Current Operating:				
General Government	2,763,500	2,833,500	99,192	2,734,308
Debt Service:				
Principal	23,787,300	23,787,300	23,418,297	369,003
Interest and Other Charges	21,611,900	21,611,900	21,651,860	(39,960)
Total Expenditures	48,162,700	48,232,700	45,169,349	3,063,351
Excess (Deficiency) of Revenues Over (Under) Expenditures	(37,991,500)	(35,020,400)	(41,108,977)	(6,088,577)
Other Financing Sources (Uses):				
Transfers In	37,991,500	38,013,600	37,991,500	(22,100)
Transfers Out	-	(2,993,200)	(2,971,099)	22,101
Issuance of Debt			129,100	129,100
Total Other Financing Sources (Uses)	37,991,500	35,020,400	35,149,501	129,101
Net Change in Fund Balance	-	-	(5,959,476)	(5,959,476)
Fund Balance - Beginning of Year			41,051,772	41,051,772
Fund Balance - End of Year	\$	\$ -	\$ 35,092,296	\$ 35,092,296

#### City of Miami, Florida Schedule of Revenue, Expenditures and Changes In Fund Balance Budget and Actual - SEOPW CRA Other Special Obligation Bonds For The Year Ended September 30, 2017

	Budgeted	l Amounts		
	Original	Final	Actual Amounts	Variance with Final Budget
Revenues:				
Total Revenues				=
Expenditures:				
Current Operating:				
General Government	-	-	23,389	(23,389)
Debt Service:				
Principal	-	-	2,285,000	(2,285,000)
Interest and Other Charges			2,234,125	(2,234,125)
Total Expenditures			4,542,514	(4,542,514)
Excess (Deficiency) of Revenues Over (Under) Expenditures			(4,542,514)	(4,542,514)
Other Einspring Sources (Uses)				
Other Financing Sources (Uses): Transfers In			4 510 125	4 510 125
			4,519,125	4,519,125
Total Other Financing Sources (Uses)			4,519,125	4,519,125
Net Change in Fund Balance	-	-	(23,389)	(23,389)
Fund Balance - Beginning of Year			23,389	23,389
Fund Balance - End of Year	\$ -	\$ -	\$ -	\$ -

# FIDUCIARY FUNDS

Fiduciary Funds are used to account for assets held by the City in a trustee capacity.

# FIREFIGHTERS AND POLICE OFFICERS (FIPO)

This Pension Trust Fund is used to account for the accumulation of resources to be used for the payment of retirement benefits to Police and Firefighters. Resources are contributed by employees at rates fixed by law and by the City at amounts determined by annual actuarial valuations.

# **GENERAL EMPLOYEES AND SANITATION EMPLOYEES (GESE)**

These Pension Trust Funds are used to account for the three separate GESE Plans (GESE Members, Excess Plan and Staff Plan). The funds are used to account for the accumulation of resources to be used for the payment of retirement benefits to City employees, other than police and firefighters. Resources are contributed by employees at rates fixed by law and by the City at amounts determined by annual actuarial valuations.

# **CITY OF MIAMI ELECTED OFFICERS' RETIREMENT TRUST (EORT)**

This Fund is used to account for the accumulation of resources to be used for the payment of retirement benefits to elected officials. Resources are contributed by the City in amounts determined by annual actuarial valuations.

#### City of Miami, Florida Combining Statement of Fiduciary Net Position Fiduciary Funds September 30, 2017

		Emple	oyee Retirement I	Funds		
	Fire Fighters and Police (FIPO)	General and Sanitation Employees (GESE)	General and Sanitation Employees (GESE Excess Plan)		Elected Officers Retirement Trust (EORT)	Total Employee Retirement Funds
Assets						
Cash and Cash Equivalents	\$ 43,119,707	\$ 146,271	\$ 26,839	\$ 98,310	\$-	\$ 43,391,127
Accounts Receivable	3,840,501	7,516,654	33,829	5,000	) –	11,395,984
Capital Assets, Net	1,786,284	1,613,124			<u> </u>	3,399,408
	48,746,492	9,276,049	60,668	103,310	) _	58,186,519
Investments:						
U.S. Government Obligations	98,363,093	92,661,641	-	-	· -	191,024,734
Corporate Bonds	386,350,962	60,168,704	-	1,017,075	-	447,536,741
Corporate Stocks	355,958,115	447,212,229	-	2,766,180	) –	805,936,524
Money Market Funds and Commercial Paper	-	38,143,857	-	-	6,884,664	45,028,521
International Equity	256,089,706	-	-	-		256,089,706
Mutual Funds	181,181,304	-	-	-		181,181,304
Real Estate	169,762,725	26,109,055	-	-		195,871,780
Private Equity	139,235,059	-	-	-		139,235,059
Absolute Return Funds	99,722,597	-	-	-	. <u>-</u>	99,722,597
Total Investments	1,686,663,561	664,295,486	-	3,783,255	6,884,664	2,361,626,966
Securities Lending Collateral	129,908,551	-	-	-	. <u>-</u>	129,908,551
Total Assets	1,865,318,604	673,571,535	60,668	3,886,565	6,884,664	2,549,722,036
Liabilities						
Obligations Under Security Lending Transactions	129,908,551	-	-	-		129,908,551
Accounts Payable	745,983	897,702	60,668	6,029	) –	1,710,382
Payable for Securities Purchased	2,132,305	4,819,360	-	-		6,951,665
Total Liabilities	132,786,839	5,717,062	60,668	6,029		138,570,598
Net Position						
Restricted for Pension Benefits	\$ 1,732,531,765	\$ 667,854,473	\$ -	\$ 3,880,536	\$ 6,884,664	\$ 2,411,151,438

#### City of Miami, Florida Combining Statement of Changes in Fiduciary Net Position Fiduciary Funds For the Fiscal Year Ended September 30, 2017

			Emple	oyee Retirement	Funds		_
$\begin{array}{ c c c c c c c c c c c c c c c c c c c$		0	Sanitation Employees	Sanitation Employees (GESE Excess	Sanitation Employees Staff Plan (GESE	<b>Retirement Trust</b>	Employee Retirement
$\begin{array}{c c c c c c c c c c c c c c c c c c c $							
Plan Members         13,206,378         11,081,234         24,542         24,312,154           Total Contributions $66,470,387$ $45,436,953$ $674,572$ $318,190$ $406,911$ $113,307,013$ Investment Earnings:         Net Increase (Decrease) in Fair Value of Investments $127,248,340$ $70,420,708$ $ 360,559$ $48,027$ $198,077,634$ Interest $17,702,972$ $4,877,847$ $  22,580,819$ Dividends $9,945,674$ $48,18,912$ $ 823,739$ Total Investment Earnings $155,280,987$ $80,606,098$ $ 438,774$ $48,027$ $226,373,886$ Security Lending Activities:         Security Lending Income $704,395$ $  704,395$ Security Lending Pees and Rebates $(175,980)$ $  (252,415)$ Less Investment Expenses $(5,052,641)$ $(1,960,554)$ $  (2,890,435)$ Net Income From Security Lending Activities $22,790,472$ $99,963$ $  (2,890,435)$ Total Addit							
Total Contributions $66,470,387$ $45,436,953$ $674,572$ $318,190$ $406,911$ $113,307,013$ Investment Earnings:         Net Increase (Decrease) in Fair Value of Investments $127,248,340$ $70,420,708$ - $360,559$ $48,027$ $198,077,634$ Interest $17,702,972$ $4,877,847$ -         - $22,580,819$ Dividends $9,994,567$ $4,818,912$ - $78,215$ - $482,739$ Other $335,108$ $488,631$ -         - $823,739$ $80,606,098$ - $438,774$ $48,027$ $236,373,886$ Security Lending Income $704,395$ -         -         - $704,395$ Security Lending Rest and Rebates $(175,980)$ -         -         - $704,395$ Less Investment Expenses $(5,052,641)$ $(1,960,554)$ -         -         - $72,980,135$ Net Increase Torm City for Administrative Costs         - $2,790,472$ $99,963$ -         2,280,81,068           Reimbursement From City for Administrative Costs         - <td></td> <td></td> <td>. , ,</td> <td>\$ 674,572</td> <td></td> <td></td> <td>. , ,</td>			. , ,	\$ 674,572			. , ,
Investment Earnings:         Net Increase (Decrease) in Fair Value of Investments $127,248,340$ $70,420,708$ $ 360,559$ $48,027$ $198,077,634$ Interest $17,702,972$ $4,877,847$ $  22,580,819$ Dividends $9,994,567$ $4,818,912$ $ 78,215$ $ 42,25,80,819$ Other $335,108$ $488,631$ $  22,580,819$ Total Investment Earnings $155,280,987$ $80,606,098$ $ 438,774$ $48,027$ $236,373,886$ Security Lending Activities: $528,415$ $    704,395$ Security Lending Res and Rebates $(175,980)$ $   528,415$ Less Investment Expenses $(5,052,641)$ $(1960,554)$ $   229,889,106$ Reimbursement From City for Administrative Costs $ 2,790,472$ $99,963$ $  2,890,435$ Total Additions $157,037,907$ $72,514,134$ $674,572$ $341,659$ $318,754$ $230,887,026$ <t< td=""><td></td><td></td><td></td><td></td><td></td><td></td><td></td></t<>							
Net Increase (Decrease) in Fair Value of Investments $127,248,340$ $70,420,708$ - $360,559$ $48,027$ $198,077,634$ Interest $17,702,972$ $4,877,847$ -         -         22,580,819           Dividends $9,994,567$ $4,818,912$ - $78,215$ - $14,891,694$ Other $335,108$ $488,631$ -         - $823,739$ Total Investment Earnings $155,280,987$ $80,606,098$ - $438,774$ $48,027$ $236,373,886$ Security Lending Income $704,395$ -         -         - $704,395$ Security Lending Fees and Rebates $(175,980)$ -         -         - $528,415$ Less Investment Expenses $(5,052,641)$ $(1,960,554)$ -         -         - $22,989,106$ Reimbursement From City for Administrative Costs         - $2,790,472$ $99,963$ -         -         2,890,435           Total Additions $157,037,907$ $72,514,134$ $674,572$ $341,659$ $318,754$ $230,887,026$	Total Contributions	66,470,387	45,436,953	674,572	318,190	406,911	113,307,013
$\begin{array}{c c c c c c c c c c c c c c c c c c c $	Investment Earnings:						
$\begin{array}{c ccccccccccccccccccccccccccccccccccc$	Net Increase (Decrease) in Fair Value of Investments	127,248,340	70,420,708		360,559	48,027	198,077,634
Other $335,108$ $488,631$ -         -         -         823,739           Total Investment Earnings $155,280,987$ $80,606,098$ - $438,774$ $48,027$ $236,373,886$ Security Lending Activities:         Security Lending Income $704,395$ -         -         - $704,395$ Security Lending Fees and Rebates $(175,980)$ -         -         -         (175,980)           Net Income From Security Lending Activities $528,415$ -         -         -         528,415           Less Investment Expenses $(5,052,641)$ $(1,960,554)$ -         -         -         (7,013,195)           Net Investment Earnings $150,756,761$ $78,645,544$ - $438,774$ $48,027$ $229,889,106$ Reimbursement From City for Administrative Costs         - $2,790,472$ $99,963$ -         2,890,435           Total Additions $217,227,148$ $126,872,969$ $774,535$ $756,964$ $454,938$ $346,086,554$ Deductions         Benefits/Payments $157,037,907$ $72,514,134$ $674,572$ $341,659$	Interest	17,702,972	4,877,847			-	22,580,819
Total Investment Earnings $155,280,987$ $80,606,098$ $ 438,774$ $48,027$ $236,373,886$ Security Lending Activities: Security Lending Fees and Rebates $704,395$ $   704,395$ Net Income From Security Lending Activities $528,415$ $   (175,980)$ Net Income From Security Lending Activities $528,415$ $   (175,980)$ Net Income From Security Lending Activities $528,415$ $   (7,013,195)$ Net Investment Expenses $(5,052,641)$ $(1,960,554)$ $  (7,013,195)$ Net Investment Earnings $150,756,761$ $78,645,544$ $ 438,774$ $48,027$ $229,889,106$ Reimbursement From City for Administrative Costs $ 2,790,472$ $99,963$ $  2,890,435$ Total Additions $217,227,148$ $126,872,969$ $774,535$ $756,964$ $454,938$ $346,086,554$ DeductionsBenefits/Payments $157,037,907$ $72,514,134$ $674,572$ $341,659$ $318,754$ $230,887,026$ Refunds upon Resignation, Death, Other $772,000$ $1,066,601$ $   2,482,453$ Administrative and Other Expenses $2,101,523$ $3,142,702$ $99,963$ $ 2,400$ $5,346,583$ Total Deductions $184,793,883$ $76,723,437$ $774,535$ $341,659$ $321,154$ $262,2954,668$ Change in Net Position $32,433,265$ $50,617,704,941$	Dividends	9,994,567	4,818,912		- 78,215	-	14,891,694
Security Lending Activities:Security Lending Income $704,395$ $   704,395$ Security Lending Fees and Rebates $(175,980)$ $   704,395$ Net Income From Security Lending Activities $528,415$ $   (175,980)$ Net Income From Security Lending Activities $528,415$ $   (7,013,195)$ Net Investment Expenses $(5,052,641)$ $(1.960,554)$ $   (7,013,195)$ Net Investment Expenses $(5,052,641)$ $(1.960,554)$ $   (7,013,195)$ Net Investment Expenses $(5,052,641)$ $(1.960,554)$ $   (7,013,195)$ Detinous $ 2,790,472$ $99,963$ $  2,890,435$ Benefits/Payments $157,037,907$ $72,514,134$ $674,572$ $341,659$ $318,754$ $230,887,026$ Refunds upon Resignation, Death, Other $772,000$ $1,066,601$ $   24,882,453$ Distribution to Retirees $24,882,453$ $   24,882,453$ $   24,882,453$ Change in Net Position $32,433,265$ $50,149,532$ $   24,882,453$ $252,954,668$ Change in Net Position $32,433,265$ $50,149,532$ $   24,882,453$ $252,954,658$ Change in Net Position $32,433,265$ $50,149,532$ $  -$	Other	335,108	488,631	-		-	823,739
Security Lending Income $704,395$ $704,395$ Security Lending Fees and Rebates $(175,980)$ $(175,980)$ Net Income From Security Lending Activities $528,415$ $(175,980)$ Security Lending Activities $528,415$ $(27,013,195)$ Less Investment Expenses $(5,052,641)$ $(1,960,554)$ $(7,013,195)$ Net Investment Earnings $150,756,761$ $78,645,544$ - $438,774$ $48,027$ $229,889,106$ Reimbursement From City for Administrative Costs- $2,790,472$ $99,963$ $2,890,435$ Total Additions $217,227,148$ $126,872,969$ $774,535$ $756,964$ $454,938$ $346,086,554$ DeductionsBenefits/Payments $157,037,907$ $72,514,134$ $674,572$ $341,659$ $318,754$ $230,887,026$ Refunds upon Resignation, Death, Other $772,000$ $1,066,601$ $1,838,601$ Distribution to Retirees $24,882,453$ $24,882,453$ Administrative and Other Expenses $2,101,523$ $3,142,702$ $99,963$ - $2,400$ Total Deductions $184,793,883$ $76,723,437$ $774,535$ $341,659$ $318,754$ $230,887,026$ Change in Net Position $32,433,265$ $50,149,532$ $24,882,453$ Net Position- Beginning of Year $1,700,098,500$ $617,704,941$ - $3,465,231$ <td>Total Investment Earnings</td> <td>155,280,987</td> <td>80,606,098</td> <td></td> <td>438,774</td> <td>48,027</td> <td>236,373,886</td>	Total Investment Earnings	155,280,987	80,606,098		438,774	48,027	236,373,886
Security Lending Fees and Rebates $(175,980)$ $(175,980)$ Net Income From Security Lending Activities $528,415$ $(275,980)$ Less Investment Expenses $(5,052,641)$ $(1,960,554)$ $(7,013,195)$ Net Investment Expenses $(5,052,641)$ $(1,960,554)$ $(7,013,195)$ Net Investment Expenses $(5,052,641)$ $(1,960,554)$ $(7,013,195)$ Net Investment Expenses $(5,052,641)$ $(1,960,554)$ $(2,890,435)$ Total Additions $217,227,148$ $126,872,969$ $774,535$ $756,964$ $454,938$ $346,086,554$ DeductionsBenefits/Payments $157,037,907$ $72,514,134$ $674,572$ $341,659$ $318,754$ $230,887,026$ Refunds upon Resignation, Death, Other $772,000$ $1,066,601$ $18,38,601$ Distribution to Retirees $24,882,453$ $24,882,453$ $24,882,453$ Administrative and Other Expenses $2,101,523$ $3,142,702$ $99,963$ - $2,400$ $5,346,588$ Total Deductions $184,793,883$ $76,723,437$ $774,535$ $341,659$ $321,154$ $262,954,668$ Change in Net Position $32,433,265$ $50,149,532$ - $415,305$ $133,784$ $83,131,886$ Net Position- Beginning of Year $1,700,098,500$ $617,704,941$ - $3,465,231$ $6,750,880$ $2,3$	Security Lending Activities:						
Net Income From Security Lending Activities         528,415         -         -         528,415           Less Investment Expenses         (5,052,641)         (1,960,554)         -         -         (7,013,195)           Net Investment Earnings         150,756,761         78,645,544         -         438,774         48,027         229,889,106           Reimbursement From City for Administrative Costs         -         2,790,472         99,963         -         -         2,890,435           Total Additions         217,227,148         126,872,969         774,535         756,964         454,938         346,086,554           Deductions         -         -         -         1,838,601         -         -         1,838,601           Distribution to Retirees         24,882,453         -         -         -         24,882,453           Administrative and Other Expenses         2,101,523         3,142,702         99,963         -         24,882,453           Total Deductions         184,793,883         76,723,437         774,535         341,659         321,154         262,954,668           Change in Net Position         32,433,265         50,149,532         -         415,305         133,784         83,131,886           Net Position - Beginning of Ye	Security Lending Income	704,395	-			-	704,395
Less Investment Expenses $(5,052,641)$ $(1,960,554)$ $(7,013,195)$ Net Investment Earnings $150,756,761$ $78,645,544$ - $438,774$ $48,027$ $229,889,106$ Reimbursement From City for Administrative Costs- $2,790,472$ $99,963$ $2,890,435$ Total Additions $217,227,148$ $126,872,969$ $774,535$ $756,964$ $454,938$ $346,086,554$ DeductionsBenefits/Payments $157,037,907$ $72,514,134$ $674,572$ $341,659$ $318,754$ $230,887,026$ Refunds upon Resignation, Death, Other $772,000$ $1,066,601$ $1,838,601$ Distribution to Retirees $24,882,453$ $24,882,453$ Administrative and Other Expenses $2,101,523$ $3,142,702$ $99,963$ - $2,400$ $5,346,588$ Total Deductions $184,793,883$ $76,723,437$ $774,535$ $341,659$ $321,154$ $262,954,668$ Change in Net Position $32,433,265$ $50,149,532$ -415,305 $133,784$ $83,131,886$ Net Position- Beginning of Year $1,700,098,500$ $617,704,941$ - $3,465,231$ $6,750,880$ $2,328,019,552$	Security Lending Fees and Rebates	(175,980)	-			-	(175,980)
Net Investment Earnings         150,756,761         78,645,544         -         438,774         48,027         229,889,106           Reimbursement From City for Administrative Costs         -         2,790,472         99,963         -         2,890,435           Total Additions         217,227,148         126,872,969         774,535         756,964         454,938         346,086,554           Deductions         Benefits/Payments         157,037,907         72,514,134         674,572         341,659         318,754         230,887,026           Refunds upon Resignation, Death, Other         772,000         1,066,601         -         -         1,838,601           Distribution to Retirees         24,882,453         -         -         -         24,882,453           Administrative and Other Expenses         2,101,523         3,142,702         99,963         -         2,400         5,346,588           Total Deductions         184,793,883         76,723,437         774,535         341,659         321,154         262,954,668           Change in Net Position         32,433,265         50,149,532         415,305         133,784         83,131,886           Net Position- Beginning of Year         1,700,098,500         617,704,941         3,465,231         6,750,880 <t< td=""><td>Net Income From Security Lending Activities</td><td>528,415</td><td>-</td><td></td><td></td><td></td><td>528,415</td></t<>	Net Income From Security Lending Activities	528,415	-				528,415
Reimbursement From City for Administrative Costs       -       2,790,472       99,963       -       -       2,890,435         Total Additions       217,227,148       126,872,969       774,535       756,964       454,938       346,086,554         Deductions       -       -       -       157,037,907       72,514,134       674,572       341,659       318,754       230,887,026         Refunds upon Resignation, Death, Other       772,000       1,066,601       -       -       -       1,838,601         Distribution to Retirees       24,882,453       -       -       -       2,400       5,346,588         Total Deductions       2,101,523       3,142,702       99,963       -       2,400       5,346,588         Change in Net Position       32,433,265       50,149,532       -       415,305       133,784       83,131,886         Net Position- Beginning of Year       1,700,098,500       617,704,941       -       3,465,231       6,750,880       2,328,019,552	Less Investment Expenses	(5,052,641)	(1,960,554)			-	(7,013,195)
Total Additions217,227,148126,872,969774,535756,964454,938346,086,554DeductionsBenefits/Payments157,037,90772,514,134674,572341,659318,754230,887,026Refunds upon Resignation, Death, Other772,0001,066,6011,838,601Distribution to Retirees24,882,45324,882,453Administrative and Other Expenses2,101,5233,142,70299,963-2,4005,346,588Total Deductions184,793,88376,723,437774,535341,659321,154262,954,668Change in Net Position32,433,26550,149,532-415,305133,78483,131,886Net Position- Beginning of Year1,700,098,500617,704,941-3,465,2316,750,8802,328,019,552	Net Investment Earnings	150,756,761	78,645,544		438,774	48,027	229,889,106
Deductions           Benefits/Payments         157,037,907         72,514,134         674,572         341,659         318,754         230,887,026           Refunds upon Resignation, Death, Other         772,000         1,066,601         -         -         1,838,601           Distribution to Retirees         24,882,453         -         -         -         24,882,453           Administrative and Other Expenses         2,101,523         3,142,702         99,963         -         2,400         5,346,588           Total Deductions         184,793,883         76,723,437         774,535         341,659         321,154         262,954,668           Change in Net Position         32,433,265         50,149,532         -         415,305         133,784         83,131,886           Net Position- Beginning of Year         1,700,098,500         617,704,941         -         3,465,231         6,750,880         2,328,019,552	Reimbursement From City for Administrative Costs	-	2,790,472	99,963	-	-	2,890,435
Benefits/Payments157,037,90772,514,134674,572341,659318,754230,887,026Refunds upon Resignation, Death, Other772,0001,066,6011,838,601Distribution to Retirees24,882,45324,882,453Administrative and Other Expenses2,101,5233,142,70299,963-24,000Total Deductions184,793,88376,723,437774,535341,659321,154262,954,668Change in Net Position32,433,26550,149,532-415,305133,78483,131,886Net Position- Beginning of Year1,700,098,500617,704,941-3,465,2316,750,8802,328,019,552	Total Additions	217,227,148	126,872,969	774,535	756,964	454,938	346,086,554
Refunds upon Resignation, Death, Other       772,000       1,066,601       -       -       1,838,601         Distribution to Retirees       24,882,453       -       -       -       24,882,453         Administrative and Other Expenses       2,101,523       3,142,702       99,963       -       2,400       5,346,588         Total Deductions       184,793,883       76,723,437       774,535       341,659       321,154       262,954,668         Change in Net Position       32,433,265       50,149,532       -       415,305       133,784       83,131,886         Net Position- Beginning of Year       1,700,098,500       617,704,941       -       3,465,231       6,750,880       2,328,019,552	Deductions						
Refunds upon Resignation, Death, Other       772,000       1,066,601       -       -       1,838,601         Distribution to Retirees       24,882,453       -       -       -       24,882,453         Administrative and Other Expenses       2,101,523       3,142,702       99,963       -       2,400       5,346,588         Total Deductions       184,793,883       76,723,437       774,535       341,659       321,154       262,954,668         Change in Net Position       32,433,265       50,149,532       -       415,305       133,784       83,131,886         Net Position- Beginning of Year       1,700,098,500       617,704,941       -       3,465,231       6,750,880       2,328,019,552	Benefits/Payments	157,037,907	72,514,134	674,572	341,659	318,754	230,887,026
Administrative and Other Expenses2,101,5233,142,70299,963-2,4005,346,588Total Deductions184,793,88376,723,437774,535341,659321,154262,954,668Change in Net Position32,433,26550,149,532-415,305133,78483,131,886Net Position- Beginning of Year1,700,098,500617,704,941-3,465,2316,750,8802,328,019,552		772,000	1,066,601	· · ·	· -	-	1,838,601
Total Deductions184,793,88376,723,437774,535341,659321,154262,954,668Change in Net Position32,433,26550,149,532-415,305133,78483,131,886Net Position- Beginning of Year1,700,098,500617,704,941-3,465,2316,750,8802,328,019,552	Distribution to Retirees	24,882,453	-			-	24,882,453
Total Deductions184,793,88376,723,437774,535341,659321,154262,954,668Change in Net Position32,433,26550,149,532-415,305133,78483,131,886Net Position- Beginning of Year1,700,098,500617,704,941-3,465,2316,750,8802,328,019,552	Administrative and Other Expenses	2,101,523	3,142,702	99.963	-	2,400	· · ·
Net Position- Beginning of Year         1,700,098,500         617,704,941         -         3,465,231         6,750,880         2,328,019,552				,			
	Change in Net Position	32,433,265	50,149,532		415,305	133,784	83,131,886
Net Position- End of Year         \$ 1,732,531,765         \$ 667,854,473         -         \$ 3,880,536         \$ 6,884,664         \$ 2,411,151,438	Net Position- Beginning of Year	1,700,098,500	617,704,941		3,465,231	6,750,880	2,328,019,552
	Net Position- End of Year	\$ 1,732,531,765	\$ 667,854,473		\$ 3,880,536	\$ 6,884,664	\$ 2,411,151,438

# STATISTICAL SECTION

This part of the City's comprehensive annual financial report presents detailed information as a context for understanding what the information contained in the financial statements, note disclosures, and required supplementary information says about the City's overall financial health.

# **FINANCIAL TRENDS**

These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.

## **REVENUE CAPACITY**

These schedules contain information to help the reader assess the City's most significant local revenue source, the property tax.

## **DEBT CAPACITY**

These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.

# **DEMOGRAPHIC AND ECONOMIC INFORMATION**

These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.

# **OPERATING INFORMATION**

These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.

# CITY OF MIAMI, FLORIDA NET POSITION BY COMPONENT LAST TEN FISCAL YEARS (ACCURAL BASIS OF ACCOUNTING)

	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Primary Government										
Net Investment in Capital Assets	\$ 627,800,618	\$ 616,752,804	\$ 614,080,419	\$ 651,485,412	\$ 626,017,000	\$ 657,452,000	\$ 693,247,000	\$ 627,800,618 \$ 616,752,804 \$ 614,080,419 \$ 651,485,412 \$ 626,017,000 \$ 657,452,000 \$ 693,247,000 \$ 752,507,000 \$ 791,006,000 \$ 773,960,000	\$ 791,006,000	\$ 773,960,000
Restricted	297,600,108	273,730,365	297,600,108 273,730,365 237,584,556	86,209,162	93,376,000	90,078,000	95,873,000	88,297,000	77,577,000	77,577,000 147,707,000
										(211, 486, 00)
Unrestricted (Deficit)	(1, 431, 127, 42)	27) (1,224,962,15	54) $(1, 163, 152, 86$	51) (947,529,448)	(327, 113, 000)	(331,776,000)	(341,277,000	(1,431,127,427) (1,224,962,154) (1,163,152,861) (947,529,448) (327,113,000) (331,776,000) (341,277,000) (306,024,000) (242,954,000)	(242,954,000)	(0)
Total Primary Government Net Position \$ (505,726,701) \$ (334,478,985) \$ (311,487,886) \$ (209,834,874) \$ 392,280,000 \$ 415,754,000 \$ 447,843,000 \$ 534,780,000 \$ 625,629,000 \$ 710,181,000	n \$ (505,726,701]	) \$ (334,478,985	) \$ (311,487,886	) \$ (209,834,874)	\$ 392,280,000	\$ 415,754,000	\$ 447,843,000	\$ 534,780,000	\$ 625,629,000	\$ 710,181,000

Notes: (1) The City does not have any business-type activities for financial reporting purposes.

			-		K. 1 1 1					
	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Expenses										
Governmental Activities:										
General Government	174,982,174	158,677,568	168,655,624	241,295,603	144,909,293	104,495,000	164,006,000	152,727,000	155,198,000	140,681,000
Planning and Development	19,462,678	15,513,166	15,479,449	50,647,846	11,688,186	16,397,000	10,801,000	12,019,000	15,465,000	16,218,000
Community Development	29,443,452	27,937,279	30,519,798	45,476,324	38,926,526	38,100,000	40,852,000	39,655,000	37,126,000	42,029,000
Community Redevelpment Areas	34,616,272	36, 149, 769	58,062,764	18,087,177	20,836,076	17,041,000	4,696,000	29,288,000	20,566,000	13,904,000
Public Works	95,595,175	78,763,459	74,434,887	155,556,138	68,732,553	83,062,000	65,604,000	69,970,000	72,003,000	72,573,000
Public Safety	579,366,645	446,865,144	385,120,293	776,125,991	337,347,418	352,869,000	333,431,000	371,351,000	375,402,000	370,007,000
Public Facilities	19,086,773	16,758,483	16,560,573	23,126,368	15,403,258	16,330,000	11,242,000	16,848,000	13,179,000	15,354,000
Parks and Recreation	63,380,712	50,207,864	42,585,419	78,558,325	43,340,882	44,977,000	39,223,000	39,776,000	43,441,000	39,550,000
Interest on Long-Term Debt Contribution to Dort Tunnel	29,663,407	32,606,891	33,747,629	31,932,034	43,544,000	37,426,000	43,336,000 50,000,000	27,533,000	36,091,000	27,207,000
Total Primary Government Expenses	1,045,597,288	863,479,623	825,166,436	1,420,805,808	724,728,191	710,697,000	763,191,000	759,167,000	768,471,000	737,523,000
Frogram Kevenues Community A structures										
Overinnental Activities.										
Cliatiges for Services General Government	80 777 08	78 570 413	66 617 814	65 843 173	50 687 215	51 265 000	48 814 000	38 703 000	35 587 000	40.062.000
Donning and Davidonment	A6 827 017	17 586 050	10,110,000	36 970 971	19 848 000	15 378 000	12 175 000	0.710.000	0.611.000	13.077.000
	/ 10,/ 00,04	900,000,14	771,000,1	120,670,00	1 0,040,000	700,000	1 252 000	000,617,6	000,110,6	000,170,61
Community Development		1,/66,1/3	/.46,000,6	824,248	000,666,1	000'60/	1,585,000	100,661		/03,000
Community Redevelpment Areas	1,998,138	2,157,456	1,138,695	416,337	62,000	39,000	224,000	1,275,000	1,065,000	1, 141, 000
Public Works	58,727,450	56,113,613	53,711,146	50,257,847	47,175,977	41,533,000	49,349,000	46,480,000	47,792,000	48, 489, 000
Public Safety	29,475,920	28,477,126	24,708,571	25,426,372	26,207,867	23,321,000	15,997,000	22,152,000	17,785,000	16,578,000
Public Facilities	37,720,512	35,324,297	37,455,509	30,925,509	29,219,001	27,353,000	18,244,000	14,636,000	15,459,000	16,660,000
Parks and Recreation	7,741,695	7,845,180	8,454,738	5,613,643	7,111,007	7,184,000	6,224,000	6,247,000	4,827,000	4,107,000
Operating Grants and Contributions	81,114,292	88,478,479	84,631,766	105,483,092	103,176,700	88,608,000	94,339,000	73,139,000	64,646,000	63, 179, 000
Capital Grants and Contributions	1,078,796	11,315,519	9,253,860	2,598,400	17,042,000	29,303,000	21,824,000	27,113,000	33,964,000	54,174,000
Total Primary Government Program Revenue	345,415,918	357,634,315	336,367,368	324,268,392	301,084,767	284,643,000	269,725,000	239,619,000	230,736,000	258,170,000
Net(Expense)/Revenue										
Total Primary Government Net Expense	(700, 181, 370)	(505,845,308)	(488,799,068) (1,096,537,416)	(1,096,537,416)	(423,643,424)	(426,054,000)	(493, 466, 000)	(519, 548, 000)	(537,735,000)	(479, 353, 000)
General Revenues and Other Changes in Net Assets										
Governmental Activities:										
Taxes										
Property Taxes, Levied for General Purposes	336,475,508	298,719,456	269,303,313	241,721,842	232,082,786	223,386,000	233,193,000	264,548,000	283,516,000	269,785,000
Property Taxes, Levied for Debt Service	26,964,194	25,661,731	24,848,727	24,853,248	26,425,030	26,887,000	28,132,000	22,663,000	21,378,000	21,328,000
Franchise Taxes	49,207,879	47,416,360	47,560,134	46,311,659	44,698,943	44,650,000	44,882,000	43,121,000	42,824,000	42,298,000
State Revenue Sharing - Unrestricted	15,687,260	14,836,385	14,389,530	13,389,054	12,673,362	12,367,000	11,430,000	10,515,000	22,567,000	12,187,000
Sales and Other Use Taxes	33,521,269	32,699,735	31,254,199	29,490,981	27,737,964	25,803,000	25,988,000	22,666,000	22,567,000	24,861,000
Public Service Taxes	62,532,940	60,020,384	59,576,109	60,395,502	59,322,198	58,046,000	59,427,000	61,967,000	64,010,000	62,258,000
Investment Earnings (Losses) - Unrestricted	4,544,604	3,500,158	4,761,254	4,298,129	(2,653,269)	2,826,000	2,393,000	3,218,000	7,718,000	17,656,000
Gain (Loss) on Disposal of Capital Assets		,	(546,835)	9,960,348	(115,656)	,	1,087,000	'	,	,
Other General Revenues									378,000	'
Total Primary Government	528,933,654	482,854,209	451,146,431	430,420,763	400,171,358	393,965,000	406,532,000	428,698,000	464,958,000	450,373,000

206

Notes: (1) The City does not have any business-type activities for financial reporting purposes.

(28,980,000)

(90,850,000) (72,777,000)

(37,652,637) (666,116,653) (23,472,066) (32,089,000) (86,934,000)

(22, 991, 099)

(171,247,716)

Change in Net Position Total Primary Government

#### CITY OF MIAMI, FLORIDA GENERAL GOVERNMENTAL TAX REVENUES BY SOURCE LAST TEN FISCAL YEARS (ACCRUAL BASIS OF ACCOUNTING)

Fiscal Year	Ad Valorem Taxes General Purpose	Ad Valorem Taxes Debt Service	Franchise Taxes	Sales and Other Use Taxes	Communication Service Taxes	Total
2017	\$ 336,475,508	\$ 26,964,194	\$ 49,207,879	\$ 33,521,269	\$ 62,532,940	\$ 508,701,790
2016	298,719,456	25,661,731	47,416,360	32,699,735	60,020,384	464,517,666
2015	269,303,313	24,848,727	47,560,134	31,254,199	59,576,109	432,542,482
2014	241,721,842	24,853,248	46,311,659	29,490,981	60,395,502	402,773,232
2013	232,082,786	26,425,030	44,698,943	27,737,964	59,322,198	390,266,921
2012	223,386,064	26,887,032	26,649,826	17,793,928	58,045,986	352,762,836
2011	233,193,302	28,131,853	44,881,126	25,987,633	59,426,883	391,620,797
2010	264,548,387	22,662,573	43,120,713	22,665,743	61,966,455	414,963,871
2009	283,516,182	21,377,549	42,823,572	22,566,791	64,010,537	434,294,631
2008	269,785,445	21,327,853	42,298,452	24,860,795	62,257,072	420,529,617

			FUND BALAN LAS (MODIFIED A	LANCES OF GOVERNMENTA LAST EIGHT FISCAL YEARS D ACCRUAL BASIS OF ACCC	FUND BALANCES OF GOVERNMENTAL FUNDS LAST EIGHT FISCAL YEARS (MODIFIED ACCRUAL BASIS OF ACCOUNTING)	FUNDS NTING)			
		2017	2016	2015	2014	2013	2012	2011	2010
Fund Balances (Deficit):									
Non-Spendable Fund Balance									
Non Spendable	S	3,123,531 \$	3,033,309 \$	3,474,396 \$	3,975,000 \$	3,554,000 \$	8,141,000	\$ 4,897,000 \$	3,808,000
Spendable Fund Balance									
Restricted		338,319,610	310,576,099	297,118,841	226,564,000	261,858,000	333,199,000	382, 134, 000	444,802,000
Committed		121,083,524	133,813,871	92,342,101	110,418,000	20,881,000	16,512,000	18, 349, 000	20,741,000
Assigned		44,647,057	44,240,127	61,350,740	56,487,000	73,642,000	52,161,000	18,908,000	16,230,000
Unassigned		59,618,612	36,487,814	58,533,534	54, 180, 000	(3, 399, 000)	(9, 324, 000)	(4,978,000)	(19,469,000)
<b>Total Fund Balances (Deficit)</b>	\$	566,792,334 \$	528,151,220 \$	512,819,612 \$	451,624,000 \$	356,536,000 \$	400,689,000	\$ 566,792,334 \$ 528,151,220 \$ 512,819,612 \$ 451,624,000 \$ 356,536,000 \$ 400,689,000 \$ 419,310,000 \$ 466,112,000	466,112,000

**CITY OF MIAMI, FLORIDA** 

Note: Years prior to fiscal year 2010 have not been presented due to the implementation of GASB Statement No. 54, which provided for new categories for classifying governmental fund balances. Changes to the fund balance is being presented prospectively.

#### CITY OF MIAMI, FLORIDA CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS LAST TEN FISCAL YEARS (MODIFIED ACCRUAL BASIS OF ACCOUNTING)

	 2017	2016	2015	2014	2013
Revenues					
Property Taxes	\$ 363,439,702 \$	324,381,187 \$	294,152,040 \$	266,575,890 \$	258,507,816
Franchise and Other Taxes	111,740,819	107,436,744	107,136,243	106,706,981	104,021,141
Licenses and Permits	73,030,964	71,826,609	65,136,838	60,905,490	35,894,264
Fines and Forfeitures	17,727,789	17,022,156	13,606,546	12,633,258	11,822,487
Intergovernmental Revenues	131,983,836	144,464,881	144,172,756	147,318,713	169,377,430
Charges for Services	131,422,481	128,520,198	127,031,324	109,858,728	123,088,110
Investment Earnings (Loss)	4,544,604	3,500,158	4,761,254	4,298,129	(2,653,269)
Impact Fees	25,347,222	25,491,632	20,848,627	21,561,620	9,121,554
Other	15,694,374	14,979,722	15,858,407	11,227,804	7,446,994
Total Revenues	 874,931,791	837,623,287	792,704,035	741,086,613	716,626,527
Expenditures					
General Government	126,756,277	108,025,194	96,682,018	93,731,826	94,827,268
Planning and Development	18,478,112	16,530,501	17,528,545	13,886,927	11,938,108
Community Development	29,059,382	27,669,432	30,618,655	32,773,187	38,461,763
Community Redevelpment Areas	33,155,840	35,240,353	57,374,849	16,496,169	20,408,076
Public Works	80,534,143	75,620,054	70,748,795	64,297,681	62,775,496
Public Safety	377,635,776	358,151,070	320,578,664	309,032,876	311,799,509
Public Facilities	16,095,228	14,172,514	14,182,077	11,558,522	12,422,038
Parks and Recreation	50,122,922	40,252,541	34,176,174	30,933,658	32,461,502
Contribution to Port Tunnel		-	-	-	
Organizational Support	-	-	-	-	-
Debt Service:					
Principal	42,848,297	31,666,421	23,134,356	47,423,659	73,066,874
Interest and Other Charges	33,376,755	37,407,853	43,562,774	42,414,727	44,111,501
Debt Issuance Costs	-	-		-	-
Capital Outlay	80,312,188	88,247,094	87,743,237	65,700,078	52,579,857
Total Expenditures	 888,374,920	832,983,027	796,330,144	728,249,310	754,851,992
Excess (Deficiency) of Revenues					
Over (Under) Expenditures	 (13,443,129)	4,640,260	(3,626,109)	12,837,303	(38,225,465)
Other Financing Sources (Uses)					
Transfers In	115,984,813	134,391,945	113,353,457	130,317,671	79,854,462
Transfers Out	(115,984,813)	(134,391,945)	(113,353,457)	(130,317,670)	(79,854,460)
Proceeds from Sale of Property	787,221	441,720	1,957,890	10,607,538	304,345
Proceeds Received from Refunding	114,380,000	57,240,000	-	-	
Payment To Escrow Agent For Refunding	(112,330,000)	(57,635,000)	-	-	-
Proceeds Received From Long-Term Debt	-	-	-	-	-
Premium from Issuance of Debt	-	-	-	4,330,862	-
Issuance of Debt	49,314,922	10,644,628	-	73,934,380	50,028,639
Capital Leases			-	-	-
Sale of Capital Assets	-	-	-	-	-
Discount from Issuance of Debt	(67,900)	-	-	-	-
Total Other Financing Sources (Uses)	52,084,243	10,691,348	1,957,890	88,872,781	50,332,986
Net Changes in Fund Balances	\$ 38,641,114 \$	15,331,608 \$	(1,668,219) \$	101,710,084 \$	12,107,521
Debt Service as a Percentage of Non-Capital Expenditures	9.43%	9.28%	9.41%	13.56%	16.69%

## CITY OF MIAMI, FLORIDA CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS LAST TEN FISCAL YEARS (MODIFIED ACCRUAL BASIS OF ACCOUNTING)

		2012	2011	2010	2009	2008
Revenues						
Property Taxes	\$	250,273,000 \$	261,325,000 \$	287,211,000 \$	304,894,000 \$	291,113,000
Franchise and Other Taxes		102,696,000	104,309,000	105,090,000	106,834,000	104,556,000
Licenses and Permits		35,726,000	34,031,000	25,348,000	26,105,000	29,845,000
Fines and Forfeitures		5,538,000	6,454,000	5,208,000	7,441,000	6,978,000
Intergovernmental Revenues		152,387,000	170,755,000	153,416,000	141,254,000	157,269,000
Charges for Services		106,717,000	94,711,000	88,420,000	85,927,000	86,387,000
Investment Earnings (Loss)		2,826,000	2,393,000	3,218,000	7,718,000	17,656,000
Impact Fees		4,338,000	1,355,000	12,000	332,000	4,679,000
Other		14,934,000	10,102,000	9,106,000	10,757,000	10,103,000
Total Revenues		675,435,000	685,435,000	677,029,000	691,262,000	708,586,000
Expenditures						
General Government		187,595,000	166,671,000	180,608,000	158,902,000	171,040,000
Planning and Development		7,922,000	8,328,000	9,340,000	11,350,000	11,236,000
Community Development		36,706,000	40,432,000	39,158,000	36,413,000	41,037,000
Community Redevelpment Areas		22,041,000	4,395,000	29,084,000	20,144,000	15,947,000
Public Works		48,949,000	46,644,000	51,337,000	55,173,000	55,068,000
Public Safety		221,066,000	218,698,000	249,749,000	266,285,000	265,498,000
Public Facilities		12,708,000	9,803,000	12,556,000	11,660,000	13,020,000
Parks and Recreation		25,879,000	26,540,000	27,545,000	33,211,000	29,056,000
Contribution to Port Tunnel		- , ,	50,000,000	-		-
Organizational Support		-	30,524,000	32,219,000	41,315,000	27,752,000
Debt Service:					, ,	_,,,_,,,,,,
Principal		22,934,000	29,492,000	27,261,000	23,566,000	21,343,000
Interest and Other Charges		41,185,000	39,648,000	38,065,000	31,928,000	28,921,000
Debt Issuance Costs			2,048,000	-	-	
Capital Outlay		66,897,000	113,888,000	55,696,000	106,863,000	114,577,000
Total Expenditures	_	693,882,000	787,111,000	752,618,000	796,810,000	794,495,000
Excess (Deficiency) of Revenues						
Over (Under) Expenditures		(18,447,000)	(101,676,000)	(75,589,000)	(105,548,000)	(85,909,000)
Other Financing Sources (Uses)						
Transfers In		114,263,000	100,560,000	146,557,000	196,099,000	227,563,000
Transfers Out		(114,263,000)	(100,560,000)	(146,557,000)	(196,099,000)	(227,563,000)
Proceeds from Sale of Property	,	(114,205,000)	1,087,000	(140,557,000)	(190,099,000)	(227,303,000)
Proceeds Received from Refunding		-	68,894,000	-	-	- 133,099,000
Payment To Escrow Agent For Refunding		-	(68,572,000)	-	(32,366,000)	155,099,000
Proceeds Received From Long-Term Debt		-	1,712,000	-	108,490,000	-
Premium from Issuance of Debt		-	1,712,000	-	(794,000)	1,345,000
Issuance of Debt		-	51,751,000	-	(794,000)	1,545,000
Capital Leases		-	51,751,000	(1,392,000)	-	-
Sale of Capital Assets		-	-	166,370,000	-	-
Discount from Issuance of Debt		-	-	-	-	-
Total Other Financing Sources (Uses)		-	54,872,000	164,978,000	75,330,000	134,444,000
Net Changes in Fund Balances	\$	(18,447,000) \$	(46,804,000) \$	89,389,000 \$	(30,218,000) \$	48,535,000
Debt Service as a Percentage of Non-Capital Expenditures		10.23%	10.27%	9.37%	8.04%	7.39%

## CITY OF MIAMI, FLORIDA GENERAL GOVERNMENTAL TAX REVENUES BY SOURCE LAST TEN FISCAL YEARS (MODIFIED ACCRUAL BASIS OF ACCOUNTING)

Fiscal Year	Ad Valorem Taxes General Purpose	Ad Valorem Taxes Debt Service	Franchise Taxes	Sales and Other Use Taxes	Communication Service Taxes	Total
2017	\$ 336,475,508	\$ 26,964,194	\$ 49,207,879	\$ 33,521,269	\$ 62,532,940	\$ 508,701,790
2016	298,719,456	25,661,731	47,416,360	32,699,735	60,020,384	464,517,666
2015	269,303,313	24,848,727	47,560,134	31,254,199	59,576,109	432,542,482
2014	241,722,642	24,853,248	46,311,659	29,490,981	60,395,322	402,773,852
2013	232,082,786	26,425,030	44,698,943	27,737,964	59,322,198	390,266,921
2012	223,386,063	26,887,032	44,649,826	25,803,387	58,045,986	378,772,294
2011	233,193,302	28,131,853	44,881,126	25,987,633	59,426,883	391,620,797
2010	264,548,387	22,662,573	43,120,713	22,665,743	61,966,455	414,963,871
2009	283,516,182	21,377,549	42,823,572	22,566,791	64,010,537	434,294,631
2008	269,785,445	21,327,853	42,298,452	24,860,795	62,257,072	420,529,617

CITY OF MIAMI, FLORIDA	NET ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY	LAST TEN FISCAL YEARS
------------------------	---	-----------------------

Net Assessed

Value as	a Percentage of	Estimated Actual	Value (1)	74.53%	73.57%	73.51%	78.57%	82.51%	71.94%	71.65%	70.86%	71.19%	68.34%
	Estimated	Actual	Value	\$ 66,582,430,165	60,628,790,417	54,280,943,197	44,910,824,446	39,674,594,000	43,557,261,093	42,365,151,484	52,146,883,603	52,185,972,858	55,249,891,635
	Total	Direct	Tax Rate	8.2900	8.3351	8.3850	8.4310	8.4710	8.5010	8.6441	8.3335	8.2543	7.8775
	Net	Assessed	Value	\$ 49,621,309,999	44,602,305,542	39,903,058,628	35,284,841,538	32,735,569,577	31,333,834,037	30,352,746,208	36,949,521,366	37, 149, 190, 992	37,755,839,094
		Personal	Property	\$ 2,168,086,910	2,141,666,844	2,097,769,007	2,017,164,410	2,074,115,500	1,890,870,077	1,736,766,113	1,686,540,244	1,686,320,651	1,749,572,760
perty		Commercial	Property	\$ 16,942,681,891	15,141,552,949	13,199,485,300	11,333,504,297	10,558,773,418	10,336,397,326	10,078,997,005	11,921,087,043	11,890,691,413	11,727,240,945
Real Property		Residential	Property	\$ 30,510,541,198	27,319,085,749	24,605,804,321	21,934,172,831	20,102,680,659	19,106,566,634	18,536,983,090	23,341,894,079	23,572,178,928	24,279,025,389
	Fiscal Year	Ended	September 30,	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008

Source: Miami-Dade Country Property Appraiser's Office.

Note: Property in the City is reassessed each year. State law requires the Property Appraiser to appraise property at 100% of market value. The Florida Constitution was amended, effective January 1, 1995, to limit annual increases in assessed value of property with homestead exemption to 3 percent per year or the amount of the Consumer Price Index, whichever is lower. The increase is not automatic since no assessed value shall exceed market value. Tax rates are per \$1,000 of assessed value.

(1) Includes tax-exempt property.

## PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS **CITY OF MIAMI, FLORIDA** LAST TEN FISCAL YEARS

City of Miami, Florida

Overlapping Rates (1)

Total Direct and	Overlapping	Rates	21.82560	22.23510	22.67860	22.65150	22.59340		24.20810	22.99210	22.63610	22.15510
Florida Inland	Navigation (	District	0.0320	0.0320	0.0345	0.0345	0.0345	0.0345	0.0345	0.0345	0.0345	0.0345
Ч	Environmental	Projects	0.0471	0.0506	0.0548	0.0587	0.0613	0.0624	0.0894	0.0894	0.0894	0.0894
South Florida Water		District	0.2836	0.3045	0.3294	0.3523	0.3676	0.3739	0.5346	0.5346	0.5346	0.5346
Sc Miami-Dade	County Library Management	System	0.2840	0.2840	0.2840	0.1725	0.1725	0.1795	0.2840	0.3822	0.3822	0.3842
Miami-Dade M	Children's Co	Trust	0.5000	0.5000	0.5000	0.5000	0.5000	0.5000	0.5000	0.5000	0.4212	0.4223
A	Miami-Dade	County	5.0669	5.1169	5.1169	5.1255	4.9885	5.0900	5.8725	5.1229	5.1229	4.8646
Miami-Dade	hool	Board	7.3220	7.6120	7.9740	7.9770	7.9980	8.0050	8.2490	7.9950	7.7970	7.9480
								8.5010				
	Debt	Service	0.6435	0.6886	0.7385	0.8162	0.9000	0.9300	0.9701	0.6595	0.5803	0.5776
	General	Operations	7.64650	7.64650	7.64650	7.61480	7.57100	7.57100	7.67400	7.67400	7.67400	7.29990
								2011				
	Fiscal	Year	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008

Sources: City of Miami, Florida Finance Department and Miami-Dade County Property Appraiser's Office.

Note: All millage rates are based on \$1 for every \$1,000 of assessed value.

(1) Overlapping rates are those of local and county governments that apply to property owners within the City of Miami, Florida. Not all overlapping rates apply to all City of Miami, Florida property owners (i.e. the rates for special districts apply only to the proportion of the government's property owners whose property is located within the geographic boundaries of the special district).

## CITY OF MIAMI, FLORIDA PRINCIPAL PROPERTY TAXPAYERS CURRENT YEAR AND NINE YEARS AGO

			2017			2008	
Taxpayer		Net Assessed Value	Rank	Percent of Total City Net Assessed Value	Net Assessed Value	Rank	Percent of Total City Net Assessed Value
Florida Power and Light	\$	542,617,539	1	1.09%	\$ 374,704,167	1	0.99%
200 S Biscayne TIC 1 LLC		263,009,522	2	0.53%			
CP Miami Center LLC		204,154,225	3	0.41%			
T C 701 Brickell LLC		179,973,556	4	0.36%			
Plantation General Hospital		156,979,061	5	0.32%			
1450 Brickell LLC		155,263,261	6	0.31%			
MCPP WFC Maami LLC		153,810,000	7	0.31%			
GAEDEKE Holdings XII LTD		148,382,675	8	0.30%			
Brickell Holding LLC		147,958,600	9	0.30%			
PR 1111 Brickell LLC		143,000,000	10	0.29%	138,566,380	6	0.37%
SRI Miami Ventures LP					281,063,160	2	0.74%
Teachers Ins and Annuity Assoc of America	ι				274,800,000	3	0.73%
Bellsouth Telecommunications					235,219,075	4	0.62%
Crescent Miami Center					178,000,000	5	0.47%
Miami Herald Publishing Co.					121,709,457	7	0.32%
Terremark					102,758,786	8	0.27%
Trustees of L and B					103,191,113	9	0.27%
Blue Capital US East					96,296,304	10	0.26%
Total	\$	2,095,148,439		4.22%	\$ 1,906,308,442		5.05%
Net Assessed Value- Citywide	\$	49,621,309,999			\$ 37,755,839,094		

Source: Miami-Dade Property Appraiser

## ITY OF MIAMI, FLORIDA PROPERTY TAX LEVIES AND COLLECTIONS LAST TEN FISCAL YEARS

		Collected w the Fiscal of Lev	Year		Total Colle To Dat	
Fiscal Year Ended September 30,	Total Taxes Levied for Fiscal Year	Amount	Percent of Levy	Collections of Delinquent Taxes	Amount	Percent of Levy
2017	\$ 390,792,627	\$ 350,970,845	89.81%	\$ 12,468,857	\$ 363,439,702	93.00%
2016	353,176,443	320,048,201	90.62%	4,332,986	324,381,187	91.85%
2015	315,966,185	286,106,822	90.55%	8,045,210	294,152,032	93.10%
2014	281,070,226	260,389,830	92.64%	6,206,637	266,596,467	94.85%
2013	262,193,908	251,210,062	95.81%	6,852,822	258,062,884	98.42%
2012	252,157,463	238,225,003	94.47%	12,048,092	250,273,095	99.25%
2011	258,028,695	240,648,308	93.26%	20,676,849	261,325,157	101.28%
2010	319,395,358	275,812,810	86.35%	11,398,150	287,210,960	89.92%
2009	309,582,783	298,355,830	96.37%	7,537,901	305,893,731	98.81%
2008	297,421,622	285,910,801	96.13%	5,202,498	291,113,299	97.88%

Note 1: The County Tax Collector does not allocate delinquent taxes collected by the original tax year levied. Consequently, all collections of delinquent taxes are applied to the immediately prior tax year and, as a result, the percentage for collections to date may exceed 100%.

## CITY OF MIAMI, FLORIDA RATIOS OF OUTSTANDING DEBT BY TYPE LAST TEN FISCAL YEARS

	 Gov	vern	mental Activiti	ies						
			Special							
Fiscal Year	General	C	Obligation and		_		Premium		Percent of	_
Ended	Obligation		Revenue		Loans	Capital	(Discounts)		Personal	Per
September 30,	Bonds		Bonds		Payable	Leases	Accretions	Total	Income (1)	Capita (1)
2017	\$ 174,640,000	\$	455,546,327	\$	-	\$ 30,675,053 \$	6,436,510	\$ 667,297,890	0.00%	1,426
2016	189,735,000		451,965,127		-	10,644,628	8,547,344	660,892,099	3.14%	1,449
2015	205,038,304		468,723,244		-	-	12,257,757	686,019,305	2.77%	1,561
2014	217,378,253		479,517,651		1,236,279	-	21,334,989	719,467,172	2.43%	1,723
2013	228,970,771		441,414,430		2,436,000	-	23,465,911	696,287,112	2.37%	1,682
2012	239,988,415		407,366,796		54,971,864	-	-	702,327,075	2.21%	1,758
2011	251,566,791		418,172,682		57,119,793	-	-	726,859,266	2.08%	1,820
2010	265,804,455		358,571,022		79,902,293	-	-	704,277,770	2.09%	1,763
2009	276,113,503		199,629,250		89,426,363	-	-	565,169,116	2.33%	1,559
2008	235,393,765		198,484,539		73,656,764	-	-	507,535,068	2.56%	1,400

Notes: Details regarding the City's outstanding debt can be found in the notes to the financial statements.

(1) See the Schedule of Demographic and Economic Statistics on page 221 for personal income and population data.

## CITY OF MIAMI, FLORIDA RATIOS OF GENERAL BONDED DEBT OUTSTANDING LAST TEN FISCAL YEARS

		т	ess Amounts		Percentage of Estimated	
Fiscal Year	General		Available in		Actual Taxable	
Ended	Obligation	Ι	Debt Service		Value of	Per Capita
September 30,	 Bonds (1)		Fund (2)	 Total	Property (3)	(4)
2017	\$ 174,639,343	\$	5,580,816	\$ 169,058,527	0.341%	361
2016	188,584,456		3,449,542	185,134,914	0.415%	406
2015	202,490,581		1,810,610	200,679,971	0.503%	457
2014	214,169,986		3,053,873	211,116,113	0.598%	505
2013	225,073,250		3,588,864	221,484,386	0.677%	535
2012	235,417,344		1,951,991	233,465,353	0.745%	584
2011	246,310,284		336,520	245,973,764	0.810%	616
2010	259,842,468		(41,370)	259,883,838	0.703%	651
2009	269,109,310		1,496,363	267,612,947	0.720%	738
2008	227,837,106		2,138,512	225,698,594	0.598%	623

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements. In addition, due to the implementation of GASB65 in fiscal year 2013, deferred charge on refunding is shown as a deferred outflow and no longer included with long-term liabilities. Futhermore, fiscal years 2008 to 2016 have been updated to reflect General Obligation Bonds net of original isuance discounts and premiums.

- (1) This is the general bonded debt of governmental activities, net of original issuance discounts and premiums.
- (2) This is the amount restricted for debt service principal payments.
- (2) See the Schedule of Assessed Value and Estimated Actual Value of Taxable Property on page 212 for property value data.
- (3) See the Schedule of Demographic and Economic Statistics on page 221 for population data.

## CITY OF MIAMI, FLORIDA DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT AS OF SEPTEMBER 30, 2017

Government Unit	Net Debt Outstanding	Percentage Applicable to the City of Miami (1)	I	Amount Applicable to the City of Miami
Debt Repaid with Property Taxes:				
Miami-Dade County	\$ 1,700,151,000	19.00%	\$	323,028,690
Miami-Dade County School Board	982,581,000	19.00%		186,690,390
Subtotal, Overlapping Debt				509,719,080
City of Miami, Florida Direct Debt (Includes special obligation, revenue bonds, loans, premium				
(discount) accretion and capital leases)			_	667,297,890
Total Direct and Overlapping Debt			\$ <u> </u>	1,177,016,970

Sources: Data provided by the Miami-Dade County Finance Department and the Miami-Dade County School Board.

Note:

Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the City of Miami. This process recognizes that, when considering the City's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.

(1) For debt repaid with property taxes, the percentage of overlapping debt applicable is estimated using taxable assessed property values. Value that is within the City's boundaries and dividing it by the County's and School Board's total taxable assessed value. This approach was also used for the other debt.

# CITY OF MIAMI, FLORIDA LEGAL DEBT MARGIN INFORMATION LAST TEN FISCAL YEARS

	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Debt Limit	\$ 7,144,383,602	\$ 6,391,518,217	\$ 5,688,668,194	\$ 4,990,151,631	\$ 4,599,936,687	\$ 4,533,761,406	\$ 4,383,368,881	\$ 5,370,834,055	\$ 5,372,349,749	\$ 5,400,939,914
Total Net Debt Applicable to Limit	169,059,184	186,262,069	203,204,305	214,300,991	225,381,907	238,036,415	251,229,541	265,845,455	274,617,503	233,254,515
Legal Debt Margin	\$ 6,975,324,418	\$ 6,975,324,418 \$ 6,205,256,148 \$ 5,485,463,889	\$ 5,485,463,889	\$ 4,775,850,640	\$ 4,374,554,780	\$ 4,295,724,991	\$ 4,132,139,340	\$ 5,104,988,600	\$ 5,097,732,246 \$ 5,167,685,399	\$ 5,167,685,399
Total Net Debt Applicable to the Limit as a percentage of Debt Limit	2.37%	2.91%	3.57%	4.29%	4.90%	5.25%	5.73%	4.95%	5.11%	4.32%
Net Assesed Value	\$ 49,621,309,999									
Less Homestead Exempt Valuation	(1,992,085,989)	I								
Total Assessed Value	47,629,224,010	I								
Debt Limit for Bonds (15% of Total Assessed Value) Descret Debt Amelionica of Dabt Limiteion	7,144,383,602									
General Obligation Debt	174,640,000									
Less Annount Available in Deot Service Fund Total Net Debt Applicable to Limit Legal Debt Margin	(5,580,816) 169,059,184 \$ 6,975,324,418									

## CITY OF MIAMI, FLORIDA PLEDGED REVENUE COVERAGE LAST TEN FISCAL YEARS

FiscalYear		Debt	Service		
Ended	Ad Valorem			2x Annual	
September 30,	Revenues (1)	Principal	Interest	Debt Service	Coverage (2)
2017	\$ 363,439,702	\$ 17,145,000	\$ 9,490,770	\$ 53,271,540	6.82
2016	324,381,187	14,908,304	9,123,918	48,064,444	6.75
2015	294,152,040	12,339,949	13,741,375	52,162,648	5.64
2014	266,575,890	11,592,499	13,780,696	50,746,390	5.25
2013	258,507,816	11,017,644	13,732,200	49,499,688	5.22
2012	250,273,095	11,578,375	13,673,035	50,502,820	4.96
2011	261,325,154	14,237,664	13,782,766	56,040,860	4.66
2010	287,210,960	10,309,047	13,865,476	48,349,046	5.94
2009	304,893,731	10,335,262	12,228,340	45,127,204	6.76
2008	291,113,298	10,465,644	11,379,849	43,690,986	6.66

Note:

- (1) Ad valorem revenues shall mean all legally available revenues and taxes of the governmental unit in the Funds (defined as the general fund, special revenue funds, the capital project funds, the special assessment funds, and the expandable trust fund(s)) derived from any source whatever other than ad valorem taxation on real and personal property, including appropriated fund balances in the funds and applicable operating transfers (in). Non-Ad Valorem Revenues are required to be two times greater than projected debt service.
- (2) The Sunshine State Government Financing Loans require that available non-ad valorem revenues be two times the annual projected debt service for all debt other than general obligation debt of the City.

## CITY OF MIAMI, FLORIDA DEMOGRAPHIC AND ECONOMIC STATISTICS LAST TEN FISCAL YEARS

Year	Population(1)(2)	Personal Income (Amounts Expressed in Thousands) (3)	Personal Income(3)	Median Age (1)	School Enrollment (4)	Unemployment Rate (5)
2017	467,872	\$ - \$	-	39	356,086	4.6%
2016	456,089	20,724,684	45,440	39	356,480	5.0%
2015	439,509	19,021,071	43,278	39	355,913	5.5%
2014	417,650	17,492,435	41,883	39	349,553	5.6%
2013	413,892	16,506,013	39,880	38	348,230	9.3%
2012	399,457	15,522,899	38,860	38	345,635	9.9%
2011	399,457	15,113,056	37,834	38	347,133	11.5%
2010	399,457	14,738,365	36,896	38	345,458	11.1%
2009	362,470	13,178,322	36,357	38	345,570	11.1%
2008	362,470	13,007,961	35,887	38	344,806	6.1%

Sources:

(1) United States Census Bureau (From FY08 to FY12)

(2) Bureau of Economic Analysis, U.S. Department Commerce (From FY13 to FY17)

(3) Bureau of Economic Analysis, U.S. Department Commerce

(4) Miami-Dade County School Board Budget Office

(5) Florida Agency for Workplace Innovation, Office of Workplace Information Services, Labor Market Statistics

\* FY 2017 Personal Income Information not available

## CITY OF MIAMI, FLORIDA PRINCIPAL EMPLOYERS CURRENT YEAR AND NINE YEARS AGO

		2017 (1)			2008	
Employer	Employees	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment
Miami-Dade County Public Schools	33,477	1	2.4%	50,000	1	4.2%
Miami-Dade County Employer	25,502	2	1.9%	32,000	2	2.7%
Federal Government	19,200	3	1.5%	20,400	3	1.7%
Florida State Government	17,100	4	1.5%	17,000	4	1.4%
University of Miami	12,818	5	1.0%	9,874	8	0.8%
Baptist Health South Florida	11,353	6	1.1%	10,826	6	0.9%
American Airlines	11,031	7	0.9%	9,000	9	0.8%
Jackson Health System	9,797	8	0.6%	10,500	7	0.9%
City of Miami	4,179	9	0.4%			
Florida International University	3,534	10	0.3%			
Publix Super Markets				11,000	5	0.9%
Miami-Dade College				6,500	10	0.2%
Total	147,991		11.6%	177,100		14.4%

Sources: The Beacon Council/U.S. Department of Labor-Bureau of Labor Statistics City of Miami Budget Office

(1) Information is based on data from year 2016. The data for 2017 is not available as of the date of this report.

## CITY OF MIAMI, FLORIDA FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION LAST TEN FISCAL YEARS

	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Number of Employees:										
General Government	642	608	519	538	540	533	505	538	511	641
Planning and Development	152	138	135	126	124	111	96	102	123	128
Community Development	35	35	38	40	43	43	60	54	55	61
Public Works	573	517	506	452	443	442	442	436	521	525
Public Safety	2,580	2,548	2,448	2,338	2,286	2,282	2,283	2,368	2,390	2,310
Public Facilities	63	54	41	41	42	41	41	41	41	54
Parks and Recreation	301	279	196	192	178	178	182	186	265	207
Total Number of Employees	4,346	4,179	3,883	3,727	3,656	3,630	3,609	3,725	3,906	3,926

Source: City of Miami, Budget Department

Function/Program	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Community Development: Entitlements/Grants Received	N/A	\$ 19,287	\$ 19,034	\$ 19,239	\$ 18,794	\$ 24,364	\$ 33,491	\$ 37,815	\$ 26,275	\$ 30,267
Public Safety: Police:										
Part 1 Crimes - (1)	23,269	23,043	23,709	25,208	25,898	28,070	27,045	26,097	25,761	27,907
Part 1 Arrests - (1)	2,456	3,239	3,108	3,715	3,837	4,166	4,295	4,393	4,536	4,741
Part 2 Arrests - (2)	17,898	21,732	22,564	27,580	26,329	25,155	22,269	26,670	32,826	31,211
r n.c. Number of Fire Calls	19 090	14 445	13 970	12,736	13 131	15 122	16 686	14 493	10411	18 191
Number of EMS Calls	86,865	87,977	86,038	83,697	79,544	79,279	81,638	76,747	73,017	69,870
Number of Alarms	105,955	102,422	100,008	96,433	92,675	94,401	98,324	91,240	83,428	88,061
Planning and Development:										
Certificate of Use Permits Used	22,018	26,739	21,191	23,399	20,860	20,907	20,775	20,156	22,724	21,482
Business Tax Receipts Issued	21,592	26,661	22,566	33,877	29,686	23,117	22,478	29,548	22,092	22,498
Culture and Recreation: Summer Food Program - Meals Served (Lunches)	N/A	N/A	N/A	123,925	119,603	98,129	92,737	59,785	N/A	N/A
Summer Food Program - Meals Served (Snacks)	N/A	N/A	N/A	123,425	122,512	106,449	87,963	62,983	N/A	N/A
Solid Waste: Refuse Collected (Tons/Day)	693	562	693	675	643	586	551	566	N/A	717
Recyclables Collected (Tons/Day)	56	52	39	48	52	14	14	11	N/A	16
Sources: Various City Departments. Note: Indicators are not available for the general government function.	ment function.									

Part 1 crimes and arrests include murder, rape, robbery, aggravated assault, burglary, larceny, and motor vehicle theft.
 (2)Part 2 arrests include all other arrests that are not Part 1 crimes.
 N/A Information not available

## CITY OF MIAMI, FLORIDA CAPITAL ASSETS STATISTICS BY FUNCTION/PROGRAM LAST TEN FISCAL YEARS

Function/Program	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Public Safety:										
Police:										
Police Stations	1	1	1	1	1	1	1	1	1	1
Police Sub-Stations	3	3	3	3	3	3	3	3	3	3
Fire:										
Fire Stations	15	15	15	14	14	14	14	14	14	14
Solid Waste:										
Collection Trucks	164	148	141	143	144	144	160	160	N/A	181
Public Works:										
Streets (Miles - Paved)	661.9	663.2	663.5	663.5	663.8	662.1	662.1	662.1	662.1	662.2
Streets (Miles - Unpaved)	0.84	0.84	0.84	0.84	0.92	1.1	1.1	1.1	1.1	N/A
Transportation:										
Street Resurfacing (Miles)	23.07	24.02	41.0	27.7	23.7	23.7	18.3	15.8	N/A	21.6
Culture and Recreation:										
Parks Acreage	1,316	1,497	936	897	897	897	894	894	894	894
Parks	145	143	131	127	127	127	112	112	112	112
Swimming Pools	15	15	15	15	15	15	15	15	15	11
Tennis Courts	65	61	61	61	61	61	61	61	61	55
Community Centers	43	34	43	35	34	34	34	34	34	32
Basketball Courts	71	71	71	71	71	71	71	71	71	63
Water Playgrounds	6	5	5	4	4	3	2	2	2	2
Soccer Fields	15	15	15	15	15	13	13	13	13	11
Football Fields	9	9	9	9	9	9	9	9	9	10
Baseball Fields	30	30	30	30	30	30	30	30	30	27
Open Practice Fields	29	2	2	2	2	2	2	2	2	2
Cricket Field	-	-	1	1	1	1	1	1	1	1

Sources: Various City Departments. Note: No Capital asset Indicators are available for the general government function. N/A Information not available

Page left intentionally blank

About the Cover View of Downtown Miami

The Finance Department would like to extend a special regognition to Richard Rios, GSA-Graphics Reproduction Section, for his creativity with the production of the Comprehensive Annual Financial Report.

## **City of Miami, Florida Finance Department**

444 SW 2 Avenue, 6th Floor Miami, Florida 33130



## COMPREHENSIVE ANNUAL FINANCIAL REPORT

FISCAL YEAR ENDED September 30, 2017

www.miamigov.com

**witter.com/miamifinance305**