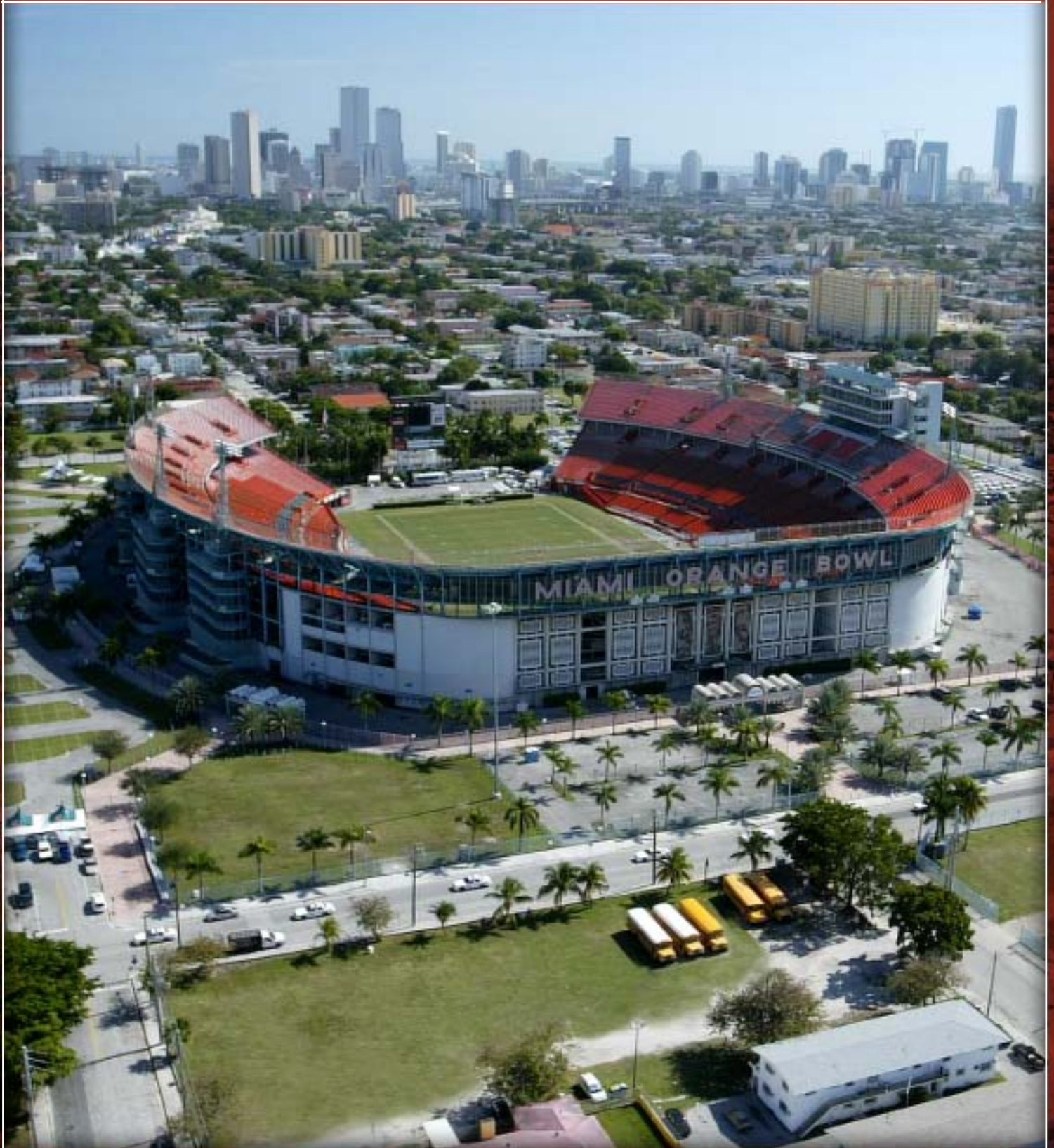




City of Miami

Comprehensive Annual Financial Report

Fiscal Year ended:
September 30th, 2005



COMPREHENSIVE ANNUAL FINANCIAL REPORT



City of Miami, Florida
For the Year Ended September 30, 2005

Prepared by the Finance Department



INTRODUCTORY SECTION

PRINCIPAL CITY OFFICIALS

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CERTIFICATE OF ACHIEVEMENT

ORGANIZATIONAL CHART



City of Miami, Florida Principal City Officials

September 30, 2005

MAYOR

Manuel A. Diaz

CITY COMMISSION

Angel González, Chairman

Johnny L. Winton, Vice – Chairman

Thomás Regalado, Commissioner

Joe M. Sanchez, Commissioner

Michelle Spence-Jones, Commissioner

CITY MANAGER

Joe Arriola

CITY ATTORNEY

Jorge L. Fernandez

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City of Miami, Florida

Comprehensive Annual Financial Report For the Fiscal Year Ended September 30, 2005

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City of Miami



April 13, 2006

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

Ladies and Gentlemen:

The Comprehensive Annual Financial Report of the City of Miami, Florida (the "City") for the fiscal year ended September 30, 2005, is hereby submitted. This report consists of management's representations concerning the finances of the City. Consequently, management assumes full responsibility for the completeness and reliability of all the information presented in this report. To provide a reasonable basis for making these representations, management of the City has established a comprehensive internal control framework that is designed both to protect the City's assets from loss, theft or misuse and to compile sufficient reliable information for preparation of the City's financial statements in conformity with accounting principles generally accepted in the United States of America (GAAP). Because the cost of internal controls should not outweigh their benefits, the City's comprehensive framework of internal control has been designed to provide reasonable, rather than absolute assurance that the financial statements will be free of material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material aspects.

Rachlin Cohen and Holtz LLP partnering with Harvey, Branker & Associates, Rodriguez, Trueba & Co., CPA, P.A., and Susan M. Garcia, P.A., all of which are firms of licensed certified public accountants, has audited the City's basic financial statements. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City, for the fiscal year ended September 30, 2005, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditors concluded, based upon the audit, that there was reasonable basis for rendering an unqualified opinion that the City's basic financial statements for the fiscal year ended September 30, 2005, were presented fairly in conformity with GAAP. The independent auditors' report is presented as the first component of the financial section of this report.

The independent audit of the financial statements of the City was part of a broader, federally and state mandated "Single Audit" designed to meet special needs of federal and state grantor agencies. The standards governing Single Audit engagements require the independent auditor

to report not only on the fair presentation of the financial statements, but also on the audited government's internal control and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal and state awards.

GAAP requires that management provides a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. The City's MD&A can be found immediately following the report of the independent auditors. The remainder of this letter provides an overview of the City government as well as local economic conditions and prospects for the future.

PROFILE OF THE GOVERNMENT

The City of Miami, Florida (the "City"), in the County of Miami-Dade, was incorporated in 1896, and has a population of approximately 362,000, according to the 2004 Census Bureau estimates. 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 34.3 square miles of land and 19.5 square miles of water.

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. 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 cities and unincorporated areas, including the City. 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 (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.

The decision to include a potential component unit in the City's reporting entity is based on the criteria stated in GASB Statement No. 14 - *The Financial Reporting Entity*, which includes the ability to appoint a voting majority of an organization's governing body and (1) the ability of

the City to impose its will on that organization or (2) the potential for the organization to provide specific financial benefits to, or impose specific financial burden on, the City.

Based upon the application of the criteria in GASB Statement No. 14, the financial statements of the component units listed below have been included in the City's reporting entity as either blended or discretely presented component units.

BLENDDED	DISCRETELY PRESENTED
Southeast Overtown Park West CRA	Miami Sports and Exhibition Authority
OMNI CRA	Downtown Development Authority
Virginia Key Beach Park Trust	Department of Off-Street Parking
Model City Revitalization District Trust	Bayfront Management Trust
Neighborhood Improvement Districts	Health Facility Authority
	Civilian Investigative Panel

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 activities and balances for each blended and discretely presented component unit are as of and for the period ended September 30, 2005.

The annual budget serves as the foundation for the City's financial planning and control. All departments and component units of the City are required to submit requests for appropriation to the City's Budget Department. Prior to August 31st, 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 1st. The Mayor shall prepare and deliver a budgetary address annually to the people of the City between July 1st and September 30th. Such report shall be prepared after consultation with the City Manager. The City Commission is required to hold public hearings on the proposed budget and to adopt the final budget no later than September 30th, the close of the City's fiscal year. The budget is legally enacted through the passage of an ordinance and adoption of the budget report. Management may not make changes to the adopted budget without the approval of a majority vote of the City Commission. The City 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. Budget-to-actual comparisons are provided in this report for each major individual governmental fund for which an appropriated annual budget has been adopted. For all non-major governmental funds with appropriated annual budgets, this comparison is presented in the combining and individual fund section of this report, which starts on page 96.

ECONOMIC CONDITION AND OUTLOOK

The City's diversified economic base is comprised of wholesale and retail trade, light manufacturing, commerce, and tourism. The City has made great gains in the areas of international banking, business, real estate and trans-shipment, which has diversified the economic base. Located in the center of a hemispheric market of more than 700 million people, and easily accessible to South and Central America, the Caribbean, Europe and Africa, Miami's strategic location and international commerce infrastructure make it the ideal location for international trade. As a result of expanding economies in several Latin American countries, international trade has been growing at double-digit rates in the Miami area.

Airport. In 2005, the Miami International Airport served nearly 31 million passengers, with nearly half of those being international passengers. It has flights to nearly 200 cities on five continents with 90 scheduled and 32 non-scheduled carriers. The Miami International Airport also shipped 3.9 billion pounds of domestic and international cargo during the year.

Sea Port. In 2005, the Port of Miami handled 9.5 million tons of cargo and over 3.6 million cruise passengers. Long considered the Cruise Capital of the World, boasting more home-ported cruise ships than any other seaport, the Port of Miami received another distinction in November 1999. It became the year-round home of Royal Caribbean International's 3,600-passenger *Voyager of the Seas*, the largest cruise liner ever built at that time. The Port of Miami is also the base for Royal Caribbean's newest ship, the 3,800 passenger "Regency of the Seas".

Arenas. The American Airlines arena, home of the Miami Heat basketball team, is one of the premier facilities that ushered in the City's Millennium celebration. The Miami Arena serves as a venue for concerts, and special events.

Private Development. The City is experiencing a period of unprecedented private development. Projects recently completed, under construction, or in design will add over \$30 billion in value to the property tax roll. Major projects planned and under construction include 83,000 residential units, 3,900 hotel rooms, 7.9 million square feet of office space and 6.2 million square feet of retail. Of specific note, is the over 17,000 residential units currently planned or under construction in downtown Miami, furthering the City's goal to transform its central business district to a 24 by 7 activity center.

Public/Private Development Ventures. The City will continue to focus efforts on its waterfront properties. Projects such as the Dinner Key Marina, Virginia Key Beach and Bicentennial Park are major projects which fit prominently into the City's long-term economic growth and financial well being. A major change has begun on Watson Island with the planning for the Island Gardens Development, which will contain two hotels, retail spaces and a mega-yacht marina.

LONG-TERM FINANCIAL PLANNING

In order to meet the service demands of residents and visitors, the City continues to address the long-term financing necessary in order to fund the capital projects essential to the creation, improvement, enhancement and preservation of public facilities and infrastructure.

The City's fiscal year 2005-2006 five year Capital Improvement Plan, covering the period from October 1, 2005 through September 30, 2011, has earmarked funding estimated at \$780.3 million for 519 projects throughout the City. Streets and sidewalks projects account for the largest portion of the total Capital Plan funding at \$319.9 million or 41%. Parks and recreation projects are the second largest, accounting for \$136.6 million, or 17.5%, and public facilities projects are the third largest accounting for \$93.8 million, or 12%, of the total Capital Plan.

City bonds represent the largest share of funding for the Capital Plan, accounting for 49.9% of the value. Capital project revenues (impact fees, storm water utilities, optional gas tax, etc) account for 30.4%, funding derived from Miami-Dade County accounts for 13% and the remaining 6.7% of funding is from Federal, State and other private donations.

RELAVENT FINANCIAL POLICIES

Debt Management - The City operates within an established formal debt management policy, which applies to all new issuances of debt and all outstanding debt issues. The City continues to obtain, in an efficient and innovative manner, long-term financing for the construction or acquisitions of various long-term assets. The policy's objective is to adequately plan and meet the City's comprehensive construction demands for essential capital improvements and equipment, and, at the same time, ensure that the residents of the City are not overburdened with general obligation long-term debt payable from ad valorem taxes.

Cash Management Policies and Practices - In order to achieve maximum financial return on all available funds, the Finance Department pursues an aggressive cash management and investment program within the constraints imposed by Florida Statutes and local policies adopted by resolution by the City Commission. The City operates within established formal investment policies, which applies to all investments of public funds. Idle cash balances are invested on a daily basis at the best interest rates available in the markets. Investments consist primarily of United States treasury and agency securities, and commercial paper. For purposes of maximizing the interest earning yield on short-term investments, cash balances of all funds are pooled. The primary objective of the City's policy is preservation of capital. It is the City's policy not to invest in highly leveraged derivatives. Investment income reported in these financial statements includes the adjustment to the fair value of the investments. Increases or decreases in fair value during the current year, however, do not necessarily represent trends that will continue, nor is it always possible to realize such amounts, especially in the case of temporary changes in the fair value of investments that the City intends to hold to maturity.

Risk Management - 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 health and life insurance programs are administered by an independent administrator. The City funds the program on an annual payout 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.

MAJOR INITIATIVES

With the improvement in the financial condition of the City, the emphasis has been redirected to improving the infrastructure within the City. The City has begun a program of major renovations and improvements to City parks, streets, sidewalks and drainage systems. Additionally, a major effort is underway to modify and improve the City's sanitation services. While the external improvements are critical to promote further economic development, the City has completed a strategic planning process to identify and plan for technology improvements internally within the administration. A major result of this study will be a shift in technology from a mainframe environment to a distributed network. The City will also be moving much of its services and information to the internet.

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, 2004. 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.

In order to be awarded a Certificate of Achievement, the City had to publish an easily readable and efficiently organized CAFR, whose contents conform to established program standards. Such comprehensive reports must satisfy both generally accepted accounting principles and applicable legal requirements. To earn a Certificate of Achievement, a government must demonstrate constructive spirit of full disclosure to clearly communicate its financial story while enhancing the understanding of the logic underlying the traditional governmental financial reporting model.

The City's 2004 Comprehensive Annual Financial Report has been evaluated by an impartial Special Review Committee composed of other government officers, independent certified public accountants, educators and others with particular expertise in government accounting and financial reporting. A Certificate of Achievement is valid for a period of one year only. We believe that the 2005 Comprehensive Annual Financial Report continues to conform to the high standards of the Certificate of Achievement Program and we are submitting it to the GFOA for consideration.

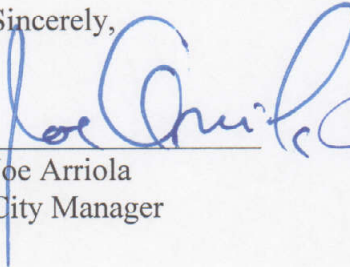
ACKNOWLEDGEMENTS

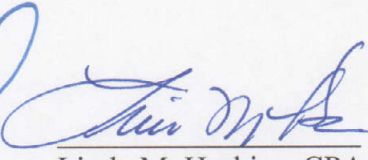
The Comprehensive Annual Financial Report's preparation was made possible through the efficient, dedicated and professional efforts of the entire staff in the Finance Department. The significant amount of year-end closing procedures required prior to the audit, could not have been accomplished without much hard work and personal sacrifice. Each member of the

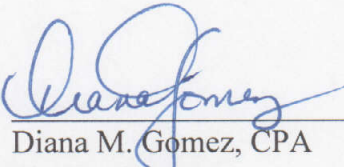
department has our sincere appreciation for the contributions made to assist in the in-house preparation of this report.

The guidance and cooperation of the Mayor and City Commission in planning and conducting the financial affairs of the City is greatly appreciated. We also wish to express our appreciation to our Certified Public Accountants, Rachlin Cohen and Holtz LLP in association with Harvey, Branker & Associates, Rodriguez, Trueba & Co., CPA, P.A., and Susan M. Garcia, P.A., for their cooperation and assistance. Lastly we wish to express our appreciation to the City's Office of Communication for the use of the cover photograph and General Services Administration for the reproduction of this report.

Sincerely,



Joe Arriola
City Manager

Linda M. Haskins, CPA
Chief Financial Officer/
Deputy Administrator

Diana M. Gomez, CPA
Finance Director

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, 2004

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



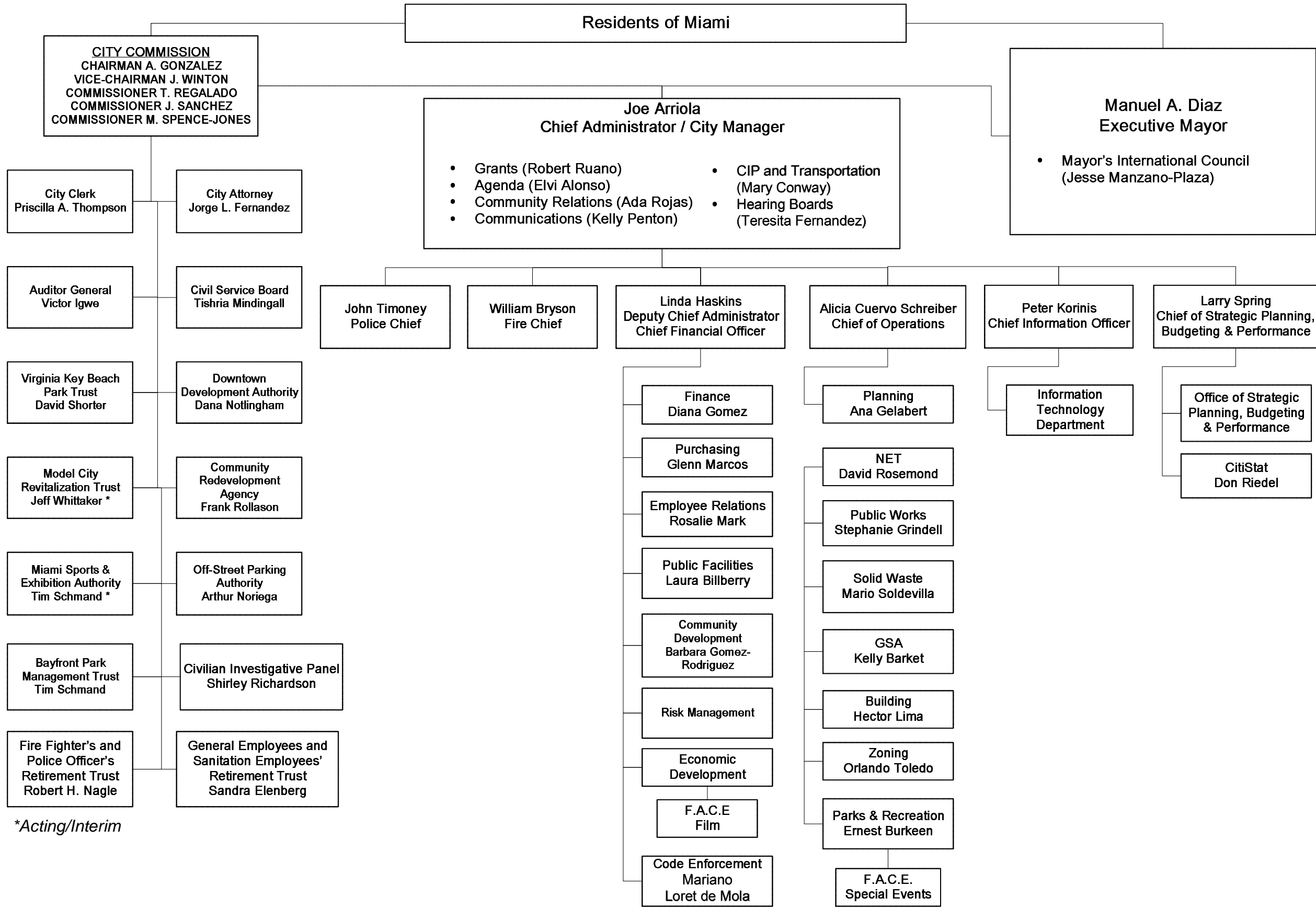
Carla E. Perge

President

Jeffrey R. Emer

Executive Director

CITY OF MIAMI TABLE OF ORGANIZATION



**Acting/Interim*

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FINANCIAL SECTION

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(Government-wide Financial Statements)
(Fund Financial Statements)

NOTES TO THE FINANCIAL STATEMENTS

REQUIRED SUPPLEMENTARY INFORMATION

COMBINING AND INDIVIDUAL FUND STATEMENTS
AND SCHEDULES

INDEPENDENT AUDITORS' REPORT

Honorable Mayor, City Commission and City Manager
City of Miami, Florida

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 fiscal year ended September 30, 2005, which, collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City's management. Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Southeast Overtown Park West Redevelopment Agency, the Omni Redevelopment Agency, the Gusman and Olympia Special Revenue Fund, the Virginia Key Beach Park Trust, the Model City Community Revitalization District Trust, the Firefighters' and Police Officers' Retirement Trust and the General Employees' and Sanitation Employees' Retirement Trust and Other Managed Trusts, which represent 92% and 83%, respectively, of the assets and revenues of the aggregate remaining fund information. We also did not audit the financial statements of the Downtown Development Authority, the Department of Off-Street Parking, the Miami Sports and Exhibition Authority, the Bayfront Park Management Trust and the Civilian Investigation Panel discretely presented component units. Those financial statements were audited by other auditors whose reports thereon have been furnished to us, and our opinion, insofar as it relate to the amounts included for the aggregate remaining fund information and the aggregate discretely presented component units, is based on the reports of the other auditors.

We conducted our audit in accordance with auditing standards generally accepted in the United States 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 of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over financial reporting. Accordingly, we express no such opinion. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit and the reports of other auditors provide a reasonable basis for our opinions.

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Rachlin Cohen & Holtz LLP

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Honorable Mayor, City Commission and City Manager
City of Miami, Florida
Page Two

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, as of September 30, 2005, and the respective changes in financial position, thereof, for the year then ended in conformity with accounting principles generally accepted in the United States.

In accordance with *Government Auditing Standards*, we have also issued a report dated April 13, 2006 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, grant agreements and other matters. The purpose of that report is 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

Management's Discussion and Analysis and the Required Supplementary Information on pages 3-12 and pages 69-75, respectively, are not a required part of the basic financial statements, but are supplementary information required by accounting principles generally accepted in the United States. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

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, combining and individual fund financial statements and schedules and 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 have been subjected to the auditing procedures applied by us and the other auditors in the audit of the basic financial statements and, in our opinion, based on our audit and the report of the other auditors, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory and statistical sections have not been subjected to the auditing procedures applied by us and the other auditors in the audit of the basic financial statements, and, accordingly, we express no opinion on them.

Rachlin Cohen & Holtz LLP

Miami, Florida
April 13, 2006

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, 2005. 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 vii – xiii of this report.

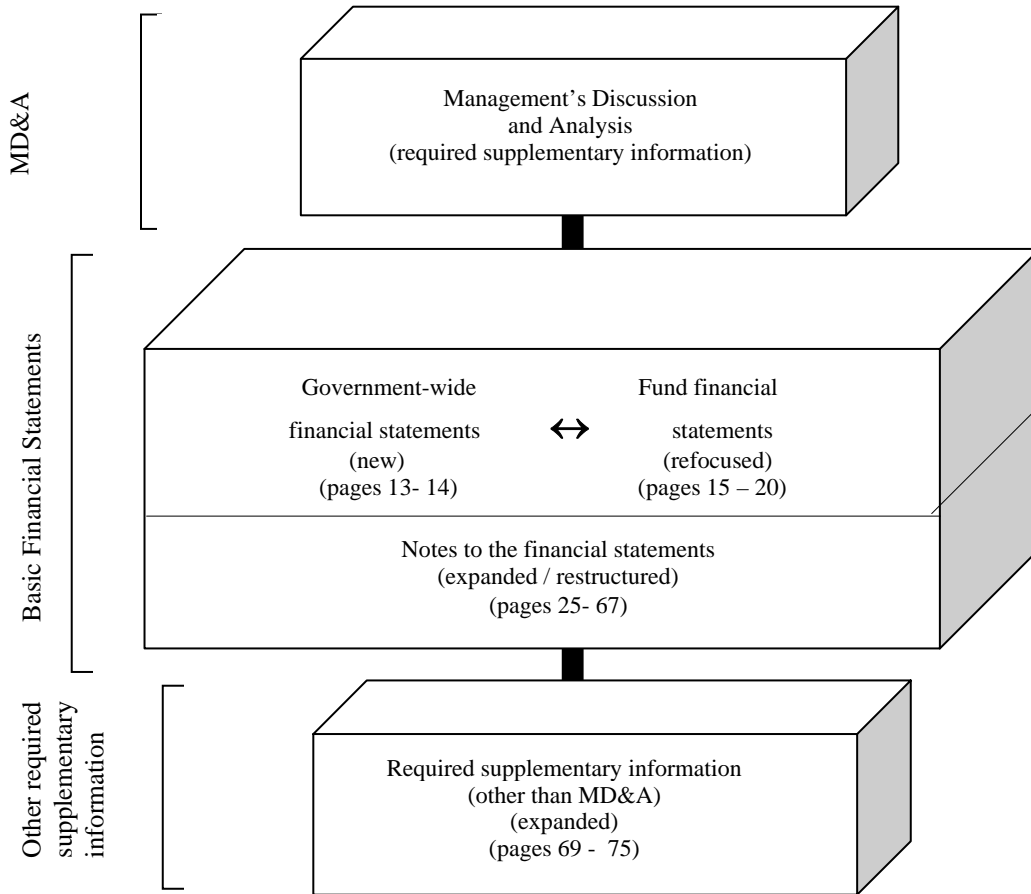
FINANCIAL HIGHLIGHTS

- The assets of the City exceeded its liabilities at the close of the most recent fiscal year by \$680,553,092 (net assets).
- The governmental activities revenue increased \$72,977,617 (or 13%) and the net results from activities increased by \$22,449,044 (or 571.74%). In 2005 and 2004, the results of activities produced a change in net assets of (\$3,926,406) and (\$26,375,450), respectively.
- The General Fund (the primary operating fund) reflected on a current financial resource basis, reflects a decrease in fund balance of \$19,747,707 (or 14.43%).
- The City's total debt for bonds and loans decreased by \$18,428,724 (or 4.19%) during the current year. No new debt was issued in the current fiscal year.

USING THIS ANNUAL REPORT

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.

In light of the fact that this is a very different presentation of the City’s general purpose financial statements from previous years, the following graphic is provided for your review.



The focus of the financial statements under the GASB 34 model (originally implemented by the City in 2001/2002) is on both the City as a whole (government-wide) and on the major individual funds. Both perspectives (government-wide and major fund) allow the user to address relevant questions, broaden a basis for comparison (year to year or government to government) and enhance the City’s accountability.

Government-Wide Financial Statements

The government-wide financial statements (see pages 13– 14) are designed to be corporate-like, in that all governmental activities are presented in columns that add to a total for the Primary Government. The focus of the Statement of Net Assets (the “Unrestricted Net Assets”) is designed to be similar to bottom line results for the City and its governmental activities. This statement reflects the governmental funds current financial resources (short-term spendable resources) with capital assets and long-term obligations. The City does not have any business-type activities for financial reporting purposes.

The Statement of Activities (see page 14) is focused on both the gross and net cost of various functions (including governmental activities and component units), which are supported by the government’s

general tax and other revenues. This is intended to summarize and simplify the user's analysis of the cost of various governmental services and/or component units.

Component Units, which are other governmental units over which the City can exercise influence and/or may be obligated to provide financial subsidies, are presented as a separate column in the government-wide financial statements. The focus of the statements is clearly on the Primary Government and the presentation allows the user to address the relative relationship with the Component Units.

The governmental activities reflect the City's basic services, including Police, Fire, Solid Waste Collection, Parks and Cultural Activities, and general administration. Property taxes, other local taxes, and federal grants finance the majority of these activities.

Fund Financial Statements

Traditional users of governmental financial statements will find the Fund Financial Statements presentation more familiar. Their focus is on the City's major funds. The fund financial statements provide more information about the City's most significant funds – not the City as a whole.

The City has two kinds of funds:

Governmental Funds – Most of the City's basic services are included in governmental funds, which focus on (1) how cash and other financial assets that can readily be converted to cash flow in and out, and (2) the balances left at year end that are available for spending. Consequently, the governmental funds statements provide a detailed short-term view that helps the reader determine whether there are more or fewer financial resources that can be spent in the near future to finance the City's programs. Because this information does not encompass the additional long-term focus of the government-wide statements, a reconciliation is provided to facilitate the 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 Statement of Revenues, Expenditures and Changes in Fund Balances for the General Fund, Community Development Fund, Fire Rescue Services Special Revenue Fund, Communication Services Taxes Special Revenue Fund, General Government Capital Projects Fund, and the Streets and Sidewalks Capital Projects Fund, which are considered to be major funds. Data from the other twenty-eight governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in 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 and each major Special Revenue Fund that adopts a budget to demonstrate compliance with the budget. Such information is presented as required supplementary information.

The basic governmental fund financial statements can be found on pages 15 – 18 of this report.

Fiduciary Funds – These funds are used to account for resources held for the benefit of parties outside the City. Fiduciary funds are not reflected in the government-wide financial statements because the resources of these funds are not available to support the City's own programs.

The basic fiduciary fund financial statements can be found on pages 19 – 20 of this report.

Notes to the Financial Statements – The notes provide additional information that is essential to 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 25 – 67 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 69 – 75 of this report.

The combining statements referred to earlier in connection with nonmajor governmental funds are presented immediately following the required supplementary information. Combining and individual fund statements and schedules can be found on pages 82 – 116 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net assets may serve over time as a useful indicator of a government’s financial position. In the case of the City, assets exceed liabilities by \$680,553,092 at the close of the most recent fiscal year.

The largest portion of the City’s net assets (89.50%) reflects its investment in capital assets (e.g., land buildings, machinery and equipment); less any related debt used to 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 cannot be used to liquidate these liabilities.

An additional portion of the City’s net assets (22.58%) represents resources that are subject to external restrictions on how they may be used.

The remaining unrestricted net assets deficit of \$82,047,220 is primarily due to outstanding borrowings of approximately \$70.8 million for which there are no off-setting assets.

The deficit in unrestricted net assets in governmental activities increased by \$17,912,230. The increase in the deficit was primarily attributable to the accrual of certain claims and other liabilities.

The following schedule reflects a summary of net assets compared to the prior year.

Summary of Net Assets as of September 30

	Governmental Activities	
	2005	2004
Current and other assets	\$ 519,065,501	\$ 558,907,935
Capital assets	864,525,081	804,769,718
Total assets	<u>1,383,590,582</u>	<u>1,363,677,653</u>
Other liabilities	86,815,343	71,223,521
Long-term liabilities	616,222,147	620,952,400
Total liabilities	<u>703,037,490</u>	<u>692,175,921</u>
 Net assets:		
Invested in capital assets, net of debt	608,958,407	586,493,178
Restricted	153,641,905	149,143,544
Unrestricted (Deficit)	(82,047,220)	(64,134,990)
Total net assets	<u>\$ 680,553,092</u>	<u>\$ 671,501,732</u>

Governmental Activities – As noted earlier, governmental activities decreased the City’s net assets by \$3,926,406. Key elements of this decrease are as follows:

	Changes in Net Assets	
	Governmental Activities	
	2005	2004
Revenues:		
Program revenues:		
Charges for services	\$ 186,023,582	\$ 176,758,048
Operating grants and contributions	59,414,862	42,967,708
Capital grants and contributions	38,161,382	19,952,074
General revenues:		
Property taxes	212,009,372	182,988,575
Franchise taxes	35,918,724	35,024,215
State revenue sharing - unrestricted	12,581,352	10,351,506
Sales and other use tax	23,422,160	22,279,656
Public service taxes	61,114,292	60,024,832
Investment earnings - unrestricted	5,866,114	5,618,813
Loss on disposal of asset	(3,387,124)	-
Other	1,891,124	4,072,796
Total revenues	<u>633,015,840</u>	<u>560,038,223</u>
Expenses:		
General government	78,336,822	85,252,892
Planning and development	16,259,651	13,148,696
Community development	55,264,647	40,349,703
Community redevelopment areas	4,968,422	4,618,714
Public works	70,987,541	49,498,193
Public safety	325,533,600	282,427,868
Public facilities	12,949,751	17,458,726
Parks and recreation	24,293,055	44,275,606
Interest on long-term debt	22,201,669	23,235,705
Unallocated depreciation	26,147,088	26,147,570
Total expenses	<u>636,942,246</u>	<u>586,413,673</u>
Change in net assets	<u>(3,926,406)</u>	<u>(26,375,450)</u>
Net Assets - Beginning	671,501,732	697,877,182
Restatement	12,977,766	-
Net Assets - Beginning, as restated	<u>684,479,498</u>	<u>697,877,182</u>
Net Assets - Ending	<u>\$ 680,553,092</u>	<u>\$ 671,501,732</u>

The increase in charges for services in the current year was primarily due to an increase in impact fees and private contributions.

The increase in operating grants and contributions is primarily the result of an increase in U.S. Department of Housing and Urban Development Grants.

The increase in capital grants and contributions is primarily due to FEMA (\$9 million) and Urbanized Area Security Initiative (\$12 million) grants.

Property taxes increased by 15.86% (\$29.02 million) during the year. The increase was due to a 16.2% (\$3.06 billion) increase of the net assessed value of taxable property. The City has decreased the overall millage rate for the last six years to the current rate of 9.66625 (Operating: 8.71625, Debt Service: 0.95).

Community development expenses increased due to Community Development Block Grant funds coming close to the end of the period of availability, resulting in increased program activities.

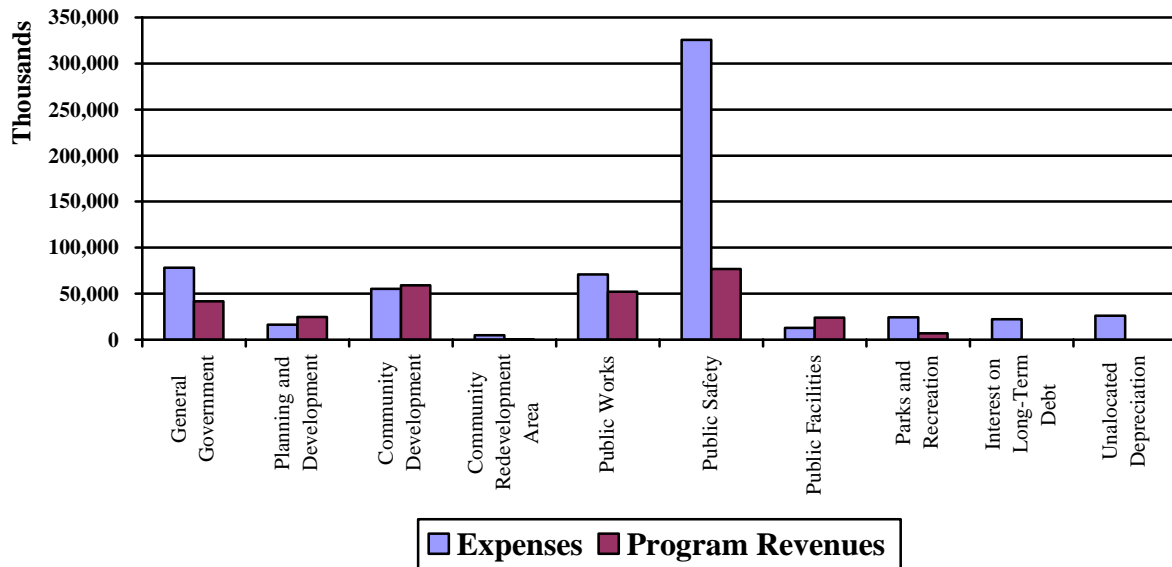
Public works expense allocations are subject to annual classification of either maintenance (shown as expenses) or capital (capitalized and therefore not reflected as expenses). Expenses increased from the prior year primarily because of a revised allocation methodology of certain costs in the current year.

Public safety experienced an increase of \$43.1 million in expenses. The primary reasons for the increases were: an increase of \$12.6 million in the current year's pension plan contributions; \$10 million in additional expenses related to Hurricane Katrina; \$12 million in additional expenses related to the Urbanized Area Security Initiative Grant; and a revised allocation methodology of certain costs from the prior year.

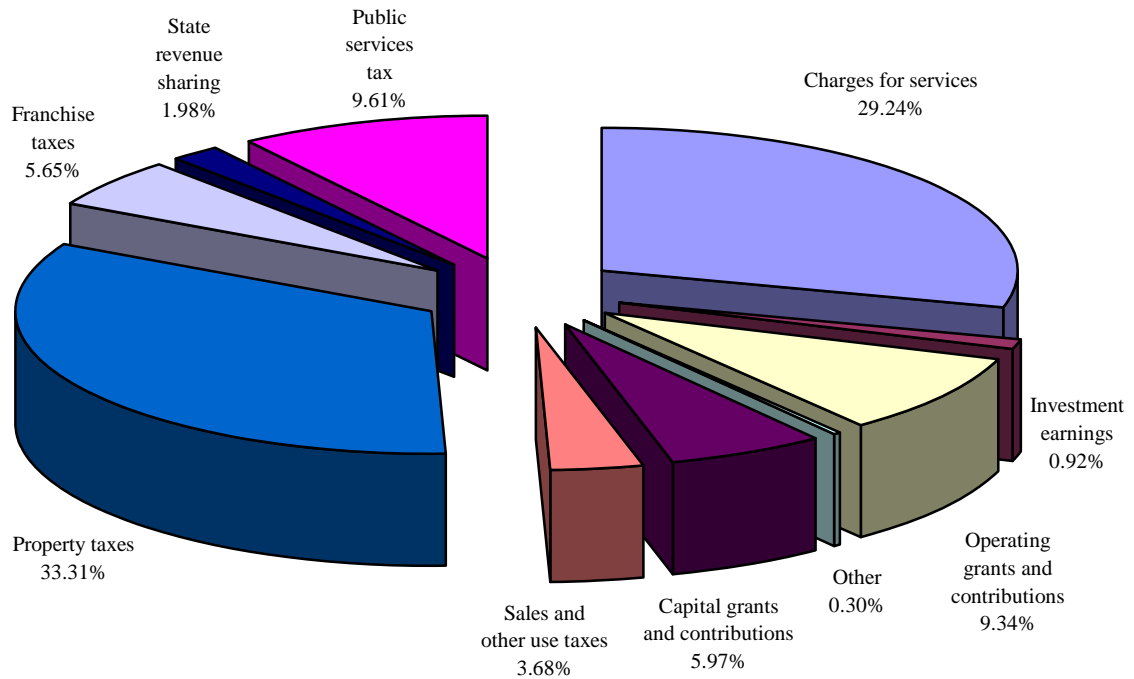
The decrease in public facilities expenses is primarily due to a reduction in major maintenance and operational expenses.

Parks and recreation expenses decreased during the current year primarily due to a revised allocation methodology of certain costs in the current year.

Expenses and Program Revenues - Governmental Activities



REVENUE BY SOURCE – GOVERNMENTAL ACTIVITIES



FINANCIAL ANALYSIS OF THE CITY'S FUNDS

As noted earlier, the City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

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, unreserved 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, unreserved fund balance of the General Fund was \$113,880,513, while the total fund balance was \$117,105,055. As a measure of the General Fund’s liquidity, it may be helpful to compare both unreserved fund balance and total fund balance to the fund’s total operational expenditures. Unreserved fund balance represents 24.72% of the total expenditures and transfers-out for recurring operational costs reported in other funds, while total fund balance represents 25.42% of that same total amount.

The General Fund’s fund balance decreased by \$19,747,707 during the current fiscal year. Key factors in this decrease are as follows:

- An increase in taxable property values resulted in an additional \$29,020,796 in property tax revenue.
- Budgeted expenditures and transfers were less than actual amounts resulting in a \$12,148,357 favorable variance.
- Fund balance was reduced by \$69 million of pension contributions. This amount reflects an increase of \$21.03 million from the previous year.

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

The Community Development Fund had a total fund balance of \$5,784,011 of which \$5,644 is reserved for encumbrances. The decrease in fund balance during the current year of \$2,872,517 was attributable to increased program activities.

The Fire Rescue Services Fund had a total fund balance of \$674,961. Of this amount, \$4,586,435 is reserved for encumbrances, thereby creating an unreserved negative balance of \$3,911,474.

The Public Services Tax Fund had a total fund balance of \$11,163,234, of which \$5,951,036 is designated for the payment of future settlements.

The General Government Capital Projects Fund had a fund balance of \$55,547,882, of which \$6,142,092 is reserved for encumbrances. The \$15,714,088 decrease in fund balance from the prior year can be attributed to the commencement of various capital projects in the current fiscal year.

The Street and Sidewalks Capital Projects Fund had a fund balance of \$52,711,499, of which \$23,554,778 is reserved for encumbrances. The \$10,890,759 decrease from the prior year can be attributed to the staging of various capital projects to be started in the subsequent fiscal year.

GENERAL FUND BUDGETARY HIGHLIGHTS

The final General Fund budget was increased by \$27,193,880 from the original budget (an increase of 6.10%). The major components of this increase can be summarized as follows (please see budget to actual comparison on page 69 – 70):

- \$508,155 in increases allocated to the Planning and Development department
- \$17,350,874 in increases allocated to Public Safety
- \$1,640,000 in increases allocated to Public Facilities
- \$459,096 in increases allocated to Parks and Recreation
- \$4,149,803 in increases allocated to Pensions
- \$2,323,878 in increases in transfers to other funds

A substantial portion of the increases were funded by revenues in excess of the original budget estimates.

The budget for intergovernmental revenues was increased primarily due to recognition of \$10,375,086 received under the provisions of Florida Statutes 175 and 185, to fund a separate non-contributory money purchase benefit plan for the public safety employees of the City. Accordingly, the public safety function experienced a \$10,375,085 increase in the budget for personnel costs due to the recognition of the Chapter 175 and 185 pension trust plans payments. Additional information on the plan can be found in Note 11 on page 64 in the notes to the financial statements.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

The City restated its beginning capital assets as of October 1, 2004 to include the capital assets of the Southeast Overtown Park West (blended component unit) and the Gusman Center and Olympia Building, by \$15,952,194 (net of accumulated depreciation in the amount of \$3,891,290) which were not included in the prior year capital asset balances. These assets are owned by the City but are operated by the Community Redevelopment Agency and the Department of Off-Street Parking, respectively.

At September 30, 2005, the City had a total of \$864,525,081, net of accumulated depreciation, invested in a variety of capital assets, as reflected in the following schedule, which represents a net increase (additions less retirements and depreciation) of \$43,803,169 or 5.1% from the end of the prior year.

Capital Assets at Year End (Net of Depreciation)

	Governmental Activities	
	2005	2004 *
Land	\$ 75,459,056	\$ 71,216,537
Construction-in-Progress	74,729,985	28,735,874
Buildings	75,911,393	80,303,324
Improvements Other Than Buildings	13,680,618	14,618,392
Building Improvements	41,000,617	30,949,879
Machinery and Equipment	58,203,333	51,312,746
Infrastructure	525,540,079	543,585,160
Total	\$ 864,525,081	\$ 820,721,912

* As restated

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

- The City made various land acquisitions totaling approximately \$7 million for the development of Little Haiti Park. In addition, the City made land acquisitions for community and real estate development in excess of \$1 million.
- \$4 million was invested in the replacement of various City vehicles, police cars, and fire and rescue apparatus.
- The City purchased a computer aided dispatch system at a cost of approximately \$4.2 million to promote efficiency, safety and quick response to public safety incidents. The Police Department also purchased the Positron E 911 system and 184 wireless laptops for \$868,000 and \$931,000, respectively.
- The Fire Department purchased a Fire Station Alerting System at a cost of approximately \$768,000.

Additional information on the City's capital assets can be found in Note 1 on page 31 and Note 6 on page 44 in the notes to the financial statements.

Long-term debt

At the end of the current fiscal year, the City had total bonded debt outstanding of \$420,807,857. Of this amount, \$227,725,929 comprises debt backed by the full faith and credit of the City; the remainder represents bonds and loans secured solely by specific revenue sources (i.e., revenue bonds).

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

	<u>Governmental Activities</u>	
	<u>2005</u>	<u>2004</u>
General Obligation Bonds	\$ 227,725,929	\$ 236,446,335
Special Obligation Bonds, Revenue Bonds and Loans	193,081,928	202,790,246
Total	<u>\$ 420,807,857</u>	<u>\$ 439,236,581</u>

The City's total debt decreased \$18,428,724 (or 4.19%) during the current fiscal year. The City did not issue any debt during the current fiscal year.

The City maintained its bond rating on its general obligation debt of A+ from Standard & Poor's, an A3 from Moody's and an A- from Fitch Ratings.

Additional information on the City's long-term liabilities can be found in Note 9 on pages 48 - 54 in the notes to the financial statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

The City's elected and appointed officials considered many factors when adopting the fiscal year 2006 budget. Included among these factors were uncertainties regarding the fire assessment fee, pension costs, and health insurance costs, and various economic indicators.

Per the U.S. Department of Labor, the unemployment rate for South Florida is currently 4.7%, which is a decrease of 17.5% from a year ago. This rate is lower than the State's average unemployment rate of 7.2% and the national average rate of 5.2%. The region's inflation rate of 6.0% is comparable to the national indices of 3.4%.

FINANCIAL CONTACT

The City's financial statements are designed to present users (citizens, taxpayers, customers, investors and creditors) with a general overview of the City's finances and to demonstrate the City's accountability. If users have questions about the report or need additional financial information, they should contact Diana M. Gomez, Director of the City of Miami's Finance Department, 444 Southwest 2nd Avenue, 6th Floor Finance, Miami, Florida 33130, or visit the City's web site at www.miamigov.com.

City of Miami, Florida
Statement of Net Assets
September 30, 2005

	Governmental Activities	Component Units
Assets		
Cash, Cash Equivalents and Investments	\$ 434,365,776	\$ 30,402,501
Receivables - Net	65,135,557	851,692
Accrued Interest	3,383,365	44,026
Inventory	-	5,000
Prepays	1,007,645	324,028
Other Assets	900,150	579,152
Restricted Assets:		
Cash, Cash Equivalents and Investments	10,586,234	1,289,570
Capital Assets:		
Non-depreciable	150,189,041	20,151,079
Depreciable - Net	714,336,040	17,519,727
Deferred Charges - Bond Issuance Costs	3,686,774	-
Total Assets	1,383,590,582	71,166,775
Liabilities		
Accounts Payable and Accrued Liabilities	60,739,325	3,792,106
Due to Other Governments	2,827,088	984,950
Unearned Revenue	14,969,916	639,105
Deposits	3,838,266	466,645
Accrued Interest Payable	4,440,748	271,133
Non-Current Liabilities		
Due Within One Year:		
Bonds and Loans Payable	19,218,795	2,040,000
Capital Lease	622,236	-
Compensated Absences	4,405,699	579,803
Claims Liability	16,010,837	-
Due In More Than One Year:		
Bonds and Loans Payable	401,589,062	9,947,434
Capital Lease	1,298,941	-
Compensated Absences	68,008,290	26,262
Claims Liability	101,802,894	-
Net Pension Obligation	3,265,393	-
Total Liabilities	703,037,490	18,747,438
Net Assets		
Invested in Capital Assets - Net of Related Debt	608,958,407	27,268,356
Restricted for:		
Capital Projects	142,549,979	2,463,598
Debt Service	9,718,943	1,003,179
Law Enforcement	1,372,983	-
Unrestricted (Deficit)	(82,047,220)	21,684,204
Total Net Assets	\$ 680,553,092	\$ 52,419,337

The accompanying notes are an integral part of the financial statements.

City of Miami, Florida
Statement of Activities
For the Year Ended September 30, 2005

Functions/Programs Activities:	Program Revenues				Net (Expenses) Revenue and Changes in Net Assets	
	Expenses	Charges for Services	Operating	Capital	Primary Government Governmental Activities	Component Units
			Grants and Contributions	Grants and Contributions		
Primary Government:						
Governmental Activities:						
General Government	\$ 78,336,822	\$ 41,775,235	\$ -	\$ 57,636	\$ (36,503,951)	\$ -
Planning and Development	16,259,651	23,964,447	-	832,922	8,537,718	-
Community Development	55,264,647	777,291	58,169,949	-	3,682,593	-
Community Redevelopment Areas	4,968,422	45,163	-	-	(4,923,259)	-
Public Works	70,987,541	47,278,720	-	3,662,277	(20,046,544)	-
Public Safety	325,533,600	47,488,375	39,150	28,562,609	(249,443,466)	-
Public Facilities	12,949,751	22,792,948	-	1,353,556	11,196,753	-
Parks and Recreation	24,293,055	1,901,403	905,763	3,692,382	(17,793,507)	-
Interest on Long-Term Debt	22,201,669	-	300,000	-	(21,901,669)	-
Unallocated Depreciation	26,147,088	-	-	-	(26,147,088)	-
Total primary government	\$ 636,942,246	\$ 186,023,582	\$ 59,414,862	\$ 38,161,382	(353,342,420)	-
Component Units:						
Miami Sports Exhibition Authority	\$ 1,872,549	\$ 153,473	\$ -	\$ -	-	(1,719,076)
Department of Off-Street Parking	13,950,000	13,848,215	-	879,113	-	777,328
Downtown Development Authority	2,759,641	83,018	-	25,000	-	(2,651,623)
Bayfront Park	3,072,969	2,259,913	1,045,000	-	-	231,944
Civilian Investigative Panel	836,728	-	836,728	-	-	-
Total component units	\$ 22,491,887	\$ 16,344,619	\$ 1,881,728	\$ 904,113	-	(3,361,427)

General Revenues:

Taxes:		
Property taxes, levied for general purposes	191,640,650	2,844,818
Property taxes, levied for debt service	20,368,722	-
Convention Development Taxes	-	1,070,602
Franchise Taxes	35,918,724	-
State revenue sharing - Unrestricted	12,581,352	-
Sales and other use taxes	23,422,160	-
Public Service Taxes	61,114,292	-
Investment Earnings - Unrestricted	5,866,114	605,933
Loss on Disposal of Assets	(3,387,124)	(1,180,431)
Other	1,891,124	122,441
Total General Revenues	<u>349,416,014</u>	<u>3,463,363</u>
Change in Net Assets	(3,926,406)	101,936
Net Assets - Beginning, As Restated	<u>684,479,498</u>	<u>52,317,401</u>
Net Assets - Ending	<u>\$ 680,553,092</u>	<u>\$ 52,419,337</u>

The accompanying notes are an integral part of the financial statements.

City of Miami, Florida
Balance Sheet
Governmental Funds
September 30, 2005

	General	Community Development	Fire Rescue Services	Public Services Tax	General Government	Street & Sidewalks	Other Governmental Funds	Total Governmental Funds
Assets								
Cash, Cash Equivalents and Investments	\$ 133,892,629	\$ 7,620,406	\$ -	\$ 2,265,901	\$ 58,028,732	\$ 61,076,588	\$ 171,481,520	\$ 434,365,776
Restricted Cash and Investments	54,707	-	-	-	-	-	10,531,527	10,586,234
Receivables								
(Net of Allowances for Uncollectibles):								
Accounts	13,324,872	531,309	1,518	5,572	-	10	1,039,734	14,903,015
Taxes	9,027,241	-	-	-	-	-	1,060,815	10,088,056
Special Assessments	-	249,288	-	-	-	-	36,525	285,813
Due from Other Funds	-	-	-	722,752	-	-	-	722,752
Due from Other Governments	413,865	5,207,447	16,396,223	8,169,009	-	274,514	7,297,615	37,758,673
Accrued Interest	2,308,959	33,348	15,509	-	118,440	246,440	660,669	3,383,365
Prepays	797,361	-	-	-	-	-	210,284	1,007,645
Other Assets	-	-	-	-	-	-	900,150	900,150
Total Assets	\$ 159,819,634	\$ 13,641,798	\$ 16,413,250	\$ 11,163,234	\$ 58,147,172	\$ 61,597,552	\$ 193,218,839	\$ 514,001,479
Liabilities and Fund Balances								
Liabilities:								
Accounts Payable and Accrued Liabilities	\$ 21,438,957	\$ 4,192,807	\$ 14,092,926	\$ -	\$ 2,497,906	\$ 8,886,053	\$ 9,630,676	\$ 60,739,325
Due to Other Funds	-	-	377,969	-	-	-	344,783	722,752
Due to Other Governments	2,301,552	358,503	-	-	-	-	167,033	2,827,088
Deferred Revenue	7,169,205	-	-	-	-	-	908,295	8,077,500
Unearned Revenue	8,358,192	3,281,825	1,175,774	-	101,384	-	2,052,741	14,969,916
Deposits	3,446,673	24,652	91,620	-	-	-	275,321	3,838,266
Total Liabilities	42,714,579	7,857,787	15,738,289	-	2,599,290	8,886,053	13,378,849	91,174,847
Fund Balances (Deficits):								
Reserved for:								
Encumbrances	2,427,181	5,644	4,586,435	-	6,142,092	23,554,778	34,006,164	70,722,294
Debt Service	-	-	-	-	-	-	9,122,447	9,122,447
Law Enforcement	-	-	-	-	-	-	715,826	715,826
Prepaid Items	797,361	-	-	-	-	-	210,284	1,007,645
Unreserved, Designated for:								
Subsequent Years Expenditures	31,677,325	-	-	-	-	-	-	31,677,325
Future Settlements	-	-	-	5,951,036	-	-	-	5,951,036
Strategic Initiatives	1,648,710	-	-	-	-	-	-	1,648,710
Management Initiatives	38,864,131	-	-	-	-	-	-	38,864,131
Special Revenue Funds	-	-	-	-	-	-	3,344,578	3,344,578
Debt Service Funds	-	-	-	-	-	-	2,691,656	2,691,656
Unreserved, Undesignated Reported in:								
General Fund	41,690,347	-	-	-	-	-	-	41,690,347
Special Revenue Funds	-	5,778,367	(3,911,474)	5,212,198	-	-	32,806,135	39,885,226
Capital Projects Funds	-	-	-	-	49,405,790	29,156,721	96,942,900	175,505,411
Total Fund Balances	117,105,055	5,784,011	674,961	11,163,234	55,547,882	52,711,499	179,839,990	422,826,632
Total Liabilities and Fund Balances	\$ 159,819,634	\$ 13,641,798	\$ 16,413,250	\$ 11,163,234	\$ 58,147,172	\$ 61,597,552	\$ 193,218,839	\$ 514,001,479

The accompanying notes are an integral part of the financial statements.

City of Miami, Florida
Reconciliation of the Governmental Funds Balance Sheet
to the Statement of Net Assets
September 30, 2005

Fund Balances - Total Governmental Funds \$ 422,826,632

Amounts reported for governmental activities in the Statement of Net Assets 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	\$ 1,547,575,940	
Less: Accumulated Depreciation	<u>(683,050,859)</u>	864,525,081

Other long-term assets are not available to pay for current period expenditures and therefore are deferred in the funds.		8,077,500
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Receivables that do not provide current financial resources are not reported in the governmental funds.		2,100,000
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Unamortized bond issuance costs are not available to pay for current period expenditures and therefore are not reported in the governmental funds.		3,686,774
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Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.

Bonds and Loans Payable	(420,807,857)	
Capital Lease	(1,921,177)	
Compensated Absences	(72,413,989)	
Claims Liability	(117,813,731)	
Net Pension Obligation	(3,265,393)	
Accrued Interest Payable	<u>(4,440,748)</u>	<u>(620,662,895)</u>

Net Assets of Governmental Activities \$ 680,553,092

The accompanying notes are an integral part of the financial statements.

City of Miami, Florida
Statement of Revenues, Expenditures, and Changes In Fund Balances
Governmental Funds
For The Year Ended September 30, 2005

	General Fund	Community Development	Fire Rescue Services	Public Services Tax	General Government	Street & Sidewalks	Other Governmental Funds	Total Governmental Funds
Revenues								
Property Taxes	\$ 178,979,987	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 29,111,827	\$ 208,091,814
Franchise and Other Taxes	35,918,724	-	-	56,795,255	-	-	404	92,714,383
Licenses and Permits	27,394,427	-	-	-	-	-	-	27,394,427
Fines and Forfeitures	4,980,002	-	-	-	-	-	797,695	5,777,697
Intergovernmental Revenues	49,790,494	56,544,396	24,724,899	-	58,636	332,715	30,294,110	161,745,250
Charges for Services	91,979,456	1,275,869	4,272,183	-	-	-	12,955,916	110,483,424
Interest	4,404,529	637,259	103,950	-	335,164	941,707	2,292,625	8,715,234
Impact Fees	-	-	-	-	-	9,256,637	-	9,256,637
Other	3,949,489	489,715	69,541	-	5,978	-	1,206,589	5,721,312
Total Revenues	397,397,108	58,947,239	29,170,573	56,795,255	399,778	10,531,059	76,659,166	629,900,178
Expenditures								
Current Operating:								
General Government	36,419,744	-	-	-	-	-	8,293,807	44,713,551
Planning and Development	9,136,666	-	-	-	-	-	3,722,009	12,858,675
Community Development	-	57,803,782	-	-	-	-	-	57,803,782
Community Redevelopment Areas	-	-	-	-	-	-	4,608,027	4,608,027
Public Works	48,251,766	-	-	-	-	-	15,000	48,266,766
Public Safety	181,871,226	-	29,894,319	-	-	-	10,612,374	222,377,919
Public Facilities	6,597,590	-	-	-	-	-	4,828,897	11,426,487
Parks and Recreation	14,621,171	-	-	-	-	-	2,639,851	17,261,022
Risk Management	29,162,254	-	-	-	-	-	-	29,162,254
Pensions	73,862,309	-	-	-	-	-	-	73,862,309
Organizational Support	23,917,033	-	-	-	-	-	-	23,917,033
Non-Departmental	12,926,933	-	-	-	-	-	-	12,926,933
Debt Service:								
Principal	-	-	-	-	-	-	18,770,229	18,770,229
Interest and Other Charges	-	-	-	-	-	-	21,822,857	21,822,857
Capital Outlay	-	-	-	-	19,884,342	35,782,582	39,014,006	94,680,930
Total Expenditures	436,766,692	57,803,782	29,894,319	-	19,884,342	35,782,582	114,327,057	694,458,774
Excess (Deficiency) of Revenues Over (Under) Expenditures	(39,369,584)	1,143,457	(723,746)	56,795,255	(19,484,564)	(25,251,523)	(37,667,891)	(64,558,596)
Other Financing Sources (Uses)								
Transfers In	43,484,074	614,799	1,042,592	-	39,019,474	33,692,721	86,394,279	204,247,939
Transfers Out	(23,862,197)	(4,630,773)	(710,000)	(59,409,801)	(35,248,998)	(19,331,957)	(61,054,213)	(204,247,939)
Sale of Capital Assets	-	-	-	-	-	-	500,000	500,000
Total Other Financing Sources (Uses)	19,621,877	(4,015,974)	332,592	(59,409,801)	3,770,476	14,360,764	25,840,066	500,000
Net Changes in Fund Balances	(19,747,707)	(2,872,517)	(391,154)	(2,614,546)	(15,714,088)	(10,890,759)	(11,827,825)	(64,058,596)
Fund Balances - Beginning, As Restated	136,852,762	8,656,528	1,066,115	13,777,780	71,261,970	63,602,258	191,667,815	486,885,228
Fund Balances - Ending	\$ 117,105,055	\$ 5,784,011	\$ 674,961	\$ 11,163,234	\$ 55,547,882	\$ 52,711,499	\$ 179,839,990	\$ 422,826,632

The accompanying notes are an integral part of the financial statements.

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 Year Ended September 30, 2005

Net Changes in Fund Balances - Total Governmental Funds \$ (64,058,596)

Amounts reported for governmental activities in the Statement of Activities are different because:

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.

Property Taxes 3,917,558

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	\$ 94,188,412	
Less: Current Year Depreciation	<u>(44,018,134)</u>	
		50,170,278

The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and donations) is to decrease net assets. (4,267,109)

Repayment of bond, loan and capital lease principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Assets. Also, governmental funds report the effect of issuance costs, premiums, discounts and similar items when debt is first issued, where as these amounts are deferred and amortized in the statement of activities.

Principal Paid on Bonds and Loans	18,770,229	
Principal Paid on Capital Lease	604,759	
Amortization of Issuance Costs, Premiums, Discounts, and Accretion	<u>(603,787)</u>	18,771,201

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	(4,480,610)	
Claims Liability	(6,557,227)	
Net Pension Obligation	(306,931)	
Accrued Interest Payable	224,975	
Accrued Liabilities	<u>2,660,055</u>	<u>(8,459,738)</u>

Change in Net Assets of Governmental Activities \$ (3,926,406)

The accompanying notes are an integral part of the financial statements.

City of Miami, Florida
Statement of Fiduciary Net Assets
Fiduciary Funds
September 30, 2005

	Employee Retirement Funds
Assets	
Cash and Short-Term Investments	\$ 35,737,848
Accounts Receivable	9,456,017
Capital Assets	4,265,351
	49,459,216
 Investments, at fair value	
U.S. Government Obligations	268,996,497
Corporate Bonds	255,128,789
Corporate Stocks	1,256,994,014
Money Market Funds and Commercial Paper	19,941,353
Mutual Funds	83,656,420
Real Estate	36,747,961
Total Investments	1,921,465,034
 Securities Lending Collateral	196,025,160
Total Assets	2,166,949,410
 Liabilities	
Obligations Under Security Lending	196,025,160
Accounts Payable	1,311,263
Accrued Liabilities	24,523,233
Payable for Securities Purchased	19,017,906
Total Liabilities	240,877,562
 Net Assets	
Held in Trust for Pension Benefits	\$ 1,926,071,848

The accompanying notes are an integral part of the financial statements.

City of Miami, Florida
Statement of Changes in Fiduciary Net Assets
Fiduciary Funds
For the Year Ended September 30, 2005

	<u>Employee Retirement Funds</u>
Additions	
Contributions:	
Employer	\$ 69,271,824
Plan Members	26,508,037
Total Contributions	<u>95,779,861</u>
Investment Earnings:	
Net Increase in Fair Value of Investments	199,980,590
Interest	27,344,467
Dividends	17,075,752
Rental and Other Income, net	3,091,282
Total Investment Earnings	<u>247,492,091</u>
Less Investment Expenses	<u>6,966,565</u>
Net Investment Earnings	<u>240,525,526</u>
Total Additions	<u>336,305,387</u>
Deductions	
Benefits	113,063,163
Refunds upon Resignation, Death, etc.	1,456,800
Distribution to Retirees	10,614,510
Administrative and Other Expenses	2,416,113
Total Deductions	<u>127,550,586</u>
Change in Net Assets	208,754,801
Net Assets - Beginning of Year	<u>1,717,317,047</u>
Net Assets - End of Year	<u><u>\$ 1,926,071,848</u></u>

The accompanying notes are an integral part of the financial statements.

City of Miami, Florida
Statement of Net Assets
Discretely Presented Component Units
September 30, 2005

	Miami Sports and Exhibition Authority	Department of Off-Street Parking	Downtown Development Authority	Bayfront Park	Civilian Investigative Panel	Total
Assets						
Cash, Cash Equivalents and Investments	\$ 19,569,944	\$ 3,188,008	\$ 3,342,075	\$ 4,083,640	\$ 218,834	\$ 30,402,501
Receivables (Net)						
Accounts	55,461	709,970	-	51,393	-	816,824
Taxes	-	-	34,868	-	-	34,868
Accrued Interest	41,283	2,743	-	-	-	44,026
Inventory	-	-	-	5,000	-	5,000
Prepays	13,442	288,647	4,463	17,476	-	324,028
Other Assets	-	579,152	-	-	-	579,152
Restricted Assets:						
Cash, Cash Equivalents and Investments	-	1,155,820	-	133,750	-	1,289,570
Capital Assets:						
Non-depreciable	-	19,634,950	-	516,129	-	20,151,079
Depreciable, Net	8,255	14,421,694	290,298	2,799,480	-	17,519,727
Total Assets	<u>19,688,385</u>	<u>39,980,984</u>	<u>3,671,704</u>	<u>7,606,868</u>	<u>218,834</u>	<u>71,166,775</u>
Liabilities						
Accounts Payable and Accrued Liabilities	9,026	3,565,227	114,287	75,762	27,804	3,792,106
Due to Other Governments	-	793,920	-	-	191,030	984,950
Unearned Revenue	2,500	611,102	6,753	18,750	-	639,105
Deposits	-	238,552	-	228,093	-	466,645
Accrued Interest Payable	39,088	232,045	-	-	-	271,133
Non-Current Liabilities						
Due Within One Year:						
Bonds and Loans Payable	1,180,000	860,000	-	-	-	2,040,000
Compensated Absences	-	479,195	100,608	-	-	579,803
Due In More Than One Year:						
Bonds and Loans Payable	-	9,947,434	-	-	-	9,947,434
Compensated Absences	-	-	26,262	-	-	26,262
Total Liabilities	<u>1,230,614</u>	<u>16,727,475</u>	<u>247,910</u>	<u>322,605</u>	<u>218,834</u>	<u>18,747,438</u>
Net Assets						
Invested in Capital Assets, Net of Related Debt	8,255	23,654,194	290,298	3,315,609	-	27,268,356
Restricted for:						
Capital Projects	2,442,474	-	21,124	-	-	2,463,598
Debt Service	76,661	926,518	-	-	-	1,003,179
Unrestricted	15,930,381	(1,327,203)	3,112,372	3,968,654	-	21,684,204
Total Net Assets	<u>\$ 18,457,771</u>	<u>\$ 23,253,509</u>	<u>\$ 3,423,794</u>	<u>\$ 7,284,263</u>	<u>\$ -</u>	<u>\$ 52,419,337</u>

The accompanying notes are an integral part of the financial statements.

City of Miami, Florida
Statement of Activities
Discretely Presented Component Units
For the Year Ended September 30, 2005

	<u>Expenses</u>	<u>Program Revenues</u>		
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>
Miami Sports Exhibition Authority				
Culture and Recreation	\$ 1,872,549	\$ 153,473	\$ -	\$ -
Total Miami Sports Exhibition Authority	<u>1,872,549</u>	<u>153,473</u>	<u>-</u>	<u>-</u>
Department of Off-Street Parking				
Transportation	13,950,000	13,848,215	-	879,113
Total Department of Off-Street Parking	<u>13,950,000</u>	<u>13,848,215</u>	<u>-</u>	<u>879,113</u>
Downtown Development Authority				
General Government	1,941,531	83,018	-	25,000
Community Development	818,110	-	-	-
Total Downtown Development Authority	<u>2,759,641</u>	<u>83,018</u>	<u>-</u>	<u>25,000</u>
Bayfront Park				
Parks and Recreation	3,072,969	2,259,913	1,045,000	-
Total Bayfront Park	<u>3,072,969</u>	<u>2,259,913</u>	<u>1,045,000</u>	<u>-</u>
Civilian Investigative Panel				
General Government	836,728	-	836,728	-
Total Civilian Investigative Panel	<u>836,728</u>	<u>-</u>	<u>836,728</u>	<u>-</u>
Total Component Units	<u>\$ 22,491,887</u>	<u>\$ 16,344,619</u>	<u>\$ 1,881,728</u>	<u>\$ 904,113</u>

General Revenues:

Taxes:

Property taxes, levied for general purposes
Convention Development Taxes

Investment Earnings

Loss on Disposal of Asset

Other

Total General Revenues

Change in Net Assets

Net Assets - Beginning

Net Assets - Ending

The accompanying notes are an integral part of the financial statements.

**Net (Expense) Revenue and
Changes in Net Assets**

Miami Sports and Exhibition Authority	Department of Off-Street Parking	Downtown Development Authority	Bayfront Park	Civilian Investigative Panel	Totals
\$ (1,719,076)	\$ -	\$ -	\$ -	\$ -	\$ (1,719,076)
(1,719,076)	-	-	-	-	(1,719,076)
-	777,328	-	-	-	777,328
-	777,328	-	-	-	777,328
-	-	(1,833,513)	-	-	(1,833,513)
-	-	(818,110)	-	-	(818,110)
-	-	(2,651,623)	-	-	(2,651,623)
-	-	-	231,944	-	231,944
-	-	-	231,944	-	231,944
-	-	-	-	-	-
-	-	-	-	-	-
(1,719,076)	777,328	(2,651,623)	231,944	-	(3,361,427)
-	-	2,844,818	-	-	2,844,818
1,070,602	-	-	-	-	1,070,602
367,365	104,337	42,397	91,834	-	605,933
(1,180,431)	-	-	-	-	(1,180,431)
7,093	14,192	-	101,156	-	122,441
264,629	118,529	2,887,215	192,990	-	3,463,363
(1,454,447)	895,857	235,592	424,934	-	101,936
19,912,218	22,357,652	3,188,202	6,859,329	-	52,317,401
\$ 18,457,771	\$ 23,253,509	\$ 3,423,794	\$ 7,284,263	\$ -	\$ 52,419,337

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CITY OF MIAMI, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2005

NOTE 1. - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying financial statements of the City have been prepared in accordance with accounting principles generally accepted in the United States of America (“GAAP”) as applied to governmental units. 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.

A. Reporting Entity

The City of Miami, Florida (the “City”), in the County of Miami-Dade, was incorporated in 1896, and has a population of 362,470. 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 34.3 square miles of land and 19.5 square miles of water.

The City 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 cities and unincorporated areas, including the City. 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 (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.

The decision to include a potential component unit in the City’s reporting entity is based on the criteria stated in GASB Statement No. 14 - *The Financial Reporting Entity*, which includes the ability to appoint a voting majority of an organization’s governing body and (1) the ability of the City to impose its will on that organization or (2) the potential for the organization to provide specific financial benefits to, or impose specific financial burden on, the City.

Based upon the application of the criteria in GASB Statement No. 14, 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

CITY OF MIAMI, FLORIDA
NOTES TO FINANCIAL STATEMENTS

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 activities and balances for each blended and discretely presented component unit are as of and for the period ended September 30, 2005.

Blended Component Units

SOUTHEAST OVERTOWN PARK WEST REDEVELOPMENT AGENCY (“SEOPW”)- SEOPW is an Agency established by the City in 1982 under the authority of Chapter 163, Florida Statutes and City Resolution No. 82-755. The City has entered into an interlocal agreement with Miami-Dade County approving the deposit of tax increments into the Redevelopment Trust Fund. The members of City Commission are also the Board of Directors of the SEOPW. The City has issued debt for SEOPW and is responsible under the interlocal agreement for disbursement, accountability, management and proper application of all monies paid into the Trust. The funds of the SEOPW included within the reporting entity are special revenue fund (SEOPW CRA), a debt service fund (CRA - Other Special Obligation), and a capital projects fund (Community Redevelopment Agency).

OMNI REDEVELOPMENT AGENCY (“ORA”)- ORA is an Agency established by the City in 1986 under the authority of Chapter 163, Florida Statutes and City Resolution No. 86-868. The City has entered into an interlocal agreement with Miami-Dade County approving the deposit of tax increments into the Redevelopment Trust Fund. The members of the City Commission are the Board of Directors of the ORA. The City is also responsible under the interlocal agreement for disbursement, accountability, management and proper application of all monies paid into the Trust. ORA is included within the reporting entity as a special revenue fund (Omni 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 Trust 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, 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. Therefore, the City is financially accountable and is presenting VKBPT in the reporting entity as a special revenue fund.

MODEL CITY COMMUNITY REVITALIZATION DISTRICT TRUST (“Model City”) – On July 10, 2001, via section 2-892 of Chapter 2 of the Code of the City of Miami ordinance 12082, the Trust was established and acts as a limited agency and instrumentality of the City and provides services entirely or almost entirely to the primary government. The Trust, in cooperation with Department of Community Development and other City departments, is responsible for oversight and facilitating the City’s revitalization efforts for the redevelopment of the Model 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. The City Commission must approve Model City’s board membership and operating budget. Therefore, the City is financially accountable and is presenting Model City in the reporting entity as a special revenue fund.

NEIGHBORHOOD IMPROVEMENT DISTRICTS There are four neighborhood improvement districts. All four districts were inactive during fiscal year 2005.

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 to promote the development of sports, convention and exhibition facilities within the City using the 3% Convention Development Tax collected by the County. The City Commission must approve MSEA’s board membership and operating budget. Therefore, the City is financially accountable and is discretely presenting the MSEA 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. 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. 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 City is financially accountable and is discretely presenting the DDA in the accompanying financial statements.

DEPARTMENT OF OFF-STREET PARKING (“DOSP”) - DOSP was originally created in 1955 by a special act of the Florida State Legislature and subsequently incorporated into the City's Charter in 1968. 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 Off-Street Parking Board, to establish and fix rates and charges for parking services, to approve the DOSP operating budget and to authorize the issuance of revenue bonds. Therefore, the City is financially accountable and is discretely presenting DOSP in the accompanying financial statements.

BAYFRONT MANAGEMENT TRUST (“BFP”) – BFP was established by the City in 1987 under the authority of City of Miami Resolution No. 10348. 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 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. BFP has appointed an executive director to act as the chief executive officer, subject to policy directives. BFP prepares and submits an annual budget request and master plan to the City Commission for its approval for each fiscal year. Therefore, the City is financially accountable and is discretely presenting BFP in the accompanying financial statements.

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 HFA’s board membership and operating budget. Therefore, the City is financially accountable and is discretely presenting HFA in the accompanying financial statements. 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 aggregate amount of conduit debt obligations totaled \$136,225,000 at September 30, 2005. HFA does not issue stand-alone audited financial statements. The HFA was inactive during fiscal year 2005.

CITY OF MIAMI, FLORIDA
NOTES TO FINANCIAL STATEMENTS

The City of Miami Health Facilities Authority conduit debt outstanding as of September 30, 2005 is as follows:

	Mercy Hospital	Miami Jewish Home	Total
Series 1998A	\$ 17,880,000	\$ -	\$ 17,880,000
Series 1994A	41,750,000	-	41,750,000
Series 2002	35,000,000	-	35,000,000
Series 2003	15,795,000	-	15,795,000
Series 2005	-	25,800,000	25,800,000
Total	\$ 110,425,000	\$ 25,800,000	\$ 136,225,000

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.

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 polices of the police department, and forward complaints alleging criminal activity to relevant agencies. 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 City is financially accountable and is discretely presenting CIP in the accompanying financial statements.

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

SEOPW
 49 NW 5th Street, Suite 100
 Miami, Florida 33128

ORA
 49 NW 5th Street, Suite 100
 Miami, Florida 33128

VKBPT
 3550 Biscayne Blvd., Suite 510
 Miami, Florida 33137-8311

Model City
 4800 NW 12th Avenue
 Miami, Florida 33142

MSEA
C/O BFP
 301 N. Biscayne Blvd.
 Miami, Florida 33132-2226

DDA
 330 North Biscayne Blvd.
 11th Floor
 Miami, Florida 33132

DOSP
 190 NE 3rd Street
 Miami, Florida 33132

BFP
 301 N. Biscayne Blvd.
 Miami, Florida 33132-2226

CIP
 155 South Miami Ave
 Miami, FL 33130-1609

B. Government-Wide Financial Statements

The government-wide financial statements (i.e., the Statement of Net Assets and the Statement of Activities) report information on all of the non-fiduciary activities of the City as a whole and its component units. The primary government is reported separately from the legally separate component units. The Statement of Net Assets presents the financial position of the City and its 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 is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. 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 not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements. All remaining non-major governmental funds are aggregated and reported as other governmental funds.

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, fund balances/net assets, 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, with non-major funds, aggregated and presented in a single column. The City maintains fiduciary funds which are reported by type. 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 on the statements or on the page following, which briefly explains the adjustments necessary to transform the fund based financial statements into the governmental activities column of the government-wide presentation. 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, fixed charges, and capital improvement costs not paid through other funds are paid from this fund.

Community Development Fund – This Special Revenue Fund accounts for the proceeds from the Federal government under the U. S. Department of Housing and Urban Development.

Fire Rescue Services – This Special Revenue Fund accounts for the proceeds of an excise tax that is restricted to expenditures which supplement the City's emergency Fire Rescue operations. Additionally, this fund accounts for grants and FEMA reimbursements related to disasters.

Public Services Tax Fund – This Special Revenue Fund accounts for the utility service tax levied on purchases of public services.

General Government Fund – This Capital Projects Fund accounts for capital expenditures made for general government operations.

Streets and Sidewalks – This Capital Projects Fund accounts for capital expenditures made for streets, sidewalks, and other traffic related projects.

Additionally, the City reports the following fund types:

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, and the Elected Officers’ Retirement Trust (“EORT”). The pension trust funds accumulate resources for pension benefit payments.

D. Measurement Focus and the Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the fiduciary fund financial statements. 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.

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. Revenues resulting from expenditure driven transactions such as certain grants are considered collectible at the time the expenditure has been made. 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 and claims are recorded only when payment is due.

Property taxes, sales tax, franchise and utility taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the City.

As a general rule, the effect of interfund 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.

When both restricted and unrestricted resources are available for use, it is the City’s policy to use restricted resources first, then unrestricted resources as they are needed.

E. Assets, Liabilities and Net Assets or Equity

Deposits and Investments

The City has defined “cash and cash equivalents” to include cash on hand, demand deposits, and cash with fiscal agents. Each fund’s equity in the City’s investment pool is considered to be a cash equivalent since the funds can be deposited or effectively withdrawn at any time without prior notice or penalty.

All investments, including those of the Pension Trust Funds, are stated at fair value, which is based on quoted market price.

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. Receivables are recorded and revenues are recognized as earned or specific program expenditures are incurred. Allowances for uncollectible receivables are based upon historical trends and the periodic aging of receivables.

Prepays

Prepaid items 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 a reservation of 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.

Inventory

There are no inventory values presented in the balance sheets of the respective governmental funds of the City. Purchases of inventoriable items are recorded as expenditures at the time of purchase and year-end balances at these locations are not material.

Restricted Assets

Certain proceeds from bonds and loans, as well as resources for debt service payments, are classified as restricted assets because their use is limited by applicable bond covenants and restrictions.

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. 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 or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market 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 of the City, and its component units, are depreciated using the straight-line method over the following estimated useful lives.

<u>Asset</u>	<u>Years</u>
Buildings	20 - 50
Improvements other than buildings	10 - 30
Machinery and equipment	3 - 15
Vehicles (including heavy equipment)	3 - 10
Infrastructure	15 - 50

Deferred Charges

Deferred charges in the government-wide financial statements represent the unamortized portion of the cost of issuance of bonds. These costs are being amortized over the term of the respective bond issue.

Compensated Absences

It is the City’s policy to permit employees to accumulate earned but unused vacation and sick leave, which will be paid upon separation from service. The liability for such accumulated leave is

CITY OF MIAMI, FLORIDA
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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 liability for compensated absences includes salary related payments, where applicable.

Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the statement of net assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, 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, are reported as debt service expenditures.

Net Assets

Equity in the government-wide statement of net assets is displayed in three categories: 1) invested in capital assets, net of related debt, 2) restricted, 3) unrestricted. Net assets invested in capital assets net of related debt consists of capital assets reduced by accumulated depreciation and by any outstanding debt incurred to acquire, construct, or improve those assets, excluding unexpended proceeds. Net assets are reported as restricted when there are legal limitations imposed on their use by City legislation or external restrictions by other governments, creditors, or grantors. Unrestricted

net assets consist of all net assets that do not meet the definition of either of the other two components.

Fund Equity

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of unreserved fund balance in governmental funds indicate the utilization of these resources in the ensuing year's budget or tentative plans for future use. The following is a description of the reserves and designations used by the City.

Reserve for encumbrances – This amount is equal to the outstanding purchase orders for goods and services at year end. The subsequent year's appropriations will be amended to provide the authority to complete the transactions.

Reserve for debt service – This is the amount of fund equity in the Debt Service Funds, which is set aside for the repayment of outstanding debt.

Reserve for law enforcement – This is the amount of fund equity that is restricted for use for law enforcement activities.

Reserve for prepaid items – This reserve is provided to account for payments made in advance. This reserve indicates the funds are not "available" for appropriation or expenditure even though they are a component of current assets.

Designated for subsequent year's expenditures – These are amounts are to be appropriated in the ensuing year's budget.

Designated for future settlements – These are amounts that are to be appropriated in future years for lawsuits and claims that management has determined are probable and the amount of that loss can be reasonably estimated.

Designated for strategic initiatives – These are amounts that are to be appropriated in future years

CITY OF MIAMI, FLORIDA
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for those projects that either enhance revenue producing activities or reduce future expenditures.

Designated for management initiatives – These are amounts that are to be appropriated in future years for those specific projects that management has approved and has set aside monies to pay for these items in accordance with the City’s Financial Integrity Ordinance.

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 and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements. Estimates also affect the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from estimates.

NOTE 2. – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Prior Period Adjustments

During the 2004-2005 fiscal year, the City determined that the capital assets of the Southeast Overtown Park West (a blended component unit) and the Gusman Center and Olympia Building, were not included in the City’s capital asset balances. Additionally, the City determined that the net pension obligation of the GESE Excess Benefit Plan was not reflected. As a result, the net assets of the governmental activities as of October 1, 2004 were restated as follows:

Net assets - beginning of year, as previously reported	\$ 671,501,732
Adjustment for capital assets	
Capital assets	19,843,484
Less accumulated depreciation	<u>(3,891,290)</u>
Net adjustment	<u>15,952,194</u>
Adjustment for net pension obligation	(2,958,462)
Adjustment for Gusman and Olympia (see below)	(15,966)
Net assets, beginning, as restated	<u><u>\$ 684,479,498</u></u>

During the 2004-2005 fiscal year, the Gusman and Olympia special revenue fund adjusted its opening fund balance by \$15,966 for certain expenditures that should have been recorded in fiscal 2004. As a result, the fund balance of the fund as of October 1, 2004 was restated as follows:

Fund balance - beginning of year as previously reported	\$ 71,061
Prior period adjustment	<u>(15,966)</u>
Fund balance - beginning of year as restated	<u><u>\$ 55,095</u></u>

Excess of Expenditures over Appropriations

The expenditures of the Gusman and Olympia Special Revenue Fund exceeded their budgetary authorizations by \$701,418.

Fund Deficits

The following funds had undesignated deficits in the amounts indicated as of September 30, 2005:

Fund	Deficit
Special Revenue Funds:	
Fire Services	\$ 3,911,474
Police Services	1,262,837
Capital Projects Fund:	
Solid Waste	1,100,522
Disaster Recovery	214,345

These undesignated deficits are the result of encumbrances exceeding available fund balances. The City plans to eliminate these deficits in the ensuing fiscal year.

CITY OF MIAMI, FLORIDA
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Model City, a blended component unit, has a fund deficit of \$5,979 as of September 30, 2005. The City plans to eliminate this deficit in the ensuing fiscal year.

NOTE 3. – DEPOSITS AND INVESTMENTS

Deposits

The City maintains a cash management pool for its cash and cash equivalents 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 based on a monthly average balance. The use of zero balance accounts with daily sweeps allows for the City's portfolio to be fully invested at all times.

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. Under Florida Statutes Chapter 280, *Florida Security for Public Deposits Act*, the State Treasurer requires all Florida qualified public depositories to deposit with the Treasurer or another 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 to purchase and invest idle funds prudently in U. S. 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 has 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 is part of the Local Government Surplus Funds Trust Fund and 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 fair value of the position in the external investment pool is the same as the value of the pool shares. The Local Government Surplus 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.

New Pronouncement

During 2005, the City, adopted Governmental Accounting Standards Board (GASB) No. 40, Deposit and Investment Risk Disclosures, an amendment of GASB Statement No. 3, and it is effective for financial statement periods beginning after June 15, 2004. This Statement addressed common deposit and investment risks related to credit risk, concentration of credit risk, interest rate risk, and foreign currency risk. As an element of interest rate risk, the statement requires certain disclosures of investments that have fair values that are highly sensitive to changes in interest rates. Deposit and investment policies related to the risks identified in the Statement should be disclosed. The impact of changes on the financial statements and notes indicate a modification of disclosures related to the cash and cash equivalents, deposits and investments. While the statement had an impact on the presentation of the notes to the financial statements, there was no impact on the City's net assets.

CITY OF MIAMI, FLORIDA
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At September 30, 2005, the investments of the primary government, exclusive of the Pension Trust Funds, consisted of the following:

<u>Investment Type</u>	<u>Fair Value</u>
United States Treasury Notes	\$ 7,023,240
Federal National Mortgage Association	91,570,696
Federal Home Loan Mortgage Corporation	102,029,006
Federal Farm Credit Bank	91,695,991
Federal Home Loan Bank	109,976,833
Commercial Paper	34,000,000
	<u>\$ 436,295,766</u>

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 policy limits the maturity of an investment to a maximum of 5 years. As of September 30, 2005, the City of Miami 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.

<u>Investment Type</u>	<u>Weighted Average in Years</u>
United States Treasury Notes	1.67
Federal National Mortgage Association	0.43
Federal Home Loan Mortgage Corporation	0.70
Federal Farm Credit Bank	0.72
Federal Home Loan Bank	1.30
Commercial Paper	0.08

The investments at September 30, 2005 are in compliance with the City's investment policy.

Credit Risk - 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). Investments in the State Board of Administration, The Local Government Surplus Funds Trust Fund, do not have a rating from NRSRO. 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 three major rating agencies (Moody's, Standard and Poor's, and Fitch).

The table below summarizes the investments by credit rating at September 30, 2005:

<u>Investment Type</u>	<u>Credit Rating</u>
United States Treasury Notes	AAA
Federal National Mortgage Association	AAA
Federal Home Loan Mortgage Corporation	AAA
Federal Farm Credit Bank	AAA
Federal Home Loan Bank	AAA
Commercial Paper	A1/P1/F1

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 policy provides that a maximum of 20% of the portfolio may be invested in SEC registered money market funds with no more than 10% to any single money market fund. A maximum of 100% of available funds may be invested in the Local Governments Surplus Funds Trust Fund. A maximum of 100% of the total portfolio may be invested in U.S. Government securities and federal instrumentalities, with a limit of 25% invested in any one issuer of federal instrumentalities. A maximum of 35% of the portfolio may be invested in prime commercial paper with a maximum of 10% with any one issuer. A maximum of 10% of the portfolio may be invested in banker's acceptances with a maximum of 5% with any one issuer.

As of September 30, 2005, the following issuers held 5% or more of the investment portfolio:

<u>Issuer</u>	<u>Percentage of Portfolio</u>
Federal Farm Credit Bank	21%
Federal Home Loan Bank	25%
Federal Home Loan Mortgage Corp.	23%
Federal National Mortgage Association	21%

The above excludes investments issued or explicitly guaranteed by the U.S. government and investments in mutual funds and external investments pools.

CITY OF MIAMI, FLORIDA
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City of Miami Firefighters' and Police Officers Retirement Trust (FIPO)

FIPO's investment policy is determined by its Board of Trustees. 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.

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, the Plan 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 the Plan's investments to market interest rate fluctuations is provided by the following table that shows the distribution of the Plan's investments by maturity at September 30, 2005:

	U.S. Treasuries	U.S. Agencies	Corporate Bonds	Total
Fair Value (\$000)	\$ 71,041	\$ 117,885	\$ 189,893	\$ 378,819
Investment Maturities				
Less than 1 year	4,813	9,694	78,276	92,783
1 to 5 years	31,016	11,845	42,403	85,264
6 to 10 years	14,366	14,175	23,515	52,056
More than 10 years	20,846	82,171	45,699	148,716

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. The Plan's investment policy utilizes portfolio diversification in order to control this risk.

The following table discloses credit ratings by investment type, at September 30, 2005, as applicable:

	Fair Value	Percentage Portfolio
U.S. government guaranteed*	\$ 188,925,754	49.87%
Credit risk debt securities		
A	16,825,541	4.44%
A+	6,879,877	1.82%
A-	9,677,736	2.55%
AA	1,344,403	0.35%
AA+	1,214,987	0.32%
AA-	5,728,857	1.51%
AAA	36,288,885	9.58%
BB	1,500,861	0.40%
BB+	1,751,244	0.46%
BBB	8,891,557	2.35%
BBB+	14,073,325	3.72%
BBB-	3,531,478	0.93%
Not rated (Bond funds and CMO's)	82,184,451	21.70%
Total credit risk debt securities	189,893,202	50.13%
Total fixed income securities	378,818,956	100.00%

*Obligations of the U.S. government or obligations explicitly 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, 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 Plan's custodial bank and registered in the Plan's name.

Concentration of Credit Risk - The investment policy of the Plan 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% or more of plan net assets at September 30, 2005.

Foreign Currency Risk - Foreign currency is the risk that changes in exchange rates will adversely affect the fair value of the investment or a deposit.

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Each investment manager, through the purchase of units in a commingled investment trust fund or international equity mutual fund, establishes investments in international equities. FIPO has an indirect exposure to foreign currency fluctuation as follows:

Currency	Holdings valued in U.S. dollars - International Equities
Swiss franc	\$ 2,636,533
Danish krone	552,428
Euro	13,672,343
British pound sterling	5,213,541
Hong Kong dollar	1,250,952
Japanese yen	10,230,905
South Korean won	888,940
Other	1,631,471
Total	<u>\$ 36,077,113</u>

the maturities of the securities loans made by other entities that use the agent’s pool, which the Trust 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.

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 the Trust’s custodial bank. All loans can be terminated on demand by either the Trust or the borrowers, although the average term of loans is approximately eighty nine days. The custodial bank and its affiliates are prohibited from borrowing the system’s securities. The agent lends the Trust’s U.S. government and agency securities and domestic corporate fixed-income and equity securities for securities or cash collateral of 102 percent and international securities of 105 percent of the securities plus any accrued interest. The securities lending contracts do not allow the Trust 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 thirty-one days. The relationship between the maturities of the investment pool and the Trust’s loans is affected by

CITY OF MIAMI, FLORIDA
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The following represents the balances relating to securities lending transactions at September 30, 2005:

Securities Lent:	<u>Fair Value of Underlying Securities</u>	<u>Cash Collateral Received/Securities Collateral Value</u>	<u>Cash Collateral Investment Value</u>
Lent for cash collateral:			
U.S. government and agency obligations	\$ 59,795,060	\$ 61,129,531	\$ 61,129,531
Domestic corporate stocks	119,504,150	122,153,840	122,153,840
Domestic corporate bonds	7,414,600	7,586,840	7,586,840
International corporate stocks	4,944,386	5,154,949	5,154,949
	<u>\$ 191,658,196</u>	<u>\$ 196,025,160</u>	<u>\$ 196,025,160</u>
Lent for securities collateral			
U.S. government and agency obligations	\$ 12,357,322	\$ 12,613,711	\$ -
Domestic corporate stocks	1,629,901	1,665,728	-
Domestic corporate bonds	1,764,026	1,803,234	-
	<u>\$ 15,751,249</u>	<u>\$ 16,082,673</u>	<u>\$ -</u>
Total securities lent	<u>\$ 207,409,445</u>	<u>\$ 212,107,833</u>	<u>\$ 196,025,160</u>

The contract with the Trust's custodian requires the custodian to indemnify the Trust 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, the Trust has no credit risk exposure to borrowers because the amounts of collateral held by the Trust exceed the amounts the borrowers owe the Trust. 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 are no income distributions owing on securities lent.

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, 2005, was as follows:

	<u>Fair Value</u>	
	<u>GESE Trust</u>	<u>Staff Trust</u>
U.S. Government and Agency Securities	\$ 77,922,613	\$ 58,567
Corporate Stocks	384,092,939	387,486
Corporate Bonds	64,947,286	288,301
	<u>526,962,838</u>	<u>734,354</u>
Real Estate Fund	36,747,961	-
Money Market Fund	19,783,105	10,748
Total Investments	<u>\$ 583,493,904</u>	<u>\$ 745,102</u>

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

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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. 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 Trust. As of September 30, 2005, three firms, registered with the SEC as investment advisors, manage the fixed income assets of the Trusts. The managers and assets managed are: Richmond Capital (\$72.6 million), Seix Advisors (\$35.6 million) and Loomis Sayles (\$37.2 million). These managers are required to invest funds in accordance with the Investment Policy Statement approved by the Board of Trustees. The Custodian, State Street Bank, is responsible for the investment of the cash assets.

Interest rate risk - The GESE Trust has elected the duration method for the interest rate risk, since its 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, each manager is expected to keep its duration at +/- one year of the benchmark duration.

The following represents the investments market value and duration of the securities at September 30, 2005:

Investment Type	Fair Value (\$000)	Weighted Avg. Maturity Years
Asset backed	\$ 5,689	3.10
Corporate-Bank	9,404	3.65
Corporate-Finance	21,555	3.45
Corporate-Industrial	16,119	6.03
Corporate-Misc	259	5.21
Corporate-Transportation	2,092	4.35
Corporate-Comm. Utility	1,964	6.09
Corporate-Electric Utility	3,890	2.92
Corporate-Gas Utility	166	7.41
US Treasury	30,962	4.32
US Agency	6,738	2.98
Yankee-Industrial	509	3.29
Yankee-Utility	40	12.07
Yankee-Finance	368	4.65
Mortgages	37,657	3.48
Cash and Other	7,965	1.92
Total	\$ 145,377	3.87

Credit risk - The GESE Trust's Investment Policy Statement limits credit risk by requiring all fixed income securities to be rated by Moody's as a Baa or better. The only exception is that a maximum of 5% of each manager's portfolio may be invested in high yield securities rated Caa or better.

At September 30, 2005, the following represents Moody's ratings and the market value of the total fixed income portfolio invested. (Amounts are in thousands):

Moody's Rating	Fair Value (\$000)	Percentage of Investments
Government	\$ 71,089	48.90%
Aaa	14,102	9.70%
Aa	11,630	8.00%
A	31,547	21.70%
Baa	15,701	10.80%
Ba	291	0.20%
Not Rated	1,017	0.70%
Total	\$ 145,377	100.00%

CITY OF MIAMI, FLORIDA
NOTES TO FINANCIAL STATEMENTS

Custodial risk - The GESE Trust does not have custodial credit risk since its investments are in external investment pools and/or open end mutual funds (SSgA Government STIF). All cash in each manager’s portfolio is swept into this STIF account on a daily basis.

Concentration of credit risk - The GESE Trust is required to provide information about the concentration of credit risk associated with its investments by disclosing investments with any one issuer that represents 5% or more of total investments. Investments issued or explicitly guaranteed by the US Government and investments in mutual funds, external investment pools and other pooled investments are not subject to any concentration of credit Risk. The GESE Trust investment policy statement includes language that states in part “Corporate bond issues shall be diversified by industry and in number so that no investment in the securities of a single issue shall exceed 5% (at cost) of the value of the portfolio. Single industry weightings will be a maximum of 25%, except US Government and agency securities.” At September 30, 2005, the GESE Trust did not have any investments with issuers greater than 5%.

Foreign currency risk - At September 30, 2005, the GESE Trust did not have any foreign fixed income investments.

Staff Trust

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. As of September 30, 2005, Richmond Capital, a registered investment advisor with the SEC managed the fixed income assets of the Staff Trust. The value of the fixed income portfolio was \$352,751. Richmond is required to invest funds in compliance with the investment policy statement approved by the Trustees. State Street Bank is the custodian for all of the assets and is responsible for the investment of the cash assets.

Interest Rate Risk - There are five specific methods that may be used to identify interest rate risk. The Staff Trust has chosen to use the duration method since its 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 following table lists the investment type along with the total market value and duration of the securities.

Investment Type	Fair Value (\$000)	Effective Duration
Asset backed	\$ 5	0.68
Corporate-Bank	34	2.83
Corporate-Finance	88	3.00
Corporate-Industrial	73	4.09
Corporate-Transportation	3	5.30
Corporate-Comm. Utility	8	2.34
Corporate-Electric Utility	13	1.47
US Treasury	59	7.40
US Agency	52	5.40
Mortgages	11	4.89
Cash and Other	7	2.14
Total	\$ 353	4.25

Credit Risk - The Staff Trust investment policy statement includes language that limits credit risk by requiring all fixed income securities to Moody’s rating of Baa or better.

CITY OF MIAMI, FLORIDA
NOTES TO FINANCIAL STATEMENTS

The following table displays Moody's ratings and the market value of the total fixed income portfolio invested in that rating:

Moody's Rating	Market Value (\$000)	Percent
Government	\$ 71	20.10%
Aaa	65	18.30%
Aa	64	18.20%
A	148	41.90%
Baa	5	1.50%
Total	\$ 353	100.00%

Custodial Risk - The Staff Trust does not have custodial credit risk since its investments are in external investment pools and/or open end mutual funds (SSgA Government STIF). All cash in the manager's portfolio is swept into this STIF account on a daily basis.

Concentration of Credit Risk - The Plan should provide information about the concentration of credit risk associated with its investments by disclosing investments in any one issuer that represents 5% or more of total investments. Investments issued or explicitly guaranteed by the US Government and investments in mutual funds, external investment pools and other pooled investments are excluded from this requirement.

The Staff Trust investment policy statement includes language that states in part "Corporate bond issues shall be diversified by industry and in number so that no investment in the securities of a single issue shall exceed 20% (at cost) of the value of the portfolio. Single industry weightings will be a maximum of 20%, except US Government and agency securities." As of September 30, 2005, the Staff Trust did not have any positions with issuers greater than 5%.

Foreign currency risk - At September 30, 2005, the GESE Staff Trust did not have any foreign fixed income investments.

Elected Official Retirement Trust (EORT)

At September 30, 2005, the investments EORT consisted of the following:

Investment Type	Fair Value
United States Treasury Notes	\$ 518,330
Federal Home Loan Mortgage Corporation	475,016
Federal Home Loan Bank	1,096,216
Total	\$ 2,089,562

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 policy limits the maturity of an investment to a maximum of 5 years.

As of September 30, 2005, 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.

Investment Type	Weighted Average in Years
United States Treasury Notes	1.67
Federal Home Loan Mortgage Corporation	0.25
Federal Home Loan Bank	0.82

The investments at September 30, 2005 are in compliance with EORT's investment policy.

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. The credit ratings below were consistent

CITY OF MIAMI, FLORIDA
NOTES TO FINANCIAL STATEMENTS

among the three major rating agencies (Moody's, Standard and Poor's, and Fitch).

The table below summarizes the investments by credit rating at September 30, 2005:

<u>Investment Type</u>	<u>Credit Rating</u>
United States Treasury Notes	AAA
Federal Home Loan Mortgage Corporation	AAA
Federal Home Loan Bank	AAA

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% of the portfolio may be invested in SEC registered money market funds with no more than 10% to any single money market fund. A maximum of 100% of available funds may be invested in the Local Governments Surplus Funds Trust Fund. A maximum of 100% of the

total portfolio may be invested in U.S. Government securities and federal instrumentalities, with a limit of 25% invested in any one issuer of federal instrumentalities. A maximum of 35% of the portfolio may be invested in prime commercial paper with a maximum of 10% with any one issuer. A maximum of 10% of the portfolio may be invested in banker's acceptances with a maximum of 5% with any one issuer.

As of September 30, 2005, the following issuers held 5% or more of the investment portfolio:

<u>Issuer</u>	<u>Percentage of Portfolio</u>
United States Treasury Notes	25%
Federal Home Loan Bank	52%
Federal Home Loan Mortgage Corporation	23%

NOTE 4. – RECEIVABLES

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

Receivables	Community		Fire	Public	General	Streets &	Nonmajor	Total
	General	Development	Rescue Services	Services Tax	Government	Sidewalks	Governmental Funds	
Accounts	\$ 23,115,343	\$ 3,070,901	\$ 1,518	\$ 5,572	\$ 575,000	\$ 10	\$ 2,535,657	\$ 29,304,001
Taxes	9,027,241	-	-	-	-	-	1,060,815	10,088,056
Special Assessments	-	249,288	-	-	-	-	36,525	285,813
Due from Other								
Governments	413,865	5,207,447	16,396,223	8,169,009	-	274,514	7,297,615	37,758,673
Loans	288,000	59,074,822	-	-	-	-	-	59,362,822
Loan to component unit	-	964,868	-	-	-	-	-	964,868
Gross Receivables	32,844,449	68,567,326	16,397,741	8,174,581	575,000	274,524	10,930,612	137,764,233
Less: Allowance								
for Uncollectibles	(10,078,471)	(62,579,282)	-	-	(575,000)	-	(1,495,923)	(74,728,676)
Net Total Receivables	\$ 22,765,978	\$ 5,988,044	\$ 16,397,741	\$ 8,174,581	\$ -	\$ 274,524	\$ 9,434,689	\$ 63,035,557

CITY OF MIAMI, FLORIDA
NOTES TO FINANCIAL STATEMENTS

As part of its Community Development Block Grant (CDBG) program, the City issues single and multi-family housing rehabilitation loans to qualified residents. All repayments of the loans, which carry low interest rates, remain in the loan program. As collection of the loans is not assured the loans are fully reserved. As of September 30, 2005, rehabilitation loans outstanding totaled \$59,074,822. The loan to the component unit represents a receivable from the DOSP in the amount of \$964,868 which is fully reserved for as of September 30, 2005 (see Note 9).

debt service tax rate for the same period was \$0.95 per \$1,000.

Property taxes receivable reported in the government-wide Statement of Net Assets and the governmental funds Balance Sheet represent amounts due for unpaid delinquent property taxes at September 30, 2005. Property taxes that are not considered "available" have been reported as deferred revenues in the governmental funds Balance Sheet.

NOTE 5. - PROPERTY TAXES

Property taxes are levied on January 1st and are payable on November 1st, with discounts of one to four percent allowed if paid prior to March 1st of the following calendar 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% and 6%. All unpaid taxes on real and personal property become delinquent on April 1st and bear interest at 18% 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, 2004, upon which the 2004-2005 levy was based, was \$21,893,654,614. The City is permitted by Article 7, Section 8 of the Florida Constitution to levy taxes up to \$10 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, 2005, was \$8.71625 per \$1,000. The

CITY OF MIAMI, FLORIDA
NOTES TO FINANCIAL STATEMENTS

NOTE 6. - CAPITAL ASSETS

The following is a summary of changes in capital assets during the year ended September 30, 2005:

	Primary Government			
	Beginning Balance as restated	Additions	Retirements	Ending Balance
Governmental Activities:				
Capital assets, not being depreciated:				
Land	\$ 71,216,537	\$ 9,215,896	\$ (4,973,377)	\$ 75,459,056
Construction in progress	28,735,874	66,034,344	(20,040,233)	74,729,985
Total capital assets, not being depreciated	<u>99,952,411</u>	<u>75,250,240</u>	<u>(25,013,610)</u>	<u>150,189,041</u>
Capital assets, being depreciated:				
Buildings	169,290,305	-	-	169,290,305
Improvements other than buildings	34,665,721	217,001	-	34,882,722
Building improvements	33,766,187	12,412,928	(996,000)	45,183,115
Machinery and equipment	102,579,239	17,899,963	(6,572,845)	113,906,357
Infrastructure	1,025,681,975	8,448,513	(6,088)	1,034,124,400
Total capital assets, being depreciated	<u>1,365,983,427</u>	<u>38,978,405</u>	<u>(7,574,933)</u>	<u>1,397,386,899</u>
Less accumulated depreciation for:				
Buildings	(88,986,981)	(4,391,931)	-	(93,378,912)
Improvements other than buildings	(20,047,329)	(1,154,775)	-	(21,202,104)
Building improvements	(2,816,308)	(1,379,101)	12,911	(4,182,498)
Machinery and equipment	(51,266,493)	(10,599,904)	6,163,373	(55,703,024)
Infrastructure	(482,096,815)	(26,492,423)	4,917	(508,584,321)
Total accumulated depreciation	<u>(645,213,926)</u>	<u>(44,018,134)</u>	<u>6,181,201</u>	<u>(683,050,859)</u>
Total capital assets, being depreciated, net	<u>720,769,501</u>	<u>(5,039,729)</u>	<u>(1,393,732)</u>	<u>714,336,040</u>
Governmental activities capital assets, net	<u>\$ 820,721,912</u>	<u>\$ 70,210,511</u>	<u>\$ (26,407,342)</u>	<u>\$ 864,525,081</u>

The City has restated its capital assets to include the capital assets of the Southeast Overtown Park West (blended component unit) and the Gusman Center and Olympia Building, by \$15,952,194 (net of accumulated depreciation of \$3,891,290), which were not included in the prior year. See Note 2.

Depreciation expense was charged to government functions as follows:

General Government	\$ 820,439
Planning and Development	73,585
Community Development	50,195
Community Redevelopment Areas	360,395
Public Works	4,579,813
Public Safety	8,438,293
Public Facilities	986,919
Parks and Recreation	2,561,407
Unallocated	26,147,088
Total depreciation expense	<u><u>\$ 44,018,134</u></u>

CITY OF MIAMI, FLORIDA
NOTES TO FINANCIAL STATEMENTS

Construction Commitments

At September 30, 2005, the City had in process various uncompleted construction projects with remaining balances totaling \$39,898,638. Funding of these projects is to be made primarily through the proceeds of the related bond issues, loans and future taxes.

Discretely Presented Component Units Capital Assets

The following is a summary of changes in capital assets of the component units during the year ended September 30, 2005:

	MSEA			
	Beginning Balance	Additions	Retirements	Ending Balance
Capital assets, not being depreciated:				
Land	\$ 5,923,000	\$ -	\$ (5,923,000)	\$ -
Parking lot/warehouse	1,157,662	-	(1,157,662)	-
Total capital assets, not being depreciated	<u>7,080,662</u>	<u>-</u>	<u>(7,080,662)</u>	<u>-</u>
Capital assets, being depreciated:				
Miami Arena	49,164,621	-	(49,164,621)	-
Miami Arena equipment	2,142,286	-	(2,142,286)	-
Office equipment	263,584	-	-	263,584
Art in public places	187,587	-	(187,587)	-
Vehicles	10,184	-	(10,184)	-
Total capital assets, being depreciated	<u>51,768,262</u>	<u>-</u>	<u>(51,504,678)</u>	<u>263,584</u>
Less accumulated depreciation for:				
Miami Arena	(19,907,348)	-	19,907,348	-
Miami Arena equipment	(1,806,945)	-	1,806,945	-
Office equipment	(228,135)	(27,194)	-	(255,329)
Art in public places	(77,459)	-	77,459	-
Vehicles	(4,074)	(2,074)	6,148	-
Total accumulated depreciation	<u>(22,023,961)</u>	<u>(29,268)</u>	<u>21,797,900</u>	<u>(255,329)</u>
Total capital assets, being depreciated, net	<u>29,744,301</u>	<u>(29,268)</u>	<u>(29,706,778)</u>	<u>8,255</u>
MSEA capital assets, net	<u>\$ 36,824,963</u>	<u>\$ (29,268)</u>	<u>\$ (36,787,440)</u>	<u>\$ 8,255</u>

The Miami Arena, Warehouse and parking lot properties were sold during the 2005 fiscal year. See Note 9.

CITY OF MIAMI, FLORIDA
NOTES TO FINANCIAL STATEMENTS

DOSP

	Beginning Balance	Additions	Retirements	Ending Balance
Capital assets, not being depreciated:				
Land	\$ 13,113,461	\$ 874,368	\$ -	\$ 13,987,829
Construction in progress	329,310	5,339,085	(21,274)	5,647,121
Total capital assets, not being depreciated	13,442,771	6,213,453	(21,274)	19,634,950
Capital assets, being depreciated:				
Building and structures	23,478,305	-	-	23,478,305
Leasehold improvements	6,503,803	195,191	-	6,698,994
Furniture and fixtures	169,496	15,483	-	184,979
Equipment	10,160,354	749,302	(28,265)	10,881,391
Total capital assets, being depreciated	40,311,958	959,976	(28,265)	41,243,669
Less accumulated depreciation for:				
Building and structures	(12,673,143)	(666,214)	-	(13,339,357)
Leasehold improvements	(4,575,496)	(249,076)	-	(4,824,572)
Furniture and fixtures	(157,778)	(4,588)	-	(162,366)
Equipment	(7,754,875)	(769,070)	28,265	(8,495,680)
Total accumulated depreciation	(25,161,292)	(1,688,948)	28,265	(26,821,975)
Total capital assets, being depreciated, net	15,150,666	(728,972)	-	14,421,694
DOSP capital assets, net	\$ 28,593,437	\$ 5,484,481	\$ (21,274)	\$ 34,056,644

DDA

	Beginning Balance	Additions	Retirements	Ending Balance
Capital assets, being depreciated:				
Furniture and equipment	\$ 390,277	\$ 83,490	\$ -	\$ 473,767
Less accumulated depreciation for:				
Furniture and equipment	(126,110)	(57,359)	-	(183,469)
DDA capital assets, net	\$ 264,167	\$ 26,131	\$ -	\$ 290,298

BFP

	Beginning Balance	Additions	Retirements	Ending Balance
Capital assets, not being depreciated:				
Land	\$ 516,129	\$ -	\$ -	\$ 516,129
Capital assets, being depreciated:				
Buildings	2,637,934	-	-	2,637,934
Public domain and system infrastructure	1,754,379	332,806	-	2,087,185
Machinery and equipment	329,063	26,596	(12,000)	343,659
Total capital assets, being depreciated	4,721,376	359,402	(12,000)	5,068,778
Less accumulated depreciation for:				
Buildings	(861,247)	(52,197)	-	(913,444)
Public domain and system infrastructure	(1,068,494)	(102,202)	-	(1,170,696)
Machinery and equipment	(171,976)	(25,182)	12,000	(185,158)
Total accumulated depreciation	(2,101,717)	(179,581)	12,000	(2,269,298)
Total capital assets, being depreciated, net	2,619,659	179,821	-	2,799,480
BFP capital assets, net	\$ 3,135,788	\$ 179,821	\$ -	\$ 3,315,609

CITY OF MIAMI, FLORIDA
NOTES TO FINANCIAL STATEMENTS

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

MSEA	\$ 29,268
DOSP	1,688,948
DDA	57,359
BFP	179,581
Total depreciation expense	\$ 1,955,156

NOTE 7. - Accounts Payable and Accrued Liabilities

Accounts payable and accrued liabilities at September 30, 2005 consisted of the following:

	General	Community Development	Fire Rescue Services	General Government	Street & Sidewalks	Nonmajor Governmental Funds	Total
Vendors	\$ 10,659,221	\$ 4,025,836	\$ 12,830,767	\$ 2,382,894	\$ 8,886,053	\$ 9,227,098	\$ 48,011,869
Salaries and Benefits	10,779,736	166,971	1,262,159	115,012	-	403,578	12,727,456
Total	\$ 21,438,957	\$ 4,192,807	\$ 14,092,926	\$ 2,497,906	\$ 8,886,053	\$ 9,630,676	\$ 60,739,325

NOTE 8. - Interfund Receivables, Payables, and Transfers

The balances reflected as due from/due to other funds as of September 30, 2005 are as follows:

Receivable Fund	Payable Fund	Amount
Public Services Tax	Fire Rescue Services	\$ 377,969
Public Services Tax	Model City	103,894
Public Services Tax	Debt Service Fund	240,889

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

The following is a summary of transfers for the year ended September 30, 2005:

Transfer Out	Transfers In						Total
	General Fund	Community Development	Fire Rescue Service	General Government	Street & Sidewalks	Nonmajor Governmental Funds	
General Fund	\$ -	\$ 13,500	\$ 1,042,592	\$ 12,270,554	\$ -	\$ 10,535,551	\$ 23,862,197
Community Development	212,409	601,299	-	-	3,094,706	722,359	4,630,773
Fire Rescue Service	-	-	-	-	-	710,000	710,000
Public Services Tax	43,213,187	-	-	-	-	16,196,614	59,409,801
General Government	-	-	-	5,444,841	4,233,017	25,571,140	35,248,998
Street & Sidewalks	-	-	-	5,535,631	13,796,326	-	19,331,957
Nonmajor Governmental Funds	58,478	-	-	15,768,448	12,568,672	32,658,615	61,054,213
Total	\$ 43,484,074	\$ 614,799	\$ 1,042,592	\$ 39,019,474	\$ 33,692,721	\$ 86,394,279	\$ 204,247,939

CITY OF MIAMI, FLORIDA
NOTES TO FINANCIAL STATEMENTS

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 to 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 fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

NOTE 9. - LONG-TERM OBLIGATIONS

Changes in Long-Term Obligations

The following is a summary of changes in long-term obligations for the year ended September 30, 2005:

Primary Government	Beginning Balance	Additions	Reductions	Ending Balance	Due within One Year
General obligation bonds	\$ 225,944,956	\$ -	\$ (10,215,000)	\$ 215,729,956	\$ 10,423,024
Special obligation and revenue bonds, and loans	170,697,624	-	(8,555,229)	162,142,395	8,795,771
Accretion	35,423,683	867,956	-	36,291,639	-
Deferred amounts	7,170,318	-	(526,451)	6,643,867	-
Total bonds, notes, and loans	439,236,581	867,956	(19,296,680)	420,807,857	19,218,795
Other liabilities:					
Capital lease	2,525,936	-	(604,759)	1,921,177	622,236
Compensated absences	67,933,379	9,169,577	(4,688,967)	72,413,989	4,405,699
Claims payable	111,256,504	27,796,465	(21,239,238)	117,813,731	16,010,837
Net pension obligation	2,958,462	306,931	-	3,265,393	-
Total governmental activities long-term liabilities	\$ 623,910,862	\$ 38,140,929	\$ (45,829,644)	\$ 616,222,147	\$ 40,257,567

For governmental activities, claims and judgments, compensated absences and the net pension obligation are generally liquidated by the General Fund.

CITY OF MIAMI, FLORIDA
NOTES TO FINANCIAL STATEMENTS

Bonds and Loans Outstanding – Summarized below are the City’s bond and loan issues, which are outstanding at September 30, 2005:

<u>DESCRIPTION</u>	<u>Purpose of Issue</u>	<u>Amount Issued</u>	<u>Outstanding Balance</u>	<u>Interest Rate Range</u>	<u>Maximum Annual Debt Service</u>
General Obligation Bonds:					
General Obligations Refunding Bonds Series 1992	Refunding	\$ 70,100,000	\$ 15,330,000	5.7%-6%	\$ 5,094,060
Homeland Defense/Neighborhood CIP Series 2002A	Homeland Defense	153,186,406	152,689,956	1.8%-4.97%	19,720,375
General Obligation Refunding Bonds Series 2002A	Refunding	32,510,000	28,830,000	3.4%-5.375%	6,682,281
General Obligation Bonds Other Issues	Housing	23,190,000	1,870,000	.5%-4%	427,358
General Obligation Refunding Bonds Series 2003	Refunding	18,680,000	12,850,000	3%-5%	3,630,475
General Obligation Refunding Bonds Series 2003B	Refunding	4,180,000	4,160,000	2%-3.5%	1,446,838
		<u>\$ 301,846,406</u>	<u>\$ 215,729,956</u>		
Special Obligation and Revenue Bonds and Loans:					
Special Revenue Refunding Bonds Series 1987	Refunding	\$ 65,271,325	\$ 10,421,431	5.25%-7.3%	\$ 5,900,000
Community Redevelopment Revenue Bonds Series 1990	Redevelopment	11,500,000	2,480,000	7.15%-8.5%	358,975
Special Obligation Non-Ad Valorem Series 1995	MRC Building	22,000,000	2,885,000	5%-5.7%	658,420
Special Obligation Non-Ad Valorem Revenue Series 1995	Pension	72,000,000	63,185,000	6.5%-7.25%	5,812,300
Special Revenue Refunding Bonds Series 2002A	Refunding	27,895,000	27,895,000	3.4%-5.375%	3,353,539
Special Revenue Refunding Bonds Series 2002B	Refunding	13,170,000	5,435,000	3%-3.25%	2,108,588
Special Revenue Refunding Bonds Series 2002C	Refunding	28,390,000	26,375,000	2%-4.375%	2,695,606
Sunshine State Government Financing Commission Loans	Facility Improvements	27,630,900	12,202,100	(1)	(2)
Sunshine State Government Financing SEOPW - Section 108 HUD Loan	Redevelopment	5,100,000	4,050,000	8.39%-9.03%	737,563
Wynwood - Section 108 HUD Loan	Redevelopment	5,500,000	3,580,000	(3)	(3)
Sunshine State Government Financing Commission-Secondary Loan	SCI, Melreese	3,500,000	1,925,000	(1)	(2)
Gran Central Corporation Loan	Redevelopment	1,708,864	1,708,864	0.00%	1,708,864
		<u>283,666,089</u>	<u>162,142,395</u>		
Total		<u>\$ 585,512,495</u>	<u>\$ 377,872,351</u>		

- (1) These variable rate loans are subject to a 15% interest rate cap. The Commission loan had an average interest rate of 2.71% on September 30, 2005.
- (2) The amortization requirement of the covenant program (not the individual issues) variable rate obligation requires a minimum amortization over the 1/3 (10 years) of the normal (30 years) maturity.
- (3) These variable rate loans are subject to Libor plus 0.2%. The interest is calculated monthly and paid to the trustee quarterly.

Annual Debt Service Requirements to Maturity

The annual debt service requirements for all bonds and loans outstanding as of September 30, 2005, are as follows:

Year Ended September 30,	General Obligation Bonds		Special Obligation, Revenue Bonds, and Loans		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2006	\$ 10,423,024	\$ 9,107,030	\$ 8,795,771	\$ 12,584,508	\$ 19,218,795	\$ 21,691,538
2007	10,372,523	9,157,173	9,713,753	12,370,217	20,086,276	21,527,390
2008	10,295,644	9,236,563	11,726,363	12,114,312	22,022,007	21,350,875
2009	10,205,262	9,326,490	10,335,758	11,853,455	20,541,020	21,179,945
2010	10,174,048	9,362,144	10,714,629	11,514,681	20,888,677	20,876,825
2011-2015	50,471,151	47,221,819	46,311,121	50,279,393	96,782,272	97,501,212
2016-2020	76,363,304	22,230,214	29,385,000	16,222,381	105,748,304	38,452,595
2021-2025	37,425,000	2,013,666	29,550,000	7,399,284	66,975,000	9,412,950
2026	-	-	5,610,000	201,960	5,610,000	201,960
	<u>\$ 215,729,956</u>	<u>\$ 117,655,099</u>	<u>\$ 162,142,395</u>	<u>\$ 134,540,191</u>	<u>\$ 377,872,351</u>	<u>\$ 252,195,290</u>

Synopsis of Bond Covenants

A summary of major provisions and significant debt service requirements follows:

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% of the assessed non-exempt property value. At September 30, 2005, the statutory limitation for the City amounted to \$3,289,455,309 providing a debt margin of \$3,075,237,944 after consideration of \$215,729,956 of general obligation bonds outstanding at September 30, 2005 and adjusted for the fund balance of \$1,512,591 in the related Debt Service Fund.

The various special obligation and revenue bonds are secured by pledges of specific revenue sources in accordance with their bond indentures. Their bond resolutions require that sufficient funds be available in reserve accounts to meet the largest debt service requirement in any ensuing fiscal year or that a surety bond be obtained in lieu of the reserve account.

Loans obtained from the Sunshine State Governmental Financing Commission require a particular revenue pledge or a covenant to budget and appropriate non-ad valorem revenues. The City must maintain certain debt ratio requirements as specified under this loan requirement.

The City believes it is in material compliance with its financial debt covenants.

Escrow Agreement

On March 17, 1997, an agreement was entered into by and among an Escrow Agent, the Oversight Board, acting through its committee's (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 outstanding General Obligation and Revenue Bonds.

The City made an initial deposit of \$9,700,000 with the escrow agent on March 17, 1997 to cover its debt service requirements on the General Obligation Bonds. The City has 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 an initial deposit of approximately \$5,000,000 with the Escrow Agent on March 17, 1997 to cover its debt service requirements on the Special Obligation Bonds and Loans. The City has agreed to deposit revenues each month in amounts specified in the underlying agreement. The City is in compliance with the required deposits.

Long-Term Debt Authorized But Not Issued

On November 13, 2001, a referendum election was held and the voters approved the issuance of \$255,000,000 of Limited Ad Valorem Tax Bonds. As of September 30, 2005, the City has issued \$153,186,406 of the approved bonds.

Derivative Disclosure – Swaption Agreement

Objective of the Swaption - On November 15, 2004, the City entered into a \$30,615,000 Swaption with Morgan Stanley Capital Services Inc. (“Morgan Stanley” or “Counterparty”) as a means to refund a portion of the outstanding Series 1995 Non-Ad Valorem Revenue, Taxable Pension Bonds on or around the call date of December 1, 2006. The Series 1995 Non-Ad Valorem Revenue, Taxable Pension Bonds were originally issued to provide funds to fund the General Employees and Sanitation Employees (GESE) and Police and Fire (FIPO) retirement funds. The final maturity on the Swaption, if exercised by Morgan Stanley is December 1, 2025. Following the pricing of the Swaption, the net present value savings of the transaction were estimated at \$2,447,821 or 7.96% of the refunded Series 1995 bonds.

Terms - The City sold to Morgan Stanley the right to enter into an interest rate swap with the City, in which the City would pay a specified fixed rate (6.43%) and receive a floating rate based on the 1-month LIBOR (London Inter Bank Offered Rate) Index in exchange for annual option premium payments of \$225,000 from December 1, 2005 through December 1, 2026. The City has not made

any payments to the swaption Counterparty. If the Counterparty exercises the option, the swap would be effective on December 1, 2006, and then the City would simultaneously enter into the swap whereby the City would pay a fixed rate and receive a floating rate. The City would then issue variable rate refunding bonds. The variable rate received on the swap and paid on the refunding bonds was established to track closely, effectively leaving the City with a fixed rate obligation. The fixed rate on the swap was set so the City’s swap payments and support costs on the variable rate debt are approximately equal to the debt service prior to the refunding. No additional material debt service savings are expected to be achieved from the actual refunding, but rather the entire benefit of the swaption is realized through the annual payments from Morgan Stanley.

Fair value - As of September 30, 2005, the Swaption had a negative fair value of \$1,493,470. The negative fair value signifies the amount that the City would have to pay the Counterparty upon the termination of the swaption as of that date. The fair value of the swaption has decreased relative to the time that they were priced, due to a flattening of the yield curve resulting in a decline in the forward and long-term interest rates. The fair value was calculated using a market quotation from the Counterparty.

Credit risk - As of September 30, 2005, the City was not exposed to credit risk because the swaption had a negative fair value. However, should interest rates change and the value of the Swaption become positive, the City could be exposed to credit risk in the amount of the Swaption’s fair value. The provisions of the swaption agreement contain certain Counterparty requirements that mitigate the potential for credit risk to the City. For the Swaption, if the Counterparty guarantor’s long-term unsecured unsubordinated debt ratings are suspended by either Moody’s or Standard & Poor’s or ratings fall below “Baa3” or “BBB”-by Moody’s and Standard & Poor’s, respectively, the fair value of the associated swap will be fully collateralized with cash or securities. Collateral would be posted with an independent third party custodian. As of

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September 30, 2005, Morgan Stanley’s ratings have not fallen below these levels; therefore, the Counterparty was not required to collateralize the Swaption. The City is not required to collateralize the Swaption.

Basis risk - As of September 30, 2005, the Swaption does not expose the City to basis risk. The City is not obligated to make or receive payments on the Swaption unless and until the option is exercised. The exercise date for the Swaption is October 15, 2006. If the option is exercised, the swap related to the Swaption will expose the City to basis risk.

Termination risk - The Swaption provides for certain events that could cause the Counterparty of the City to terminate the swap. The swap may be terminated by the Counterparty or the City if the other party fails to perform under the terms of the swap agreement. The City has the right to optionally terminate the Swaption agreement at any time. The termination amount owed by either the City or the Counterparty is determined by market quotation. If at the time of termination, the swap has a negative fair value, the City would be liable to the Counterparty for a payment equal to the swap’s fair value.

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.

Capital Lease

The City has entered into a lease agreement as lessee for financing the acquisition of computer equipment. The lease agreement qualifies as a capital lease for accounting purposes and therefore, has been recorded at the present value of the future minimum lease payments as of the inception date.

The assets acquired through the capital lease are as follows:

Machinery and equipment	\$ 3,203,694
Less accumulated depreciation	<u>(961,107)</u>
Total	<u><u>\$ 2,242,587</u></u>

The future minimum lease obligations and the net present value of those minimum lease payments as of September 30, 2005, were as follows:

Year Ending September 30,	Amount
2006	\$ 677,758
2007	677,758
2008	<u>677,758</u>
Total Minimum lease payments	2,033,274
Less: amount representing interest	<u>(112,097)</u>
Present value of minimum lease payments	<u><u>\$ 1,921,177</u></u>

Discretely Presented Component Units Long-Term Debt

MSEA

The changes in long-term debt activity of MSEA during 2005 were as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due within One Year
Bonds Payable	\$ 32,820,000	\$ -	\$ 31,640,000	\$ 1,180,000	\$ 1,180,000

The annual debt service requirements for all bonds outstanding are as follows:

Year Ending September 30,	Principal	Interest
2006	\$ 1,180,000	\$ 39,088

The Miami Arena was sold on December 15, 2004 for \$28,010,000. The Warehouse and Parking lot properties were also sold in fiscal 2005 for \$2,560,000 and \$5,434,000, respectively. The contract for the sale of the Arena and the related properties provided for the retirement of all series 1992 bonds within 90 days of the sale date and the establishment of a defeasance escrow account for the bonds that is sufficient to pay for the entire required principal, interest and call premiums on the bonds. Consequently, MESA has placed the proceeds from the sale of the properties in an irrevocable escrow account with a trust agent to ensure payment of the debt service on the 1992 bonds. As of September 30, 2005, \$30,860,000 of the 1992 bonds were considered defeased and the liability has been removed from the Statement of Net Assets.

DOSP

The changes in DOSP's long-term debt during 2005 were as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Bonds payable	\$ 10,465,000	\$ -	\$ 685,000	\$ 9,780,000	\$ 710,000
Deferred amounts	49,430	13,136	-	62,566	-
Loan from primary government	-	964,868	-	964,868	150,000
	<u>\$ 10,514,430</u>	<u>\$ 978,004</u>	<u>\$ 685,000</u>	<u>\$ 10,807,434</u>	<u>\$ 860,000</u>

The City has issued 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.

DOSP, on July 21, 2005, entered into a loan agreement with the City of Miami. The loan was obtained through CDBG program funds up to a maximum of \$3,000,000 to be used for the construction of a parking garage facility. Funds are disbursed on a reimbursement basis. The loan bears no interest and is payable in 40 semi-annual installments of \$75,000 starting December 1, 2005. As of September 30, 2005, DOSP has drawn \$964,868 of this loan.

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The following summarizes the debt service to maturity of outstanding DOSP debt at September 30, 2005:

Year Ending September 30,	Bonds			Loan
	Principal	Interest	Total	Principal
2006	\$ 710,000	\$ 448,000	\$ 1,158,000	\$ 150,000
2007	740,000	419,000	1,159,000	150,000
2008	770,000	387,000	1,157,000	150,000
2009	800,000	354,000	1,154,000	150,000
2010-2014	4,585,000	1,168,000	5,753,000	364,868
2015-2017	2,175,000	116,000	2,291,000	-
Total	<u>\$ 9,780,000</u>	<u>\$ 2,892,000</u>	<u>\$ 12,672,000</u>	<u>\$ 964,868</u>
	Range of Rates	<u>3.75%-5.25%</u>		

In prior years, the DOSP defeased, in substance, its 1993A Parking Facilities Revenue Bonds and at September 30, 2005, the outstanding balance of defeased bonds was \$4,820,000.

NOTE 10. - SELF-INSURANCE

A. Risk Management

The City is self insured for its liability program subject to, and in accordance with, the limitations set forth by Florida Statutes 768.28. The City has in place a commercial property program providing blanket real estate and personal property coverage on all City owned properties. There has not been a significant reduction in insurance coverage from the previous year. Settled claims have not exceeded reserves in the past three years. The General Fund accounts for all risks of loss to which the City is exposed, including public liability, workers' compensation, property and casualty, and employee health and accident related losses.

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 based on an independent actuarial valuation. Liabilities include an amount for claims that have been incurred but not reported. The process used in computing claims liability does not necessarily result in an exact amount because actual claims liabilities depend on such complex factors as inflation, changes in legal doctrines, and damage awards. Claims liabilities are reevaluated periodically to take into consideration recently

settled claims, frequency of claims, and other economic and social factors.

The City maintains excess coverage with independent insurance carriers for the worker's compensation, police torts, auto liability, public official's liability, and general liability self-insurance programs. Premiums are charged to the Risk Management Department and are determined based on amounts necessary to provide funding for current losses and to meet the required annual payments during the fiscal year. The property insurance program provides coverage for windstorm and hail subject to a 5% deductible with no cap; multiple loss limits apply.

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At September 30, 2005, the total estimated liability of \$117,813,731 is discounted at an interest rate of 5% and recorded in the government-wide financial statements. Changes in the claims liability amount in 2004 and 2005 were as follows:

Fiscal Year Ended September 30,	Beginning of Fiscal Year Liability	Current Year Claims and Changes in estimates	Claims Payments	Balance at Fiscal Year End
2004	\$ 81,738,601	\$ 47,745,666	\$ 18,227,763	\$ 111,256,504
2005	111,256,504	27,796,465	21,239,238	117,813,731

B. Group Accident and Health

Certain employees and retirees of the City contribute, through payroll deductions or deductions from pension payments, to the cost of group benefits. The remainder of the funds necessary is contributed by the City based upon the number of participants in the plan. As of September 30, 2005, the plan covered 2,169 active employees, 1,053 retirees and 1,327 employee-retiree dependent units. Costs of the plan for the 2005 fiscal year were approximately \$23,783,000. The liability for the group accident and health program totaled \$3,366,284 at September 30, 2005 and is included in claims payable in the government-wide Statement of Net Assets.

NOTE 11. - PENSIONS

Pension Plans

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).

Basis of Accounting

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 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.

Method Used to Value Investments

Investments of the Plans are recorded at fair market value. Securities traded on a national 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. Commercial paper, time deposits and short-term investment pools are valued at cost which approximates market value and mortgages are valued based on current market yield. Net appreciation (depreciation) in fair value of investments includes realized and unrealized gains and losses. Interest and dividends are reported as investment earnings. Realized gains and losses on the sale of investments are based on average cost.

FIPO

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 firefighters with full-time status in the Police and Fire Department of the City.

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At October 1, 2004, the date of the most recent actuarial valuation, membership in the FIPO consisted of 1,743 retirees and beneficiaries currently receiving benefits and terminated employees entitled to benefits but not yet receiving them; current employees equaled 1,455 as of that date.

Separate audited financial statements are provided for FIPO and can be obtained from the pension board at the following address:

FIPO
1895 SW 3rd Avenue
Miami, Florida 33129

Pension Benefits

Effective October 1, 1998, members may elect to retire after 10 or more years of creditable service upon attainment of normal retirement age. Normal retirement age for members shall be 50 years of age. A member exercising normal service retirement or rule of 64 retirement (computation of service retirement on the basis of his or her combined age and creditable service equaling 64) shall be entitled to receive a retirement allowance equal to 3% of the member's average final compensation multiplied by the years of creditable service for the first 15 years of such creditable service and 3.5% of average final compensation for years of creditable service in excess of 15 years, payable in monthly installments. Early retirement after twenty years of service is available. Benefits for disability and death are also provided under the plan.

Cost of Living Adjustment (COLA)

Effective January 1, 1994, the FIPO Trust entered into an agreement with the City with regards to the funding methods, employee benefits, employee contributions and retiree COLA. Members no longer contribute to the original COLA account (COLA I); 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 benefit, COLA I, and COLA II), (c) retirees receive

additional COLA benefits, and (d) active members no longer contribute 2% of pretax earnings to fund the original retiree COLA account (COLA I).

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% 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.

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. Benefits are subject to review and modification in accordance with City of Miami Code Section 40.204, which provides that all other matters regarding the COLA accounts shall be determined by negotiations between the City, the Board of Trustees and the bargaining representatives of the International Association of Fire Fighters (IAFF) and the Fraternal Order of Police (FOP).

Deferred Retirement Option Plan (DROP)

Members who are eligible for service retirement or Rule of 64 after September 1998 may elect to enter the DROP 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.

A member's creditable service, accrued benefit and compensation calculation is frozen upon commencement of participation in the DROP; the participant's and City's contribution to the FIPO Trust for that participant ceases as the participant will not earn further creditable service for pension purposes. Effective October 1, 2001, firefighter DROP participants may also continue City employment for up to 48 months (36 months prior

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to October 1, 2001). Police officers who elect the DROP on or after October 1, 2003, may continue City employment for up to 48 full months (36 full months prior to October 1, 2003). No payment is made to or for the benefit of a DROP participant beyond that period. For persons electing participation in the DROP, an individual DROP account is created. Payment is made by the FIPO Trust into the employee's DROP account in an amount equal to the regular monthly retirement benefit, which the participant would have received had the participant separated from service and commenced receipt of pension benefits. Payments received by participants in the DROP accounts are tax deferred. A series of investment vehicles, as established by FIPO's Board of Trustees, are made available to DROP participants to choose from. Any losses, charges, or expenses incurred by the participant in his or her respective drop account are borne solely by the participant. Upon termination of employment, a member may receive distribution from the DROP account in the following manner: 1) lump sum, 2) periodic payments, 3) annuity, or 4) rollover of the balance to another qualified retirement plan. Any member may defer distribution until the latest date authorized by Section 401(a) (9) of the Internal Revenue Code.

DROP participants 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. DROP participation 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 of the FIPO Trust also consists of a Benefit Actuarially Calculated DROP (BACDROP). A member may elect to BACDROP to a date no further than the date of their retirement eligibility date. The BACDROP period must be in 12 months 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 DROP on October 1, 2003 (36 months prior to October 1,

2003). Participation in the BACDROP does not preclude participation in the forward DROP.

Contributions and Funding Policies

Members of FIPO are required to contribute 7% 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 the plan and to provide FIPO with assets sufficient to meet the benefits to be paid to participants. Contributions to FIPO are authorized pursuant to City of Miami Code Sections 40.196 (a) and (b). Contributions to the FIPO Cost of Living Adjustment Accounts are authorized pursuant to Section 40.204 of the City of Miami 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 trust.

The payroll for employees covered by FIPO for the year ended September 30, 2005 was approximately \$98.64 million; the City's total payroll was \$250,116,449.

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Annual Pension Cost

The City's current year contribution was determined through an actuarial valuation performed as of October 1, 2004. Significant actuarial assumptions used to compute the annual contribution requirement are as follows:

Valuation date:	October 1, 2004
Actuarial cost method:	Aggregate Cost Method
Amortization method:	Not Applicable
Remaining amortization period:	Not Applicable
Asset valuation method:	Average of ratios of market book values as of current and most recent September 30's. Average ratio is applied to book value at current September 30. The result cannot be greater than 120% or less than 80% of market value.
Actuarial assumptions -	
Investment rate of return:	7.75%
Projected salary increases:	
Inflation:	4.00%
Merit, longevity, etc:	4.8% to 0.0% reducing by attained age
Mortality table:	Ga94 - Mortality table
Mortality, disability, retirement and turnover:	Pension Benefit Guaranty Corporation (PBGC) Non-OASDI basis rate tables

FIPO contributions are determined using the aggregate cost method. The aggregate cost method does not identify and separately amortize the unfunded actuarial liabilities. The annual pension cost is equal to the annual required contribution each year.

Three Year Trend Information

Year Ended	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
September 30			
2005	\$ 45,545,130	100%	\$ -
2004	\$ 36,341,515	100%	\$ -
2003	\$ 18,163,588	100%	\$ -

GESE

The Board of Trustees of the City of Miami General Employees' and Sanitation Employees' (GESE) Retirement Trust administers three defined benefit pension plans - (1) City of Miami General Employees' and Sanitation Employees' Retirement Trust ("GESE Trust"), (2) an Excess Benefit Plan for the City of Miami and (3) City of Miami General Employees' and Sanitation Employees' Retirement Trust Staff Pension Plan ("Staff Trust"). 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.

Separate audited financial statements are provided for the GESE Plans and can be obtained from the pension board at the following address:

GESE
 2901 Bridgeport Avenue
 Coconut Grove, Florida 33133.

City of Miami General Employees' and Sanitation Employees' Retirement Trust (GESE Trust)

Plan Description

The GESE Trust is a single employer defined benefit plan. The GESE Trust was established pursuant to the City of Miami Ordinance No. 10002 and subsequently revised under City of Miami Ordinance No. 12111. The GESE Trust covers all City of Miami 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 those eligible to decline membership, as defined by the Ordinance.

At October 1, 2004, the date of the most recent actuarial valuation, membership in the GESE Trust consisted of 1,962 retirees and beneficiaries currently receiving benefits and terminated employees entitled to benefits but not yet receiving them; current employees equaled 1,479 as of that date.

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 the attainment of normal retirement age. Retirement benefits are generally based on 3% of the average final compensation multiplied by years of creditable service, which is paid annually in monthly installments. Early retirement, disability, death and other benefits are also provided as defined in City of Miami Ordinance No. 12111. Effective July 14, 1989, in accordance with a Florida Supreme Court decision rendered with respect to the City, the GESE Trust no longer offsets, except for employees whose date of accident occurred prior to 1973, employee disability pension benefits by the amount of workers' compensation benefits received through the City.

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

Cost of Living Adjustment (COLA)

Effective October 1, 1998, the Plan 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 first anniversary of retirement has been reached. The amendment also provided for retirees electing Option 6(a) in section 40-255(1)(1) of the Code 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 City of Miami General Employees' and Sanitation Employee's Retirement Trust made the DROP available to all GESE Trust members effective May 1, 2002. The DROP is an enhancement to the GESE Retirement Trust that can

provide a trust 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. In addition, the participant also receives the accumulated DROP account balance. The DROP monies can also be rolled over into a tax-qualified plan such as an Individual Retirement Account (IRA) or 457(b) government sponsored deferred compensation plan that agrees to separately account for the rollover contribution.

Contributions and Funding Policies

Members of the GESE Trust are required to contribute 10% of their salary on a bi-weekly basis. The Trusts' 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 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 participants' contributions, will fully provide all benefits as they become payable. Contributions to the GESE Trust are authorized pursuant to City of Miami Code Section 40-241 (a) and (b). Contributions from the City are designed to fund the GESE Trust'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 investments of the Trust serves to reduce or increase future contributions that would otherwise be required to provide for the defined level of benefits under the GESE Trust.

The payroll for employees covered by the GESE Trust for the year ended September 30, 2005 was approximately \$71.5 million; the City's total payroll was \$250,116,449.

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Annual Pension Cost

The City's current year contribution was determined through an actuarial valuation performed as of October 1, 2004. Significant actuarial assumptions used to compute the annual contribution requirement are as follows:

Valuation date:	October 1, 2004
Actuarial cost method:	Modified entry age normal
Amortization method:	Level dollar amount, closed
Remaining amortization period:	13-19 years
Asset valuation method:	Moving market value of assets averaged over 3 years
Actuarial assumptions -	
Investment rate of return:	8.10%
Projected salary increases:	5.00%
Includes inflation at:	3.50%
Cost of living adjustments:	4% per year, with \$54 per year minimum and \$400 per year maximum.

GESE Trust contributions are determined using the entry age normal cost method with frozen actuarial accrued liability. The annual pension cost is equal to the annual required contribution each year.

Three Year Trend Information

Year Ended	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
September 30			
2005	\$ 19,003,415	100%	\$ -
2004	10,669,846	100%	-
2003	3,602,457	100%	-

contribute to the Excess Benefit Plan. Members of the GESE Trust participate in this Plan.

At October 1, 2004, the date of the most recent actuarial valuation, membership in the Excess Benefit Plan consisted of 44 retirees and beneficiaries currently receiving benefits and terminated employees entitled to benefits but not yet receiving them and no current employees.

Contributions and Funding Policies

The payment of the City's contribution of excess retirement benefits for eligible members of the Plan 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 Trust 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 Trust. The City is required to contribute amounts as benefits become payable.

The payroll for employees covered by the Excess Benefit Plan for the year ended September 30, 2005 was approximately \$71.5 million; the City's total payroll was \$250,116,449.

GESE Excess Benefit Plan

Plan Description

The City of Miami Commission, in July 2000, 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 Board of Trustees of the Trust administers the excess benefit plan. Plan members are not required to

CITY OF MIAMI, FLORIDA
NOTES TO FINANCIAL STATEMENTS

Annual Pension Cost and Net Pension Obligation

The City's current year contribution was determined through an actuarial valuation performed as of October 1, 2004. Significant actuarial assumptions used to compute the annual contribution requirement are as follows:

Valuation date:	October 1, 2004
Actuarial cost method:	Modified entry age normal
Amortization method:	Level dollar amount, closed
Remaining amortization period:	26 years
Asset valuation method:	Not Applicable
Actuarial assumptions -	
Investment rate of return:	8.10%
Projected salary increases	5.00%
Includes inflation at:	3.50%
Cost of living adjustment	None

GESE Excess Plan contributions are determined using the entry age normal cost method with frozen actuarial accrued liability.

Three Year Trend Information

Year Ended	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
September 30			
2005	\$ 782,007	100%	\$ 3,265,393
2004	1,136,002	100%	2,958,462
2003	948,975	100%	2,339,793

The City's annual pension cost and net pension obligation to the GESE Excess Plan for the current fiscal year was as follows:

Annual required contribution	\$ 818,446
Interest on net pension obligation	239,635
Adjustment to annual required contribution	(276,074)
Annual pension cost	782,007
Contributions made	(475,076)
Increase in net pension obligation	306,931
Net pension obligation, beginning of year	2,958,462
Net pension obligation, end of year	<u>\$ 3,265,393</u>

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 rule making authority of the GESE Retirement Trust, pursuant to Chapter 40 of the Miami 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 defined by the Plan document.

At October 1, 2004, the date of the most recent actuarial valuation, membership in the Staff Trust had no retirees and beneficiaries currently receiving benefits and terminated employees entitled to benefits but not yet receiving them; current employees equaled 10 as of that date.

Pension Benefits

Any member who has 10 or more years of continuous creditable service may elect to retire, regardless of age. Retirement benefits are generally based on 3% of the average final compensation multiplied by years of creditable service, which is paid annually in monthly installments.

Contributions and Funding Policies

Members of the Plan are required to contribute 10% of their salary on a bi-weekly basis. The funding policies of the Plan 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 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 participants' 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

CITY OF MIAMI, FLORIDA
NOTES TO FINANCIAL STATEMENTS

be required to provide for the defined level of benefits under the Staff Trust.

The payroll for employees covered by the Staff Trust for the year ended September 30, 2005 was approximately \$455,200; the City's total payroll was \$250,116,449.

Annual Pension Cost

The City's current year contribution was determined through an actuarial valuation performed as of October 1, 2004. Significant actuarial assumptions used to compute the contribution requirements are as follows:

Valuation date:	October 1, 2004
Actuarial cost method:	Modified entry age normal
Amortization method:	Level dollar amount, closed
Remaining amortization period:	12 - 26 years
Asset valuation method:	Moving market value of assets averaged over 3 years
Actuarial assumptions -	
Investment rate of return:	8.10%
Projected salary increases:	6.00%
Includes inflation at:	3.50%
Cost of living adjustments:	None

Staff Trust contributions are determined using the entry age normal cost method with frozen actuarial accrued liability. The annual pension cost is equal to the annual required contribution each year.

Three Year Trend Information

Year Ended	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
<u>September 30</u>			
2005	\$ 99,779	100%	\$ -
2004	98,044	100%	-
2003	83,200	100%	-

Elected Officers Retirement Trust (EORT)

Plan Description

The City's elected officials participate in a single employer defined benefit pension plan under the administration and management of a separate Board of Trustees, the City of Miami Elected Officers' Retirement Trust ("EORT"). Under the EORT Plan, eligibility requires 7 years of total service as an elected official of the City to be vested without requiring that such service be continuous. This plan is non-contributory.

The City of Miami Commission, in July 2000, pursuant to applicable Internal Revenue Code provisions, 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 the benefits for eligible members are not diminished by changes in the Internal Revenue Code. The Plan EORT Fiduciary administers the excess benefit plan.

At October 1, 2004, the date of the most recent actuarial valuation, membership in the EORT consisted of 5 retirees and beneficiaries currently receiving benefits and terminated employees entitled to benefits but not yet receiving them; current employees equaled 6 as of that date.

The EORT does not issue separate statements.

Pension Benefits

Benefits accrue for City Commissioners at the rate of 50% 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% for each additional year up to 75% at 12 years of service. The Mayor's salary for pension calculations is limited to the base salary before additional taxable benefits (i.e., expense allowance, mobile phone allowance, automobile allowance, and term life insurance greater than \$50,000). An active participant will be fully vested upon death and a single sum death benefit is payable.

CITY OF MIAMI, FLORIDA
NOTES TO FINANCIAL STATEMENTS

Contributions and Funding Policies

Funding is in level payments under the individual aggregate cost method. Assets are allocated first to the nonactive participants, then to the active participants based on their accrued liability. The unfunded present value of future benefits is determined for each individual and spread over their expected future working lifetime with the City. All funding is provided by the City. There are no participant contributions to the Trust.

The payroll for employees covered by EORT for the year ended September 30, 2005 was approximately \$564,000; the City's total payroll was \$250,116,449.

Annual Pension Cost

The City's current year contribution was determined through an actuarial valuation determined as of December 31, 2004. Significant actuarial assumptions used to compute the annual contribution requirement are as follows:

Valuation date:	December 31, 2004
Actuarial cost method:	Individual Aggregate Cost Method
Amortization method:	Not Applicable
Remaining amortization period:	Not Applicable
Asset valuation method:	September 30 market value projected to December 31
Actuarial assumptions -	
Investment rate of return:	6.00%
Projected salary increases:	
Inflation:	N/A
Merit, longevity, etc:	N/A
Mortality table:	1983 male group annuity mortality table without setback
Disability, turnover and retirements:	No disability or turnover assumed. Retirement is assumed at the end of the current term or 100% vested.

EORT contributions are determined using the aggregate cost method. This method does not separately identify and amortize unfunded actuarial liabilities. The following contributions were made to EORT in accordance with actuarially determined contribution requirements, based on the actuarial valuation performed for each respective year: The annual pension cost is equal to the annual required contribution each year. As such, the three year trend information is combined with the six year required supplementary information as follows:

Year Ended September 30	Annual Pension Cost (APC) and Annual Required Contribution	Percentage Contributed	Net Pension Obligation
2005	\$ 300,000	100%	\$ -
2004	300,000	100%	-
2003	265,287	100%	-
2002	220,837	100%	-
2001	449,086	100%	-
2000	233,038	100%	-

The EORT does not issue separate stand-alone financial statements, and therefore, included below is the Statement of Fiduciary Net Assets and the Statement of Changes in Fiduciary Net Assets for the year ended September 30, 2005:

City of Miami, Florida Elected Officers' Retirement Trust Statement of Fiduciary Net Assets Fiduciary Funds September 30, 2005	
Assets	
Cash and Short-Term Investments	\$ 175
Investments, at fair value	
U.S Government Obligations	2,089,563
Money Market Funds and Commerical Paper	147,500
Total Investments	<u>2,237,063</u>
Total Assets	<u>2,237,238</u>
Net Assets	
Held in Trust for Pension Benefits	<u>\$ 2,237,238</u>

CITY OF MIAMI, FLORIDA
 NOTES TO FINANCIAL STATEMENTS

City of Miami, Florida
Elected Officer's Retirement Trust
Statement of Changes in Fiduciary Net Assets
Fiduciary Funds
For the Year Ended September 30, 2005

Additions

Contributions:	
Employer	\$ 300,000
Investment Earnings:	
Interest	49,032
Total Additions	<u>349,032</u>

Deductions

Benefits	142,886
Total Deductions	<u>142,886</u>

Change in Net Assets	206,146
Net Assets - Beginning of Year	<u>2,031,092</u>
Net Assets - End of Year	<u>\$ 2,237,238</u>

Special Benefit Plans

Certain executive employees of the City are allowed to join the ICMA Retirement Trust's 401(a) plan. 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 City employees is limited by the City Code to specific members of the City Clerk, City Manager, and 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% of the individual's earnable compensation, and the employee to contribute 10% of their salary. Participants may withdraw funds at retirement or upon separation based on a variety of payout options.

The following information relates to the City participation in this plan:

Total current year's payroll for all employees	\$250,116,449
Current year's payroll	
for participating employees	\$5,863,152
Current year employer contributions	\$581,532

In addition to coverage under the FIPO Pension Plan, City of Miami fire fighters and police officers are members of two separate non-contributory money purchase benefit plans established under the provisions of Florida Statutes, Chapters 175 and 185, respectively. These two plans are funded solely from the 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 Florida Statutes, Chapters 175 and 185 are met by FIPO. The City is currently under no obligation to make further contributions to the plans. The total of such excise taxes received from the State of Florida and remitted to the plans was \$10,375,086 for the year ended September 30, 2005. 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 three options: 1) a lump sum payment, 2) five substantially equal payments, or 3) 10% 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 12. - POST-EMPLOYMENT HEALTH CARE BENEFITS

In addition to providing pension benefits, the City offers to its retiree's comprehensive medical coverage and life benefits through the City's self-insurance plan. This plan was established in accordance with Florida State Statute Section 112.0801 "Group Insurance: Participation by Retired Employees". Substantially all of the City's general employees and firefighters may become eligible for those benefits when they reach normal retirement age while working for the City (approximately 1,053 of the 3,222 covered participants are retirees). The City's cost of the post-

CITY OF MIAMI, FLORIDA
NOTES TO FINANCIAL STATEMENTS

employment health benefits, funded on a pay-as-you-go basis, was approximately \$7,015,900 for the year ended September 30, 2005.

The Fraternal Order of Police (FOP) sponsors a Health Insurance Trust that is partially self-insured, which provides life, health, and accidental death and dismemberment insurance to substantially all full-time sworn members of the City of Miami Police Department, eligible retirees, their families and beneficiaries. The Trust 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 FOP Health Trust an amount that is required to bring the Trust's available fund balance to \$2.35 million. The City funded its contribution under terms of the agreement in the amount of \$1,655,526 for the current year.

NOTE 13. - SUMMARY DISCLOSURE OF SIGNIFICANT CONTINGENCIES

Commitments and Contingencies

In September 1998, the City of Miami entered into a joint participation agreement with Miami-Dade County regarding a \$25 million United States Housing and Urban Development Section 108 loan for the construction of Parrot Jungle Island & Gardens. The agreement required the City to assume 80% of the guarantee of the loan contingent upon certain conditions precedent. The conditions precedent, among other things, included provisions that the Parrot Jungle Island & Gardens loan be both current and not in default at the time the City assumes its guarantee and that Miami-Dade County deliver to the City of Miami loan documents that have been properly assigned, endorsed and transferred without recourse to the City. These conditions precedent have not been met. As a result, the City's position is that it has no legal obligation to assume any of the guarantee on the Section 108 Loan. As of February 1, 2006, Parrot Jungle Island & Gardens has failed to make principal and interest payments of \$4,579,720. The City of Miami and Miami-Dade County have been in negotiations regarding the amount of guarantee,

if any; the City is willing to assume existing as well as possible future payment defaults.

The City's Limited Ad Valorem Tax Bonds, Series 2002 (Homeland Defense/Neighborhood Capital Improvement Projects) were selected for examination by the Internal Revenue Service (IRS) because of concerns that the debt issuance may fail one or more provisions of sections 103, 141-150 of the Internal Revenue Code. The examination is currently underway and the City is providing the necessary documentation to the IRS. The City's bond counsel has stated that there does not appear to be any potential liability, however, this examination has not been concluded by the IRS.

The City participates in a number of Federal and State assisted programs. These programs are subject to audit under the requirements of the Single Audit Act Amendment of 1996 and Chapter 10.650, Rules of the Auditor General. The City anticipates no material adverse findings.

Litigation

The City's claim administrator along with the City attorney has reviewed the status of the City's claims and has determined, except for the cases disclosed below, the liability reflected for claims in the government-wide statements is sufficient to satisfy any resulting payment.

County Court Case No. 05-12825 SP 05 is the result of the arrest of Miriam Donner for breach of the peace. The court has already ruled that Donner was wrongfully arrested and incarcerated by the City of Miami Police, and thus the Court determined as a matter of law that the City of Miami and the arresting officer are liable for Plaintiff's false arrest and false imprisonment, and that the Defendants violated Plaintiff's 4th amendment rights in violation of §1983. Since the filing of the original complaint in 1976, there have been numerous trials and appeals approaching 30 years of litigation. Appalachian Insurance Company is named as a defendant since under the law in effect at the time Plaintiff's cause of action arose; it was permissible to effect direct joinder of insurer as defendant.

CITY OF MIAMI, FLORIDA
NOTES TO FINANCIAL STATEMENTS

Appalachian Insurance Company has retained the firm of Kubicki Draper to represent Appalachian, police officer Vernon Hetherington, and the City of Miami, subject to its reservation of rights. Additionally, there is an umbrella/excess carrier that *might* provide coverage in this matter. The only issue that remains to be tried is damages. Based on the summary judgment rulings, the jury will be asked to award damages for the false arrest and the conditions of imprisonment. The insurance company has offered the policy limits (\$100,000). The offer was rejected. Defendants also face a potential exposure of attorney's fees. The City's potential exposure could exceed \$100,000.

In Circuit Court Case No. 05-186 AP, Morningside Development LLC is appealing the City Commission decision which denied a Class II Special Permit to the Developer for land located within the City limits. The Circuit Court hearing the appeal quashed the City Commission denial and remanded the case back to the Commission for another public hearing. During the fiscal year, the Plaintiff's counsel sent Bert Harris Claim letters per Sec. 70.001, Fla. Stat., under the Bert J. Harris Private Property Rights Protection Act, to the effect that if the City on remand makes the same or similar decision, Morningside will institute a Bert Harris claim for this property being "inordinately burdened".

There are three lawsuits involving Wynwood Community Economic Development Corporation. In case No. 94-12875 CA 25, Wynwood alleges that the City breached a settlement agreement by, among other things, failing to provide Community Development Block Grant funding for the development of a foreign trade zone, which alleged caused Wynwood to sustain a financial injury. The City filed a mortgage foreclosure action in Case No. 99-13742 CA 25, as a result of the failure of Dade Foreign Trade Zone, Inc., to make payments on the mortgage securing Community Development Block Grant funding. This action has been consolidated with Case No. 94-12875 CA 25. In pretrial motions, the Court ruled that Plaintiff is not entitled to monetary damages. The Court entered an order denying foreclosure and awarding attorneys fees to

plaintiffs. These fees could exceed \$900,000. This ruling is being appealed. In the federal action Case No. 00-4680-Civ-Lenard, Wynwood alleges that the City discriminated against it on the basis of national origin by denying Community Development Block Grant funding, delivering a defective property deed, and abridging privileges and immunities secured by the federal Constitution. A motion to dismiss the complaint is pending. This matter has been stayed pending the outcome of the state court litigation.

An environmental claim is presently being asserted by the United States of America involving an alleged disposal by the City of Miami Fire Department's service garage of 280 gallons of waste oil to Petroleum Products Corporation on November 25, 1972. The City has joined the group of Potentially Responsible Parties, and has entered into a Consent Decree with EPA on the first phase of a three-phased approach to the cleanup of the site.

The Nagymahali and Maszta matters are a class action challenge to the City of Miami Fire Rescue Assessment Ordinance. The challenge contends that the statute and ordinance are unconstitutional as authorizing assessments for emergency medical service costs, and therefore, the assessment is an unconstitutional tax on real property. The Florida Supreme Court held in the *City of North Lauderdale v. SMM Properties, Inc.*, that a similar ordinance based on the same statute was unconstitutional to the extent it included a charge for emergency medical services. The original plaintiffs filed claims against the fire rescue assessments levied for fiscal years 1997-1998, and 1998-1999. Interveners, who have now replaced the original named plaintiffs, have recently asked leave of the court to file claims against the Fire Rescue Assessment levied for fiscal year 1999-2000 as well as fire assessments levied for subsequent fiscal years. The City believes that the statute of limitations has run on challenges to the Fire Rescue Assessment levied for fiscal year 1999-2000 and on claims that the fire assessments for fiscal years 2000-2001, and 2001-2002 are void. The City has a reasonable belief that it can successfully defend against claims that the fire assessments levied for fiscal year 2002-

CITY OF MIAMI, FLORIDA
NOTES TO FINANCIAL STATEMENTS

2003, and subsequent years are void based on the Florida Supreme Court opinion in *City of North Lauderdale v. SMM Properties, Inc.* finding that assessments for fire protection and related services are constitutional. The City also believes that a twenty day time limit established by ordinance and resolution will bar claims that the assessments were wrongly apportioned for all assessments through the current fiscal year.

Although the City Commission thought it approved a class-wide settlement of this class action claim in late 2004 in the amount of \$7 million (\$3.5 million of which was paid in December 2004), after learning that the class was never certified and that the \$7 million would be paid to 5 individuals, the City retained outside counsel for the purpose of setting aside the settlement, and recouping the \$3.5 million already paid. As a result, the individual Plaintiffs who received the first \$3.5 million sued for breach of contract. See Note 14 – Subsequent Events.

The financial exposure for this claim is uncertain at this procedural juncture, but in the worst case scenario, could be in the multi-million dollar range. Due to the uncertainty involved with this pending litigation, the City has reserved \$7 million pending the outcome of this class action challenge.

In Circuit Court Case No. 06-00823, Hammes Company Sports Development, Inc. filed a lawsuit in connection with the City's termination of a contract for construction management services regarding the Orange Bowl. Plaintiffs have sued the City alleging a number of causes of action including breach of contract, breach of oral argument, injunctive and other equitable relief and mandamus. Because of the alleged damages, in a worst case scenario, the City's exposure could exceed \$50,000.

In Circuit Court Case No. 02-24393 CA 20, Richard Muir, Francisco Pichel, et al. v. the City, plaintiffs are fifteen City police sergeants who claim that the April 2000 Police Lieutenant's Examination process violated the City Charter and failed to follow Civil Service Rules and Regulations. This case is in the

early stages of discovery. Plaintiffs are seeking retroactive promotions to lieutenant and back wages and emoluments. The City's exposure in this case is difficult to estimate because the case is so young; however, considering the number of Plaintiffs, the exposure could be \$100,000 to \$200,000, or more.

NOTE 14. – SUBSEQUENT EVENTS

On March 30, 2006, the DOSP issued \$36.805 million of tax-exempt variable rate revenue bonds and \$3.850 million of taxable variable rate revenue bonds. The interest rate on the bonds is synthetically fixed at 4.485% and 4.85% for the tax-exempt and taxable bonds, respectively, with a maturity date of September 30, 2037.

Beginning on January 17, 2006, a two-week long evidentiary hearing was held on the City of Miami's Motion to Set Aside or Vacate the Fire Fee Settlement. On March 17, 2006, the judge announced his ruling and granted the City of Miami's Motion on all issues. The Judge ordered that (a) the \$7 million settlement agreement was vacated; (b) the original plaintiffs and their counsel are ordered to disgorge the entire \$3.5 million previously received; (c) the \$3.5 million would be placed into an interest bearing trust account pending the resolution of the class action suit; and (d) to the extent that any portion of the \$3.5 million is not returned, final judgment shall immediately be entered for the amount of the unreturned portion(s).

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City of Miami, Florida
Budgetary Comparison Schedule
General Fund
For The Year Ended September 30, 2005

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>(Budgetary Basis)</u>	<u>Final Budget</u>
				<u>Positive (Negative)</u>
Resources (inflows):				
Property Taxes	\$ 180,137,917	\$ 180,337,917	\$ 178,979,987	\$ (1,357,930)
Franchise Fees and Other Taxes	32,022,857	33,114,857	35,918,724	2,803,867
Licenses and Permits	21,549,539	23,730,480	27,394,427	3,663,947
Fines and Forfeitures	4,523,000	4,523,000	4,980,002	457,002
Intergovernmental Revenues	35,442,904	47,028,640	49,790,494	2,761,854
Charges for Services	78,931,018	84,229,716	91,979,456	7,749,740
Interest	8,111,000	8,111,000	4,404,529	(3,706,471)
Other	2,494,608	2,104,319	50,689,495	48,585,176
Transfers In	43,213,187	43,213,187	43,484,074	270,887
Amounts Available for Appropriation	<u>406,426,030</u>	<u>426,393,116</u>	<u>487,621,188</u>	<u>61,228,072</u>
Charges To Appropriations (outflows):				
General Government				
Mayor	802,985	828,103	792,595	35,508
Board of Commissioners	1,790,000	1,790,000	1,639,832	150,168
Office of City Manager	2,012,746	2,164,676	2,164,676	-
Office of City Clerk	1,597,096	1,597,096	1,313,370	283,726
Office of Civil Service	347,944	351,826	351,826	-
Office of Auditor General	873,440	873,440	584,407	289,033
Office of Communications	896,008	906,269	906,269	-
Employee Relations	4,285,470	3,844,474	3,186,656	657,818
Information Technology	13,282,099	11,811,112	11,750,490	60,622
Law	5,445,974	5,745,974	5,165,647	580,327
Office of Strategic Planning, Budgeting & Performance	1,603,486	1,603,486	1,228,742	374,744
Purchasing	1,390,641	1,390,641	1,339,888	50,753
Office of Hearing Boards	932,324	1,112,324	1,000,412	111,912
Finance	5,316,101	5,408,101	5,046,487	361,614
Total General Government	<u>40,576,314</u>	<u>39,427,522</u>	<u>36,471,297</u>	<u>2,956,225</u>
Planning and Development				
Building	6,195,034	6,594,835	6,401,492	193,343
Planning & Zoning	3,143,372	-	-	-
Department of Planning	-	2,446,178	2,440,479	5,699
Office of Zoning	-	805,548	421,695	383,853
Total Planning and Development	<u>9,338,406</u>	<u>9,846,561</u>	<u>9,263,666</u>	<u>582,895</u>
Public Works				
Solid Waste	21,744,924	20,756,349	20,188,697	567,652
General Service Administration	15,732,994	16,280,427	15,652,254	628,173
Public Works	13,675,486	12,946,911	12,439,948	506,963
Total Public Works	<u>51,153,404</u>	<u>49,983,687</u>	<u>48,280,899</u>	<u>1,702,788</u>
Public Safety				
Fire- Rescue	61,750,335	65,530,804	65,530,804	-
Police	102,881,729	116,452,134	116,452,134	-
Total Public Safety	<u>164,632,064</u>	<u>181,982,938</u>	<u>181,982,938</u>	<u>-</u>
Public Facilities	5,645,644	7,285,644	6,597,590	688,054
Parks and Recreation	14,183,553	14,642,649	14,621,171	21,478
Risk Management	29,298,721	29,162,254	29,162,254	-
Organizational Support	23,917,033	23,917,033	23,917,033	-
Pension				
G.E.S.E. Pension	22,100,134	22,100,134	21,969,984	130,150
F.I.P.O. Pension	47,178,440	51,213,628	50,982,034	231,594
Elected Officials & Administrators Pension	795,676	910,291	910,291	-
Total Pension	<u>70,074,250</u>	<u>74,224,053</u>	<u>73,862,309</u>	<u>361,744</u>
Non-Departmental				
Economic Development	2,423,523	2,593,523	1,914,568	678,955
Office of CitiStat	494,860	494,860	421,521	73,339
Office of Grants Administration	508,173	508,173	449,909	58,264
Other	12,154,978	15,202,028	10,177,413	5,024,615
Total Non-Departmental	<u>15,581,534</u>	<u>18,798,584</u>	<u>12,963,411</u>	<u>5,835,173</u>
Transfers Out	21,538,319	23,862,197	23,862,197	-
Total Charges to Appropriations	<u>445,939,242</u>	<u>473,133,122</u>	<u>460,984,765</u>	<u>12,148,357</u>
Excess (Deficiency) of Resources Over Charges to Appropriations	(39,513,212)	(46,740,006)	26,636,423	73,376,429
Fund Balance Allocation	<u>39,513,212</u>	<u>46,740,006</u>	<u>-</u>	<u>(46,740,006)</u>
Excess (Deficiency) of Resources Over Charges to Appropriations	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 26,636,423</u>	<u>\$ 26,636,423</u>

(continued)

City of Miami, Florida
Budgetary Comparison Schedule
General Fund (continued)
For The Year Ended September 30, 2005

**Explanation of Differences between Budgetary Inflows and Outflows
and GAAP Revenues and Expenditures**

Sources/inflows of resources

Actual amounts (budgetary basis) "available for appropriation" from the budgetary comparison schedule.	\$ 487,621,188
Differences - budget to GAAP:	
The fund balance at the beginning of the year is a budgetary resource but is not a current-year revenue for financial reporting purposes.	(46,740,006)
Transfers from other funds are inflows of budgetary resources but are not revenues for financial reporting purposes.	<u>(43,484,074)</u>
Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds.	<u>\$ 397,397,108</u>

Uses/outflows of resources

Actual amounts (budgetary basis) "total charges to appropriations" from the budgetary comparison schedule.	\$ 460,984,765
Differences - budget to GAAP:	
Encumbrances for supplies and equipment ordered but not received is reported in the year the order is placed for budgetary purposes, but in the year supplies are received for financial reporting purposes.	(355,876)
Transfers to other funds are outflows of budgetary resources but are not expenditures for financial reporting purposes.	<u>(23,862,197)</u>
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances-governmental funds.	<u>\$ 436,766,692</u>

The accompanying notes are an integral part of the required supplementary information.

**City of Miami, Florida
Budgetary Comparison Schedule
Community Development
For The Year Ended September 30, 2005**

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final	(Budgetary Basis)	Final Budget Positive (Negative)
Resources (inflows):				
Intergovernmental Revenues	\$ 37,867,677	\$ 94,480,204	\$ 56,544,396	\$ (37,935,808)
Charges for Services	-	-	1,275,869	1,275,869
Interest	-	-	637,259	637,259
Other	-	-	489,715	489,715
Transfers In	-	165,160	614,799	449,639
Amounts Available for Appropriation	<u>37,867,677</u>	<u>94,645,364</u>	<u>59,562,038</u>	<u>(35,083,326)</u>
Charges To Appropriations (outflows):				
Community Development	37,867,677	90,014,591	57,803,782	32,210,809
Transfers Out	-	4,630,773	4,630,773	-
Total Charges to Appropriations	<u>37,867,677</u>	<u>94,645,364</u>	<u>62,434,555</u>	<u>32,210,809</u>
Excess (Deficiency) of Resources Over Charges to Appropriations	-	-	(2,872,517)	(2,872,517)
Fund Balance Allocation	-	-	-	-
Excess (Deficiency) of Resources Over Charges to Appropriations	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (2,872,517)</u>	<u>\$ (2,872,517)</u>

Explanation of Differences between Budgetary Inflows and Outflows and GAAP Revenues and Expenditures

Sources/inflows of resources

Actual amounts (budgetary basis) "available for appropriation" from the budgetary comparison schedule.	\$ 59,562,038
Differences - budget to GAAP:	
The fund balance at the beginning of the year is a budgetary resource but is not a current-year revenue for financial reporting purposes.	-
Transfers from other funds are inflows of budgetary resources but are not revenues for financial reporting purposes.	(614,799)
Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds.	<u>\$ 58,947,239</u>

Uses/outflows of resources

Actual amounts (budgetary basis) "total charges to appropriations" from the budgetary comparison schedule.	\$ 62,434,555
Differences - budget to GAAP:	
Encumbrances for supplies and equipment ordered but not received is reported in the year the order is placed for budgetary purposes, but in the year supplies are received for financial reporting purposes.	-
Transfers to other funds are outflows of budgetary resources but are not expenditures for financial reporting purposes.	(4,630,773)
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances-governmental funds.	<u>\$ 57,803,782</u>

The accompanying notes are an integral part of the required supplementary information.

City of Miami, Florida
Budgetary Comparison Schedule
Fire Rescue Services
For The Year Ended September 30, 2005

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>(Budgetary Basis)</u>	<u>Final Budget</u> <u>Positive (Negative)</u>
Resources (inflows):				
Intergovernmental Revenues	\$ 10,201,091	\$ 30,671,515	\$ 24,724,899	\$ (5,946,616)
Charges for Services	4,272,183	4,301,658	4,272,183	(29,475)
Interest	-	-	103,950	103,950
Other	-	81,766	2,641,826	2,560,060
Transfers In	108,600	128,087	1,042,592	914,505
Amounts Available for Appropriation	<u>14,581,874</u>	<u>35,183,026</u>	<u>32,785,450</u>	<u>(2,397,576)</u>
Charges To Appropriations (outflows):				
Public Safety	15,025,039	37,021,311	29,894,319	7,126,992
Transfers Out	-	734,000	710,000	24,000
Total Charges to Appropriations	<u>15,025,039</u>	<u>37,755,311</u>	<u>30,604,319</u>	<u>7,150,992</u>
Excess (Deficiency) of Resources Over Charges to Appropriations	(443,165)	(2,572,285)	2,181,131	4,753,416
Fund Balance Allocation	<u>443,165</u>	<u>2,572,285</u>	<u>-</u>	<u>(2,572,285)</u>
Excess (Deficiency) of Resources Over Charges to Appropriations	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,181,131</u>	<u>\$ 2,181,131</u>

Explanation of Differences between Budgetary Inflows and Outflows and GAAP Revenues and Expenditures

Sources/inflows of resources

Actual amounts (budgetary basis) "available for appropriation" from the budgetary comparison schedule.

\$ 32,785,450

Differences - budget to GAAP:

The fund balance at the beginning of the year is a budgetary resource but is not a current-year revenue for financial reporting purposes.

(2,572,285)

Transfers from other funds are inflows of budgetary resources but are not revenues for financial reporting purposes.

(1,042,592)

Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds.

\$ 29,170,573

Uses/outflows of resources

Actual amounts (budgetary basis) "total charges to appropriations" from the budgetary comparison schedule.

\$ 30,604,319

Differences - budget to GAAP:

Encumbrances for supplies and equipment ordered but not received is reported in the year the order is placed for budgetary purposes, but in the year supplies are received for financial reporting purposes.

-

Transfers to other funds are outflows of budgetary resources but are not expenditures for financial reporting purposes.

(710,000)

Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances-governmental funds.

\$ 29,894,319

The accompanying notes are an integral part of the required supplementary information.

**City of Miami, Florida
Budgetary Comparison Schedule
Public Services Tax
For The Year Ended September 30, 2005**

	<u>Budgeted Amounts</u>		<u>Actual Amounts (Budgetary Basis)</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Resources (inflows):				
Franchise Fees and Other Taxes	\$ 59,409,801	\$ 59,409,801	\$ 56,795,255	\$ (2,614,546)
Amounts Available for Appropriation	<u>59,409,801</u>	<u>59,409,801</u>	<u>56,795,255</u>	<u>(2,614,546)</u>
Charges To Appropriations (outflows):				
Transfers Out	59,409,801	59,409,801	59,409,801	-
Total Charges to Appropriations	<u>59,409,801</u>	<u>59,409,801</u>	<u>59,409,801</u>	<u>-</u>
Excess (Deficiency) of Resources Over Charges to Appropriations	-	-	(2,614,546)	(2,614,546)
Fund Balance Allocation	-	-	-	-
Excess (Deficiency) of Resources Over Charges to Appropriations	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (2,614,546)</u>	<u>\$ (2,614,546)</u>

**Explanation of Differences between Budgetary Inflows and Outflows
and GAAP Revenues and Expenditures**

Sources/inflows of resources

Actual amounts (budgetary basis) "available for appropriation" from the budgetary comparison schedule.

\$ 56,795,255

Differences - budget to GAAP:

The fund balance at the beginning of the year is a budgetary resource but is not a current-year revenue for financial reporting purposes.

-

Transfers from other funds are inflows of budgetary resources but are not revenues for financial reporting purposes.

-

Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds.

\$ 56,795,255

Uses/outflows of resources

Actual amounts (budgetary basis) "total charges to appropriations" from the budgetary comparison schedule.

\$ 59,409,801

Differences - budget to GAAP:

Encumbrances for supplies and equipment ordered but not received is reported in the year the order is placed for budgetary purposes, but in the year supplies are received for financial reporting purposes.

-

Transfers to other funds are outflows of budgetary resources but are not expenditures for financial reporting purposes.

(59,409,801)

Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances-governmental funds.

\$ -

The accompanying notes are an integral part of the required supplementary information.

CITY OF MIAMI, FLORIDA
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
YEAR ENDED SEPTEMBER 30, 2005

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 Projects Funds.

The Capital Projects 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 31st, 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 1st. 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 1st and September 30th.

Such report is prepared after consultation with the City Manager.

- Public hearings are conducted to obtain taxpayer comments.
- Prior to October 1st, the budget is legally enacted through the passage of an ordinance 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 2005, supplemental appropriations totaling \$27,193,880, \$56,777,687, \$22,730,272 in the General Fund, Community Development and Fire Rescue Services, respectively, were required to recognize unanticipated revenue including the award of federal and state grants and to provide funding for unanticipated program requirements.

**City of Miami, Florida
Pension Trust Funds**

Schedule of Funding Progress (a)

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)
GESE Retirement Trust (b)						
10/1/2004	\$ 564,591,815	\$ 709,944,085	\$ 145,352,270	79.53%	\$ 72,521,132	200.43%
10/1/2003	555,480,276	682,360,385	126,880,109	81.41%	70,717,807	179.42%
10/1/2002	561,270,090	617,806,665	56,536,575	90.85%	70,393,730	80.31%
10/1/2001	597,112,330	579,385,162	(17,727,168)	103.06%	66,650,450	-26.60%
10/1/2000	594,880,439	577,787,590	(17,092,849)	102.96%	63,829,824	-26.78%
10/1/1999	539,047,474	571,135,106	32,087,632	94.38%	59,060,988	54.33%
GESE Staff Plan (b)						
10/1/2004	\$ 615,132	\$ 1,005,846	\$ 390,714	61.16%	\$ 487,639	80.12%
10/1/2003	446,666	1,057,295	610,629	42.25%	448,457	136.16%
10/1/2002	303,728	900,721	596,993	33.72%	411,278	145.16%
10/1/2001	206,578	714,036	507,458	28.93%	363,176	139.73%
10/1/2000	160,597	519,150	358,553	30.93%	279,072	128.48%
10/1/1999	(d)	(d)	(d)	(d)	(d)	(d)
GESE Excess Plan (b)						
10/1/2004	\$ -	\$ 8,434,597	\$ 8,434,597	0.00%	\$ 72,521,132	11.63%
10/1/2003	-	9,926,810	9,926,810	0.00%	70,717,807	14.04%
10/1/2002	-	8,642,414	8,642,414	0.00%	70,393,730	12.28%
10/1/2001	-	9,281,796	9,281,796	0.00%	66,650,450	13.93%
10/1/2000	-	9,956,743	9,956,743	0.00%	63,829,824	15.60%
10/1/1999	(d)	(d)	(d)	(d)	(d)	(d)

a. For information regarding pension contribution percentage rates, assumptions, amortization method, see Note 11.

b. Entry Age Normal Actuarial Accrued Liability

c. FIPO and EORT are not reflected on this schedule since they use the aggregate method which does not separately identify an actuarial accrued liability.

d. Six year data is not available. The first actuarial valuation was performed on 10/01/2000 at the commencement of the plan.

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Nonmajor Governmental Funds

SPECIAL REVENUE FUNDS

Special Revenue Funds are used to account for special revenues that are legally restricted to expenditures for particular purposes.

Community Redevelopment Agency (ORA) – To account for revenues and expenditures to be used for general operations in the defined Community Redevelopment Area.

Community Redevelopment Agency (SEOPW) – To account for revenues and expenditures to be used for special operations in the defined Community Redevelopment Area.

Convention Center – To account for the operations of the City of Miami/ University of Miami James L. Knight International Center and Parking Garage.

Economic Development & Planning Services - To account for the operations of the Economic Development & Planning Services.

Net Offices – To account for the operations of the City of Miami's Neighborhood Enhancement Teams (Net Offices).

Parks & Recreation Services – To account for the operations of the Parks & Recreation Services.

Police Services – To account for the proceeds of various grants from Local, State, and Federal Agencies.

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.



Nonmajor Governmental Funds

SPECIAL REVENUE FUNDS

City Clerk Services – To account for the operations of the Passport Facility, Municipal Archives & Records, and related programs.

Local Option Gas Tax – To account for the local option gas tax levied on the purchases of gasoline.

Stormwater Utility – To account for the fees and charges collected for the operation and maintenance of the stormwater management system and the funding of pollution abatement devices of said system.

Department 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 of Miami's transit and transportation projects.

Model City – To account for the revitalization efforts for the redevelopment of the Model City Community Revitalization District.

Virginia Key Beach Trust – To account for the activities to preserve, restore, and maintain the Historic Virginia Key Beach Park.

Gusman and Olympia – To account for the activities of Gusman and Olympia Facilities.



Nonmajor Governmental Funds

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.

Other Special Obligation Bonds – To account for monies for payment of principal, interest, and other costs related to various special obligation and revenue bonds and loans.

CRA Other Special Obligation Bonds – To account for monies for payment of principal, interest, and other costs related to various special obligation bonds and loans.



Nonmajor Governmental Funds

CAPITAL PROJECTS FUNDS

Capital Projects Funds are used to account for the acquisition and construction of major capital facilities.

Community Redevelopment Agency - To account for the acquisition or construction of major capital facilities for community redevelopment in the defined Community Redevelopment Area.

Public Safety – To account for the acquisition or construction of major capital facilities that support the City of Miami's Police and Fire operations.

Sanitary Sewers – To account for expenditures for the construction of sanitary sewers.

Storm Sewers – To account for expenditures for the construction of storm sewers.

Solid Waste – To account for the acquisition of equipment or facility maintenance associated with the collection and removal of solid waste.

Public Facilities – To account for the acquisition or construction of major capital facilities for public use such as marinas and stadiums.

Parks and Recreation – To account for the acquisition, rehabilitation, or construction of major capital facilities for cultural and recreational activities such as parks, elderly and youth day care centers.

Disaster Recovery – To account for revenue received from the Federal Emergency Management Agency, insurance and other agencies as reimbursement for citywide disasters in the areas of debris removal, roads and bridges, buildings and equipment, parks, marinas, stadiums and other measures of relief.

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City of Miami, Florida
Combining Balance Sheet
Nonmajor Governmental Funds
September 30, 2005

	Special Revenue Funds				
	Omni CRA	SEOPW CRA	Convention Center	Economic Development & Planning Services	Net Offices
Assets					
Cash, Cash Equivalents and Investments	\$ 7,562,993	\$ 5,031,155	\$ 3,531,871	\$ 8,161,022	\$ 1,769,156
Restricted Cash and Investments	-	-	158,001	-	-
Receivables (Net of Allowances for Uncollectibles):					
Accounts	-	-	423,331	-	-
Taxes	-	-	-	-	-
Special Assessments	-	-	-	-	-
Due from Other Governments	-	-	49,961	216,089	-
Accrued Interest	60,327	37,769	-	31,989	-
Prepays	-	-	-	-	-
Other Assets	-	-	-	-	-
Total Assets	<u>\$ 7,623,320</u>	<u>\$ 5,068,924</u>	<u>\$ 4,163,164</u>	<u>\$ 8,409,100</u>	<u>\$ 1,769,156</u>
Liabilities and Fund Balances					
Liabilities:					
Accounts Payable and Accrued Liabilities	\$ 10,308	\$ 132,076	\$ 270,723	\$ 14,180	\$ 361,898
Due to Other Funds	-	-	-	-	-
Due to Other Governments	-	-	-	-	-
Deferred Revenue	-	-	-	-	-
Unearned Revenue	-	361,239	1,149,186	-	242,127
Deposits	-	-	-	1,992	6,598
Total Liabilities	<u>10,308</u>	<u>493,315</u>	<u>1,419,909</u>	<u>16,172</u>	<u>610,623</u>
Fund Balances (Deficits):					
Reserved for:					
Encumbrances	26,181	653,329	-	122,959	72,589
Debt Service	-	-	-	-	-
Law Enforcement	-	-	-	-	-
Prepaid Items	-	-	-	-	-
Unreserved, Designated for,					
Subsequent Years Expenditures	-	-	-	535,000	-
Unreserved, Undesignated	7,586,831	3,922,280	2,743,255	7,734,969	1,085,944
Total Fund Balances	<u>7,613,012</u>	<u>4,575,609</u>	<u>2,743,255</u>	<u>8,392,928</u>	<u>1,158,533</u>
Total Liabilities and Fund Balances	<u>\$ 7,623,320</u>	<u>\$ 5,068,924</u>	<u>\$ 4,163,164</u>	<u>\$ 8,409,100</u>	<u>\$ 1,769,156</u>

Special Revenue Funds

Parks & Recreation Services	Police Services	Law Enforcement Trust Fund	Public Works Services	City Clerk Services	Local Option Gas Tax
\$ 2,231,364	\$ 3,517,238	\$ 1,672,976	\$ 1,546,686	\$ 276,602	\$ -
-	-	-	-	-	-
4,649	472,087	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
201,592	27,985	-	-	-	-
1,556	3,787	14,513	9,223	-	-
-	176,492	-	-	-	-
-	-	-	-	-	-
<u>\$ 2,439,161</u>	<u>\$ 4,197,589</u>	<u>\$ 1,687,489</u>	<u>\$ 1,555,909</u>	<u>\$ 276,602</u>	<u>\$ -</u>
\$ 21,844	\$ 2,192,371	\$ 162,103	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
6,636	232,898	-	-	-	-
-	-	152,403	-	-	-
<u>28,480</u>	<u>2,425,269</u>	<u>314,506</u>	<u>-</u>	<u>-</u>	<u>-</u>
70,859	2,858,665	58,018	-	-	-
-	-	-	-	-	-
-	-	715,826	-	-	-
-	176,492	-	-	-	-
260,625	-	599,139	-	-	-
2,079,197	(1,262,837)	-	1,555,909	276,602	-
<u>2,410,681</u>	<u>1,772,320</u>	<u>1,372,983</u>	<u>1,555,909</u>	<u>276,602</u>	<u>-</u>
<u>\$ 2,439,161</u>	<u>\$ 4,197,589</u>	<u>\$ 1,687,489</u>	<u>\$ 1,555,909</u>	<u>\$ 276,602</u>	<u>\$ -</u>

(continued)

City of Miami, Florida
Combining Balance Sheet
Nonmajor Governmental Funds
September 30, 2005

	Special Revenue Funds				
	Stormwater Utility	Department Improvement Initiatives	Transportation & Transit	Model City	Virginia Key Beach Trust
Assets					
Cash, Cash Equivalents and Investments	\$ 794,636	\$ 2,505,152	\$ 2,465,660	\$ -	\$ 420,796
Restricted Cash and Investments	-	-	-	-	271,663
Receivables (Net of Allowances for Uncollectibles):					
Accounts	-	-	-	-	-
Taxes	-	-	-	-	-
Special Assessments	-	-	-	-	-
Due from Other Governments	-	-	2,906,035	177,988	-
Accrued Interest	-	-	-	389	2,783
Prepays	-	-	-	-	16,218
Other Assets	-	-	-	-	-
Total Assets	<u>\$ 794,636</u>	<u>\$ 2,505,152</u>	<u>\$ 5,371,695</u>	<u>\$ 178,377</u>	<u>\$ 711,460</u>
Liabilities and Fund Balances					
Liabilities:					
Accounts Payable and Accrued Liabilities	\$ -	\$ 30,219	\$ 19,332	\$ 80,462	\$ 192,384
Due to Other Funds	-	-	-	103,894	-
Due to Other Governments	-	-	-	-	-
Deferred Revenue	-	-	-	-	-
Unearned Revenue	-	-	-	-	-
Deposits	-	-	-	-	-
Total Liabilities	<u>-</u>	<u>30,219</u>	<u>19,332</u>	<u>184,356</u>	<u>192,384</u>
Fund Balances (Deficits):					
Reserved for:					
Encumbrances	-	64,709	3,160	-	67,141
Debt Service	-	-	-	-	-
Law Enforcement	-	-	-	-	-
Prepaid Items	-	-	-	-	16,218
Unreserved, Designated for,					
Subsequent Years Expenditures	-	1,949,814	-	-	-
Unreserved, Undesignated	794,636	460,410	5,349,203	(5,979)	435,717
Total Fund Balances	<u>794,636</u>	<u>2,474,933</u>	<u>5,352,363</u>	<u>(5,979)</u>	<u>519,076</u>
Total Liabilities and Fund Balances	<u>\$ 794,636</u>	<u>\$ 2,505,152</u>	<u>\$ 5,371,695</u>	<u>\$ 178,377</u>	<u>\$ 711,460</u>

Special Revenue Funds		Debt Service Funds				
Gusman and Olympia	Total	General Obligation Bonds	Other Special Obligation Bonds	CRA Other Special Obligation Bonds	Total	
\$ 268,655	\$ 41,755,962	\$ 1,269,153	\$ -	\$ 798,953	\$ 2,068,106	
-	429,664	100,302	9,124,874	618,574	9,843,750	
139,667	1,039,734	-	-	-	-	
-	-	1,060,815	-	-	1,060,815	
-	-	-	-	-	-	
-	3,579,650	-	-	-	-	
-	162,336	-	-	-	-	
17,574	210,284	-	-	-	-	
-	-	-	-	-	-	
<u>\$ 425,896</u>	<u>\$ 47,177,630</u>	<u>\$ 2,430,270</u>	<u>\$ 9,124,874</u>	<u>\$ 1,417,527</u>	<u>\$ 12,972,671</u>	
\$ 59,415	\$ 3,547,315	\$ 2,802	\$ -	\$ -	\$ 2,802	
-	103,894	-	240,889	-	240,889	
167,033	167,033	-	-	-	-	
-	-	908,295	-	-	908,295	
17,548	2,009,634	6,582	-	-	6,582	
114,328	275,321	-	-	-	-	
<u>358,324</u>	<u>6,103,197</u>	<u>917,679</u>	<u>240,889</u>	<u>-</u>	<u>1,158,568</u>	
-	3,997,610	-	-	-	-	
-	-	1,512,591	6,192,329	1,417,527	9,122,447	
-	715,826	-	-	-	-	
17,574	210,284	-	-	-	-	
-	3,344,578	-	2,691,656	-	2,691,656	
49,998	32,806,135	-	-	-	-	
67,572	41,074,433	1,512,591	8,883,985	1,417,527	11,814,103	
<u>\$ 425,896</u>	<u>\$ 47,177,630</u>	<u>\$ 2,430,270</u>	<u>\$ 9,124,874</u>	<u>\$ 1,417,527</u>	<u>\$ 12,972,671</u>	

(continued)

City of Miami, Florida
Combining Balance Sheet
Nonmajor Governmental Funds
September 30, 2005

	Capital Projects Funds				
	Community Redevelopment Agency	Public Safety	Sanitary Sewers	Storm Sewers	Solid Waste
Assets					
Cash, Cash Equivalents and Investments	\$ 2,717,469	\$ 25,723,642	\$ 24,631,131	\$ 27,192,981	\$ 1,804,469
Restricted Cash and Investments	-	-	-	-	-
Receivables (Net of Allowances for Uncollectibles):					
Accounts	-	-	-	-	-
Taxes	-	-	-	-	-
Special Assessments	-	-	-	-	36,525
Due from Other Governments	-	-	-	1,499,179	-
Accrued Interest	20,733	82,939	191,986	47,903	-
Prepays	-	-	-	-	-
Other Assets	-	-	-	-	-
Total Assets	\$ 2,738,202	\$ 25,806,581	\$ 24,823,117	\$ 28,740,063	\$ 1,840,994
Liabilities and Fund Balances					
Liabilities:					
Accounts Payable and Accrued Liabilities	\$ -	\$ 775,595	\$ 118,732	\$ 1,339,355	\$ -
Due to Other Funds	-	-	-	-	-
Due to Other Governments	-	-	-	-	-
Deferred Revenue	-	-	-	-	-
Unearned Revenue	-	-	-	-	36,525
Deposits	-	-	-	-	-
Total Liabilities	-	775,595	118,732	1,339,355	36,525
Fund Balances (Deficits):					
Reserved for:					
Encumbrances	-	4,780,201	44,783	2,579,721	2,904,991
Debt Service	-	-	-	-	-
Law Enforcement	-	-	-	-	-
Prepaid Items	-	-	-	-	-
Unreserved, Designated for, Subsequent Years Expenditures	-	-	-	-	-
Unreserved, Undesignated	2,738,202	20,250,785	24,659,602	24,820,987	(1,100,522)
Total Fund Balances	2,738,202	25,030,986	24,704,385	27,400,708	1,804,469
Total Liabilities and Fund Balances	\$ 2,738,202	\$ 25,806,581	\$ 24,823,117	\$ 28,740,063	\$ 1,840,994

Capital Projects Funds

Public Facilities	Parks & Recreation	Disaster Recovery	Total	Total Nonmajor Governmental Funds
\$ 22,615,826	\$ 22,184,847	\$ 787,087	\$ 127,657,452	\$ 171,481,520
-	258,113	-	258,113	10,531,527
-	-	-	-	1,039,734
-	-	-	-	1,060,815
-	-	-	36,525	36,525
392,751	1,826,035	-	3,717,965	7,297,615
59,292	95,480	-	498,333	660,669
-	-	-	-	210,284
-	900,150	-	900,150	900,150
<u>\$ 23,067,869</u>	<u>\$ 25,264,625</u>	<u>\$ 787,087</u>	<u>\$ 133,068,538</u>	<u>\$ 193,218,839</u>
\$ 697,413	\$ 2,817,036	\$ 332,428	\$ 6,080,559	\$ 9,630,676
-	-	-	-	344,783
-	-	-	-	167,033
-	-	-	-	908,295
-	-	-	36,525	2,052,741
-	-	-	-	275,321
<u>697,413</u>	<u>2,817,036</u>	<u>332,428</u>	<u>6,117,084</u>	<u>13,378,849</u>
2,401,563	16,628,291	669,004	30,008,554	34,006,164
-	-	-	-	9,122,447
-	-	-	-	715,826
-	-	-	-	210,284
-	-	-	-	6,036,234
<u>19,968,893</u>	<u>5,819,298</u>	<u>(214,345)</u>	<u>96,942,900</u>	<u>129,749,035</u>
<u>22,370,456</u>	<u>22,447,589</u>	<u>454,659</u>	<u>126,951,454</u>	<u>179,839,990</u>
<u>\$ 23,067,869</u>	<u>\$ 25,264,625</u>	<u>\$ 787,087</u>	<u>\$ 133,068,538</u>	<u>\$ 193,218,839</u>

City of Miami, Florida
Combining Statement of Revenues, Expenditures, and Changes In Fund Balances
Nonmajor Governmental Funds
For The Year Ended September 30, 2005

	Special Revenue Funds				
	Omni CRA	SEOPW CRA	Convention Center	Economic Development & Planning Services	Net Offices
Revenues					
Property Taxes	\$ 6,202,045	\$ 2,816,788	\$ -	\$ -	\$ -
Franchise and Other Taxes	-	-	-	-	-
Fines and Forfeitures	-	-	-	-	-
Intergovernmental Revenues	-	-	3,651,693	89,323	61,914
Charges for Services	-	37,535	3,911,523	4,843,830	-
Interest	91,304	62,707	5,116	42,742	-
Other	-	6,273	614,135	12,000	274,099
Total Revenues	6,293,349	2,923,303	8,182,467	4,987,895	336,013
Expenditures					
Current Operating:					
General Government	-	-	-	-	6,782,229
Planning and Development	-	-	-	2,249,911	-
Community Redevelopment Areas	1,825,893	2,782,134	-	-	-
Public Works	-	-	-	-	-
Public Safety	-	-	-	-	-
Public Facilities	-	-	3,141,749	-	-
Parks and Recreation	-	-	-	-	-
Debt Service:					
Principal	-	-	-	-	-
Interest and Other Charges	-	-	-	-	-
Capital Outlay	-	-	-	-	-
Total Expenditures	1,825,893	2,782,134	3,141,749	2,249,911	6,782,229
Excess (Deficiency) of Revenues Over (Under) Expenditures	4,467,456	141,169	5,040,718	2,737,984	(6,446,216)
Other Financing Sources (Uses)					
Transfers In	-	1,076,615	1,795,197	124,000	7,092,265
Transfers Out	(330,000)	(449,844)	(4,909,669)	-	-
Sale of Capital Assets	-	500,000	-	-	-
Total Other Financing Sources (Uses)	(330,000)	1,126,771	(3,114,472)	124,000	7,092,265
Net Changes in Fund Balances	4,137,456	1,267,940	1,926,246	2,861,984	646,049
Fund Balances - Beginning, As Restated	3,475,556	3,307,669	817,009	5,530,944	512,484
Fund Balances - Ending	\$ 7,613,012	\$ 4,575,609	\$ 2,743,255	\$ 8,392,928	\$ 1,158,533

Special Revenue Funds

Parks & Recreation Services	Police Services	Law Enforcement Trust Fund	Public Works Services	City Clerk Services	Local Option Gas Tax
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	797,695	-	-	-
1,518,154	5,332,171	-	-	-	-
45,478	102,556	-	-	117,410	-
3,786	16,184	39,150	17,909	-	-
984	500	-	48,820	-	-
<u>1,568,402</u>	<u>5,451,411</u>	<u>836,845</u>	<u>66,729</u>	<u>117,410</u>	<u>-</u>
-	-	-	-	27,303	-
-	-	-	-	-	-
-	-	-	15,000	-	-
-	9,196,770	1,415,604	-	-	-
1,362,051	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>1,362,051</u>	<u>9,196,770</u>	<u>1,415,604</u>	<u>15,000</u>	<u>27,303</u>	<u>-</u>
206,351	(3,745,359)	(578,759)	51,729	90,107	-
30,000	621,862	-	-	35,000	-
-	(18,536)	(231,745)	-	-	(1,252,546)
-	-	-	-	-	-
<u>30,000</u>	<u>603,326</u>	<u>(231,745)</u>	<u>-</u>	<u>35,000</u>	<u>(1,252,546)</u>
236,351	(3,142,033)	(810,504)	51,729	125,107	(1,252,546)
<u>2,174,330</u>	<u>4,914,353</u>	<u>2,183,487</u>	<u>1,504,180</u>	<u>151,495</u>	<u>1,252,546</u>
<u>\$ 2,410,681</u>	<u>\$ 1,772,320</u>	<u>\$ 1,372,983</u>	<u>\$ 1,555,909</u>	<u>\$ 276,602</u>	<u>\$ -</u>

(continued)

City of Miami, Florida
Combining Statement of Revenues, Expenditures, and Changes In Fund Balances
Nonmajor Governmental Funds
For The Year Ended September 30, 2005

	Special Revenue Funds				
	Stormwater Utility	Department Improvement Initiatives	Transportation & Transit	Model City	Virginia Key Beach Trust
Revenues					
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Franchise and Other Taxes	404	-	-	-	-
Fines and Forfeitures	-	-	-	-	-
Intergovernmental Revenues	-	38,750	11,208,930	743,599	57,708
Charges for Services	-	-	-	-	-
Interest	-	-	-	-	10,874
Other	-	36,365	-	12,954	3,100
Total Revenues	<u>404</u>	<u>75,115</u>	<u>11,208,930</u>	<u>756,553</u>	<u>71,682</u>
Expenditures					
Current Operating:					
General Government	-	1,034,964	449,311	-	-
Planning and Development	-	-	-	1,472,098	-
Community Redevelopment Areas	-	-	-	-	-
Public Works	-	-	-	-	-
Public Safety	-	-	-	-	-
Public Facilities	-	-	-	-	-
Parks and Recreation	-	-	-	-	1,277,800
Debt Service:					
Principal	-	-	-	-	-
Interest and Other Charges	-	-	-	-	-
Capital Outlay	-	-	-	-	-
Total Expenditures	<u>-</u>	<u>1,034,964</u>	<u>449,311</u>	<u>1,472,098</u>	<u>1,277,800</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>404</u>	<u>(959,849)</u>	<u>10,759,619</u>	<u>(715,545)</u>	<u>(1,206,118)</u>
Other Financing Sources (Uses)					
Transfers In	-	80,000	-	641,263	900,976
Transfers Out	-	(130,000)	(11,181,816)	-	-
Sale of Capital Assets	-	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>(50,000)</u>	<u>(11,181,816)</u>	<u>641,263</u>	<u>900,976</u>
Net Changes in Fund Balances	404	(1,009,849)	(422,197)	(74,282)	(305,142)
Fund Balances - Beginning, As Restated	<u>794,232</u>	<u>3,484,782</u>	<u>5,774,560</u>	<u>68,303</u>	<u>824,218</u>
Fund Balances - Ending	<u>\$ 794,636</u>	<u>\$ 2,474,933</u>	<u>\$ 5,352,363</u>	<u>\$ (5,979)</u>	<u>\$ 519,076</u>

Special Revenue Funds		Debt Service Funds			
Gusman and Olympia	Total	General Obligation Bonds	Other Special Obligation Bonds	CRA Other Special Obligation Bonds	Total
\$ -	\$ 9,018,833	\$ 20,092,994	\$ -	\$ -	\$ 20,092,994
-	404	-	-	-	-
-	797,695	-	-	-	-
842,405	23,544,647	-	-	300,000	300,000
433,164	9,491,496	-	-	-	-
-	289,772	2	105,080	7,669	112,751
191,326	1,200,556	-	-	-	-
<u>1,466,895</u>	<u>44,343,403</u>	<u>20,092,996</u>	<u>105,080</u>	<u>307,669</u>	<u>20,505,745</u>
-	8,293,807	-	-	-	-
-	3,722,009	-	-	-	-
-	4,608,027	-	-	-	-
-	15,000	-	-	-	-
-	10,612,374	-	-	-	-
1,687,148	4,828,897	-	-	-	-
-	2,639,851	-	-	-	-
-	-	10,215,000	8,420,229	135,000	18,770,229
-	-	9,331,531	12,274,789	216,537	21,822,857
-	-	-	-	-	-
<u>1,687,148</u>	<u>34,719,965</u>	<u>19,546,531</u>	<u>20,695,018</u>	<u>351,537</u>	<u>40,593,086</u>
<u>(220,253)</u>	<u>9,623,438</u>	<u>546,465</u>	<u>(20,589,938)</u>	<u>(43,868)</u>	<u>(20,087,341)</u>
232,730	12,629,908	2,815,532	20,015,189	405,800	23,236,521
-	(18,504,156)	(2,815,532)	(56,478)	-	(2,872,010)
-	500,000	-	-	-	-
<u>232,730</u>	<u>(5,374,248)</u>	<u>-</u>	<u>19,958,711</u>	<u>405,800</u>	<u>20,364,511</u>
12,477	4,249,190	546,465	(631,227)	361,932	277,170
55,095	36,825,243	966,126	9,515,212	1,055,595	11,536,933
<u>\$ 67,572</u>	<u>\$ 41,074,433</u>	<u>\$ 1,512,591</u>	<u>\$ 8,883,985</u>	<u>\$ 1,417,527</u>	<u>\$ 11,814,103</u>

(continued)

City of Miami, Florida
Combining Statement of Revenues, Expenditures, and Changes In Fund Balances
Nonmajor Governmental Funds
For The Year Ended September 30, 2005

	Capital Projects Funds				
	Community Redevelopment Agency	Public Safety	Sanitary Sewers	Storm Sewers	Solid Waste
Revenues					
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Franchise and Other Taxes	-	-	-	-	-
Fines and Forfeitures	-	-	-	-	-
Intergovernmental Revenues	-	644,748	-	2,160,564	-
Charges for Services	-	-	-	-	-
Interest	39,846	247,480	381,553	178,443	80,386
Other	1,356	(7,023)	-	-	-
Total Revenues	<u>41,202</u>	<u>885,205</u>	<u>381,553</u>	<u>2,339,007</u>	<u>80,386</u>
Expenditures					
Current Operating:					
General Government	-	-	-	-	-
Planning and Development	-	-	-	-	-
Community Redevelopment Areas	-	-	-	-	-
Public Works	-	-	-	-	-
Public Safety	-	-	-	-	-
Public Facilities	-	-	-	-	-
Parks and Recreation	-	-	-	-	-
Debt Service:					
Principal	-	-	-	-	-
Interest and Other Charges	-	-	-	-	-
Capital Outlay	-	3,691,041	1,264,303	4,781,591	342,974
Total Expenditures	<u>-</u>	<u>3,691,041</u>	<u>1,264,303</u>	<u>4,781,591</u>	<u>342,974</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>41,202</u>	<u>(2,805,836)</u>	<u>(882,750)</u>	<u>(2,442,584)</u>	<u>(262,588)</u>
Other Financing Sources (Uses)					
Transfers In	-	5,284,687	1,227,076	7,418,477	229,014
Transfers Out	-	(4,244,281)	(1,301,868)	(4,856,230)	(141,694)
Sale of Capital Assets	-	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>1,040,406</u>	<u>(74,792)</u>	<u>2,562,247</u>	<u>87,320</u>
Net Changes in Fund Balances	41,202	(1,765,430)	(957,542)	119,663	(175,268)
Fund Balances - Beginning, As Restated	<u>2,697,000</u>	<u>26,796,416</u>	<u>25,661,927</u>	<u>27,281,045</u>	<u>1,979,737</u>
Fund Balances - Ending	<u>\$ 2,738,202</u>	<u>\$ 25,030,986</u>	<u>\$ 24,704,385</u>	<u>\$ 27,400,708</u>	<u>\$ 1,804,469</u>

Capital Projects Funds

Public Facilities	Parks & Recreation	Disaster Recovery	Total	Total Nonmajor Governmental Funds
\$ -	\$ -	\$ -	\$ -	\$ 29,111,827
-	-	-	-	404
-	-	-	-	797,695
622,777	3,021,374	-	6,449,463	30,294,110
3,464,420	-	-	3,464,420	12,955,916
291,386	671,008	-	1,890,102	2,292,625
-	11,700	-	6,033	1,206,589
<u>4,378,583</u>	<u>3,704,082</u>	<u>-</u>	<u>11,810,018</u>	<u>76,659,166</u>
-	-	-	-	8,293,807
-	-	-	-	3,722,009
-	-	-	-	4,608,027
-	-	-	-	15,000
-	-	-	-	10,612,374
-	-	-	-	4,828,897
-	-	-	-	2,639,851
-	-	-	-	18,770,229
-	-	-	-	21,822,857
<u>5,106,933</u>	<u>21,590,807</u>	<u>2,236,357</u>	<u>39,014,006</u>	<u>39,014,006</u>
<u>5,106,933</u>	<u>21,590,807</u>	<u>2,236,357</u>	<u>39,014,006</u>	<u>114,327,057</u>
<u>(728,350)</u>	<u>(17,886,725)</u>	<u>(2,236,357)</u>	<u>(27,203,988)</u>	<u>(37,667,891)</u>
6,006,261	27,120,048	3,242,287	50,527,850	86,394,279
(4,833,625)	(22,984,758)	(1,315,591)	(39,678,047)	(61,054,213)
-	-	-	-	500,000
<u>1,172,636</u>	<u>4,135,290</u>	<u>1,926,696</u>	<u>10,849,803</u>	<u>25,840,066</u>
444,286	(13,751,435)	(309,661)	(16,354,185)	(11,827,825)
<u>21,926,170</u>	<u>36,199,024</u>	<u>764,320</u>	<u>143,305,639</u>	<u>191,667,815</u>
<u>\$ 22,370,456</u>	<u>\$ 22,447,589</u>	<u>\$ 454,659</u>	<u>\$ 126,951,454</u>	<u>\$ 179,839,990</u>

City of Miami, Florida
Budgetary Comparison Schedule
Omni CRA
For The Year Ended September 30, 2005

	<u>Budgeted Amounts</u>		<u>Actual Amounts (Budgetary Basis)</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Resources (inflows):				
Property Taxes	\$ 3,920,483	\$ 3,920,483	\$ 6,202,045	\$ 2,281,562
Intergovernmental Revenues	2,294,328	2,294,328	-	(2,294,328)
Interest	41,500	41,500	91,304	49,804
Other	-	-	2,932,945	2,932,945
Amounts Available for Appropriation	<u>6,256,311</u>	<u>6,256,311</u>	<u>9,226,294</u>	<u>2,969,983</u>
Charges To Appropriations (outflows):				
Community Redevelopment Areas	8,048,837	8,048,837	1,825,893	6,222,944
Transfers Out	1,140,419	1,140,419	330,000	810,419
Total Charges to Appropriations	<u>9,189,256</u>	<u>9,189,256</u>	<u>2,155,893</u>	<u>7,033,363</u>
Excess (Deficiency) of Resources Over Charges to Appropriations	(2,932,945)	(2,932,945)	7,070,401	10,003,346
Fund Balance Allocation	<u>2,932,945</u>	<u>2,932,945</u>	-	<u>(2,932,945)</u>
Excess (Deficiency) of Resources Over Charges to Appropriations	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 7,070,401</u>	<u>\$ 7,070,401</u>

**Explanation of Differences between Budgetary Inflows and Outflows
and GAAP Revenues and Expenditures**

Sources/inflows of resources

Actual amounts (budgetary basis) "available for appropriation" from the budgetary comparison schedule.	\$ 9,226,294
Differences - budget to GAAP:	
The fund balance at the beginning of the year is a budgetary resource but is not a current-year revenue for financial reporting purposes.	(2,932,945)
Transfers from other funds are inflows of budgetary resources but are not revenues for financial reporting purposes.	-
Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds.	<u>\$ 6,293,349</u>

Uses/outflows of resources

Actual amounts (budgetary basis) "total charges to appropriations" from the budgetary comparison schedule.	\$ 2,155,893
Differences - budget to GAAP:	
Encumbrances for supplies and equipment ordered but not received is reported in the year the order is placed for budgetary purposes, but in the year supplies are received for financial reporting purposes.	-
Transfers to other funds are outflows of budgetary resources but are not expenditures for financial reporting purposes.	(330,000)
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances-governmental funds.	<u>\$ 1,825,893</u>

City of Miami, Florida
Budgetary Comparison Schedule
SEOPW CRA
For The Year Ended September 30, 2005

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
Resources (inflows):				
Property Taxes	\$ 1,627,940	\$ 1,627,940	\$ 2,816,788	\$ 1,188,848
Intergovernmental Revenues	2,850,568	2,850,568	-	(2,850,568)
Charges for Services	11,000	11,000	37,535	26,535
Interest	26,500	26,500	62,707	36,207
Other	10,464,460	10,464,460	2,506,273	(7,958,187)
Transfers In	699,388	699,388	1,076,615	377,227
Amounts Available for Appropriation	<u>15,679,856</u>	<u>15,679,856</u>	<u>6,499,918</u>	<u>(9,179,938)</u>
Charges To Appropriations (outflows):				
Community Redevelopment Areas	17,221,661	17,221,661	2,782,134	14,439,527
Transfers Out	958,195	958,195	449,844	508,351
Total Charges to Appropriations	<u>18,179,856</u>	<u>18,179,856</u>	<u>3,231,978</u>	<u>14,947,878</u>
Excess (Deficiency) of Resources Over Charges to Appropriations	(2,500,000)	(2,500,000)	3,267,940	5,767,940
Fund Balance Allocation	<u>2,500,000</u>	<u>2,500,000</u>	<u>-</u>	<u>(2,500,000)</u>
Excess (Deficiency) of Resources Over Charges to Appropriations	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,267,940</u>	<u>\$ 3,267,940</u>

Explanation of Differences between Budgetary Inflows and Outflows and GAAP Revenues and Expenditures

Sources/inflows of resources

Actual amounts (budgetary basis) "available for appropriation" from the budgetary comparison schedule.	\$ 6,499,918
Differences - budget to GAAP:	
The fund balance at the beginning of the year is a budgetary resource but is not a current-year revenue for financial reporting purposes.	(2,500,000)
Transfers from other funds are inflows of budgetary resources but are not revenues for financial reporting purposes.	(1,076,615)
Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds.	<u>\$ 2,923,303</u>

Uses/outflows of resources

Actual amounts (budgetary basis) "total charges to appropriations" from the budgetary comparison schedule.	\$ 3,231,978
Differences - budget to GAAP:	
Encumbrances for supplies and equipment ordered but not received is reported in the year the order is placed for budgetary purposes, but in the year supplies are received for financial reporting purposes.	-
Transfers to other funds are outflows of budgetary resources but are not expenditures for financial reporting purposes.	(449,844)
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances-governmental funds.	<u>\$ 2,782,134</u>

**City of Miami, Florida
Budgetary Comparison Schedule
Convention Center
For The Year Ended September 30, 2005**

	<u>Budgeted Amounts</u>		<u>Actual Amounts (Budgetary Basis)</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Resources (inflows):				
Intergovernmental Revenues	\$ 1,161,626	\$ 1,161,626	\$ 3,651,693	\$ 2,490,067
Charges for Services	3,876,443	3,876,443	3,911,523	35,080
Interest	2,500	2,500	5,116	2,616
Other	476,450	983,920	619,590	(364,330)
Transfers In	1,745,197	2,098,082	1,795,197	(302,885)
Amounts Available for Appropriation	<u>7,262,216</u>	<u>8,122,571</u>	<u>9,983,119</u>	<u>1,860,548</u>
Charges To Appropriations (outflows):				
Public Facilities	2,765,471	3,218,356	3,141,749	76,607
Transfers Out	4,496,745	4,909,670	4,909,669	1
Total Charges to Appropriations	<u>7,262,216</u>	<u>8,128,026</u>	<u>8,051,418</u>	<u>76,608</u>
Excess (Deficiency) of Resources Over Charges to Appropriations	-	(5,455)	1,931,701	1,937,156
Fund Balance Allocation	-	5,455	-	(5,455)
Excess (Deficiency) of Resources Over Charges to Appropriations	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,931,701</u>	<u>\$ 1,931,701</u>

**Explanation of Differences between Budgetary Inflows and Outflows
and GAAP Revenues and Expenditures**

Sources/inflows of resources

Actual amounts (budgetary basis) "available for appropriation" from the budgetary comparison schedule.

\$ 9,983,119

Differences - budget to GAAP:

The fund balance at the beginning of the year is a budgetary resource but is not a current-year revenue for financial reporting purposes.

(5,455)

Transfers from other funds are inflows of budgetary resources but are not revenues for financial reporting purposes.

(1,795,197)

Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds.

\$ 8,182,467

Uses/outflows of resources

Actual amounts (budgetary basis) "total charges to appropriations" from the budgetary comparison schedule.

\$ 8,051,418

Differences - budget to GAAP:

Encumbrances for supplies and equipment ordered but not received is reported in the year the order is placed for budgetary purposes, but in the year supplies are received for financial reporting purposes.

-

Transfers to other funds are outflows of budgetary resources but are not expenditures for financial reporting purposes.

(4,909,669)

Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances-governmental funds.

\$ 3,141,749

City of Miami, Florida
Budgetary Comparison Schedule
Economic Development & Planning Services
For The Year Ended September 30, 2005

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final	(Budgetary Basis)	Final Budget Positive (Negative)
Resources (inflows):				
Intergovernmental Revenues	\$ 238,796	\$ 730,800	\$ 89,323	\$ (641,477)
Charges for Services	243,798	256,918	4,843,830	4,586,912
Interest	-	-	42,742	42,742
Other	31,204	54,127	3,059,276	3,005,149
Transfers In	-	50,000	124,000	74,000
Amounts Available for Appropriation	<u>513,798</u>	<u>1,091,845</u>	<u>8,159,171</u>	<u>7,067,326</u>
Charges To Appropriations (outflows):				
Planning and Development	1,173,965	4,139,121	2,249,911	1,889,210
Total Charges to Appropriations	<u>1,173,965</u>	<u>4,139,121</u>	<u>2,249,911</u>	<u>1,889,210</u>
Excess (Deficiency) of Resources Over Charges to Appropriations	(660,167)	(3,047,276)	5,909,260	8,956,536
Fund Balance Allocation	<u>660,167</u>	<u>3,047,276</u>	<u>-</u>	<u>(3,047,276)</u>
Excess (Deficiency) of Resources Over Charges to Appropriations	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,909,260</u>	<u>\$ 5,909,260</u>

Explanation of Differences between Budgetary Inflows and Outflows and GAAP Revenues and Expenditures

Sources/inflows of resources

Actual amounts (budgetary basis) "available for appropriation" from the budgetary comparison schedule.	\$ 8,159,171
Differences - budget to GAAP:	
The fund balance at the beginning of the year is a budgetary resource but is not a current-year revenue for financial reporting purposes.	(3,047,276)
Transfers from other funds are inflows of budgetary resources but are not revenues for financial reporting purposes.	(124,000)
Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds.	<u>\$ 4,987,895</u>

Uses/outflows of resources

Actual amounts (budgetary basis) "total charges to appropriations" from the budgetary comparison schedule.	\$ 2,249,911
Differences - budget to GAAP:	
Encumbrances for supplies and equipment ordered but not received is reported in the year the order is placed for budgetary purposes, but in the year supplies are received for financial reporting purposes.	-
Transfers to other funds are outflows of budgetary resources but are not expenditures for financial reporting purposes.	-
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances-governmental funds.	<u>\$ 2,249,911</u>

City of Miami, Florida
Budgetary Comparison Schedule
NET Offices
For The Year Ended September 30, 2005

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
Resources (inflows):				
Intergovernmental Revenues	\$ -	\$ 304,041	\$ 61,914	\$ (242,127)
Other	-	-	782,099	782,099
Transfers In	7,096,265	7,096,265	7,092,265	(4,000)
Amounts Available for Appropriation	<u>7,096,265</u>	<u>7,400,306</u>	<u>7,936,278</u>	<u>535,972</u>
Charges To Appropriations (outflows):				
General Government	7,096,265	7,908,306	6,782,229	1,126,077
Total Charges to Appropriations	<u>7,096,265</u>	<u>7,908,306</u>	<u>6,782,229</u>	<u>1,126,077</u>
Excess (Deficiency) of Resources Over Charges to Appropriations	-	(508,000)	1,154,049	1,662,049
Fund Balance Allocation	-	508,000	-	(508,000)
Excess (Deficiency) of Resources Over Charges to Appropriations	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,154,049</u>	<u>\$ 1,154,049</u>

**Explanation of Differences between Budgetary Inflows and Outflows
and GAAP Revenues and Expenditures**

Sources/inflows of resources

Actual amounts (budgetary basis) "available for appropriation" from the budgetary comparison schedule.	\$ 7,936,278
Differences - budget to GAAP:	
The fund balance at the beginning of the year is a budgetary resource but is not a current-year revenue for financial reporting purposes.	(508,000)
Transfers from other funds are inflows of budgetary resources but are not revenues for financial reporting purposes.	(7,092,265)
Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds.	<u>\$ 336,013</u>

Uses/outflows of resources

Actual amounts (budgetary basis) "total charges to appropriations" from the budgetary comparison schedule.	\$ 6,782,229
Differences - budget to GAAP:	
Encumbrances for supplies and equipment ordered but not received is reported in the year the order is placed for budgetary purposes, but in the year supplies are received for financial reporting purposes.	-
Transfers to other funds are outflows of budgetary resources but are not expenditures for financial reporting purposes.	-
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances-governmental funds.	<u>\$ 6,782,229</u>

City of Miami, Florida
Budgetary Comparison Schedule
Parks & Recreation Services
For The Year Ended September 30, 2005

	<u>Budgeted Amounts</u>		<u>Actual Amounts (Budgetary Basis)</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Resources (inflows):				
Intergovernmental Revenues	\$ 1,647,042	\$ 3,346,459	\$ 1,518,154	\$ (1,828,305)
Charges for Services	34,495	97,698	45,478	(52,220)
Interest	-	-	3,786	3,786
Other	-	574,786	373,089	(201,697)
Transfers In	-	-	30,000	30,000
Amounts Available for Appropriation	<u>1,681,537</u>	<u>4,018,943</u>	<u>1,970,507</u>	<u>(2,048,436)</u>
Charges To Appropriations (outflows):				
Parks and Recreation	1,779,933	4,391,048	1,362,051	3,028,997
Total Charges to Appropriations	<u>1,779,933</u>	<u>4,391,048</u>	<u>1,362,051</u>	<u>3,028,997</u>
Excess (Deficiency) of Resources Over Charges to Appropriations	(98,396)	(372,105)	608,456	980,561
Fund Balance Allocation	<u>98,396</u>	<u>372,105</u>	<u>-</u>	<u>(372,105)</u>
Excess (Deficiency) of Resources Over Charges to Appropriations	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 608,456</u>	<u>\$ 608,456</u>

**Explanation of Differences between Budgetary Inflows and Outflows
and GAAP Revenues and Expenditures**

Sources/inflows of resources

Actual amounts (budgetary basis) "available for appropriation" from the budgetary comparison schedule.	\$ 1,970,507
Differences - budget to GAAP:	
The fund balance at the beginning of the year is a budgetary resource but is not a current-year revenue for financial reporting purposes.	(372,105)
Transfers from other funds are inflows of budgetary resources but are not revenues for financial reporting purposes.	(30,000)
Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds.	<u>\$ 1,568,402</u>

Uses/outflows of resources

Actual amounts (budgetary basis) "total charges to appropriations" from the budgetary comparison schedule.	\$ 1,362,051
Differences - budget to GAAP:	
Encumbrances for supplies and equipment ordered but not received is reported in the year the order is placed for budgetary purposes, but in the year supplies are received for financial reporting purposes.	-
Transfers to other funds are outflows of budgetary resources but are not expenditures for financial reporting purposes.	-
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances-governmental funds.	<u>\$ 1,362,051</u>

City of Miami, Florida
Budgetary Comparison Schedule
Police Services
For The Year Ended September 30, 2005

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>(Budgetary Basis)</u>	<u>Final Budget</u> <u>Positive (Negative)</u>
Resources (inflows):				
Intergovernmental Revenues	\$ 14,767,478	\$ 10,865,253	\$ 5,332,171	\$ (5,533,082)
Charges for Services	268,956	268,956	102,556	(166,400)
Interest	16,903	16,903	16,184	(719)
Other	-	18,536	4,367,919	4,349,383
Transfers In	291,295	291,295	621,862	330,567
Amounts Available for Appropriation	<u>15,344,632</u>	<u>11,460,943</u>	<u>10,440,692</u>	<u>(1,020,251)</u>
Charges To Appropriations (outflows):				
Public Safety	19,536,100	15,809,826	9,196,770	6,613,056
Transfers Out	-	18,536	18,536	-
Total Charges to Appropriations	<u>19,536,100</u>	<u>15,828,362</u>	<u>9,215,306</u>	<u>6,613,056</u>
Excess (Deficiency) of Resources Over Charges to Appropriations	(4,191,468)	(4,367,419)	1,225,386	5,592,805
Fund Balance Allocation	<u>4,191,468</u>	<u>4,367,419</u>	<u>-</u>	<u>(4,367,419)</u>
Excess (Deficiency) of Resources Over Charges to Appropriations	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,225,386</u>	<u>\$ 1,225,386</u>

Explanation of Differences between Budgetary Inflows and Outflows and GAAP Revenues and Expenditures

Sources/inflows of resources

Actual amounts (budgetary basis) "available for appropriation" from the budgetary comparison schedule.	\$ 10,440,692
Differences - budget to GAAP:	
The fund balance at the beginning of the year is a budgetary resource but is not a current-year revenue for financial reporting purposes.	(4,367,419)
Transfers from other funds are inflows of budgetary resources but are not revenues for financial reporting purposes.	(621,862)
Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds.	<u>\$ 5,451,411</u>

Uses/outflows of resources

Actual amounts (budgetary basis) "total charges to appropriations" from the budgetary comparison schedule.	\$ 9,215,306
Differences - budget to GAAP:	
Encumbrances for supplies and equipment ordered but not received is reported in the year the order is placed for budgetary purposes, but in the year supplies are received for financial reporting purposes.	-
Transfers to other funds are outflows of budgetary resources but are not expenditures for financial reporting purposes.	(18,536)
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances-governmental funds.	<u>\$ 9,196,770</u>

**City of Miami, Florida
Budgetary Comparison Schedule
Law Enforcement Trust Fund
For The Year Ended September 30, 2005**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>(Budgetary Basis)</u>	<u>Final Budget</u> <u>Positive (Negative)</u>
Resources (inflows):				
Fines and Forfeitures	\$ -	\$ -	\$ 797,695	\$ 797,695
Interest	-	-	39,150	39,150
Other	-	-	2,183,487	2,183,487
Amounts Available for Appropriation	<u>-</u>	<u>-</u>	<u>3,020,332</u>	<u>3,020,332</u>
Charges To Appropriations (outflows):				
Public Safety	2,256,395	1,951,742	1,415,604	536,138
Transfers Out	-	231,745	231,745	-
Total Charges to Appropriations	<u>2,256,395</u>	<u>2,183,487</u>	<u>1,647,349</u>	<u>536,138</u>
Excess (Deficiency) of Resources Over Charges to Appropriations	(2,256,395)	(2,183,487)	1,372,983	3,556,470
Fund Balance Allocation	<u>2,256,395</u>	<u>2,183,487</u>	<u>-</u>	<u>(2,183,487)</u>
Excess (Deficiency) of Resources Over Charges to Appropriations	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,372,983</u>	<u>\$ 1,372,983</u>

Explanation of Differences between Budgetary Inflows and Outflows and GAAP Revenues and Expenditures

Sources/inflows of resources

Actual amounts (budgetary basis) "available for appropriation" from the budgetary comparison schedule.	\$ 3,020,332
Differences - budget to GAAP:	
The fund balance at the beginning of the year is a budgetary resource but is not a current-year revenue for financial reporting purposes.	(2,183,487)
Transfers from other funds are inflows of budgetary resources but are not revenues for financial reporting purposes.	<u>-</u>
Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds.	<u>\$ 836,845</u>

Uses/outflows of resources

Actual amounts (budgetary basis) "total charges to appropriations" from the budgetary comparison schedule.	\$ 1,647,349
Differences - budget to GAAP:	
Encumbrances for supplies and equipment ordered but not received is reported in the year the order is placed for budgetary purposes, but in the year supplies are received for financial reporting purposes.	-
Transfers to other funds are outflows of budgetary resources but are not expenditures for financial reporting purposes.	<u>(231,745)</u>
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances-governmental funds.	<u>\$ 1,415,604</u>

**City of Miami, Florida
Budgetary Comparison Schedule
Public Works Services
For The Year Ended September 30, 2005**

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
Resources (inflows):				
Interest	\$ 1,162,279	\$ 1,162,279	\$ 17,909	\$ (1,144,370)
Other	16,338	111,463	48,820	(62,643)
Amounts Available for Appropriation	<u>1,178,617</u>	<u>1,273,742</u>	<u>66,729</u>	<u>(1,207,013)</u>
Charges To Appropriations (outflows):				
Public Works	1,178,617	1,273,742	15,000	1,258,742
Total Charges to Appropriations	<u>1,178,617</u>	<u>1,273,742</u>	<u>15,000</u>	<u>1,258,742</u>
Excess (Deficiency) of Resources Over Charges to Appropriations	-	-	51,729	51,729
Fund Balance Allocation	-	-	-	-
Excess (Deficiency) of Resources Over Charges to Appropriations	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 51,729</u>	<u>\$ 51,729</u>

**Explanation of Differences between Budgetary Inflows and Outflows
and GAAP Revenues and Expenditures**

Sources/inflows of resources

Actual amounts (budgetary basis) "available for appropriation" from the budgetary comparison schedule.	\$ 66,729
Differences - budget to GAAP:	
The fund balance at the beginning of the year is a budgetary resource but is not a current-year revenue for financial reporting purposes.	-
Transfers from other funds are inflows of budgetary resources but are not revenues for financial reporting purposes.	-
Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds.	<u>\$ 66,729</u>

Uses/outflows of resources

Actual amounts (budgetary basis) "total charges to appropriations" from the budgetary comparison schedule.	\$ 15,000
Differences - budget to GAAP:	
Encumbrances for supplies and equipment ordered but not received is reported in the year the order is placed for budgetary purposes, but in the year supplies are received for financial reporting purposes.	-
Transfers to other funds are outflows of budgetary resources but are not expenditures for financial reporting purposes.	-
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances-governmental funds.	<u>\$ 15,000</u>

City of Miami, Florida
Budgetary Comparison Schedule
City Clerk Services
For The Year Ended September 30, 2005

	<u>Budgeted Amounts</u>		<u>Actual Amounts (Budgetary Basis)</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Resources (inflows):				
Charges for Services	\$ -	\$ -	\$ 117,410	\$ 117,410
Transfers In	-	35,000	35,000	-
Amounts Available for Appropriation	<u>-</u>	<u>35,000</u>	<u>152,410</u>	<u>117,410</u>
Charges To Appropriations (outflows):				
General Government	-	35,000	27,303	7,697
Total Charges to Appropriations	<u>-</u>	<u>35,000</u>	<u>27,303</u>	<u>7,697</u>
Excess (Deficiency) of Resources Over Charges to Appropriations	-	-	125,107	125,107
Fund Balance Allocation	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Resources Over Charges to Appropriations	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 125,107</u>	<u>\$ 125,107</u>

**Explanation of Differences between Budgetary Inflows and Outflows
and GAAP Revenues and Expenditures**

Sources/inflows of resources

Actual amounts (budgetary basis) "available for appropriation" from the budgetary comparison schedule.	\$ 152,410
Differences - budget to GAAP:	
The fund balance at the beginning of the year is a budgetary resource but is not a current-year revenue for financial reporting purposes.	-
Transfers from other funds are inflows of budgetary resources but are not revenues for financial reporting purposes.	(35,000)
Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds.	<u>\$ 117,410</u>

Uses/outflows of resources

Actual amounts (budgetary basis) "total charges to appropriations" from the budgetary comparison schedule.	\$ 27,303
Differences - budget to GAAP:	
Encumbrances for supplies and equipment ordered but not received is reported in the year the order is placed for budgetary purposes, but in the year supplies are received for financial reporting purposes.	-
Transfers to other funds are outflows of budgetary resources but are not expenditures for financial reporting purposes.	-
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances-governmental funds.	<u>\$ 27,303</u>

**City of Miami, Florida
Budgetary Comparison Schedule
Local Option Gas Tax
For The Year Ended September 30, 2005**

	<u>Budgeted Amounts</u>		<u>Actual Amounts (Budgetary Basis)</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Resources (inflows):				
Other	\$ -	\$ -	\$ 1,252,546	\$ 1,252,546
Amounts Available for Appropriation	<u>-</u>	<u>-</u>	<u>1,252,546</u>	<u>1,252,546</u>
Charges To Appropriations (outflows):				
Transfers Out	-	1,252,546	1,252,546	-
Total Charges to Appropriations	<u>-</u>	<u>1,252,546</u>	<u>1,252,546</u>	<u>-</u>
Excess (Deficiency) of Resources Over Charges to Appropriations	-	(1,252,546)	-	1,252,546
Fund Balance Allocation	<u>-</u>	<u>1,252,546</u>	<u>-</u>	<u>(1,252,546)</u>
Excess (Deficiency) of Resources Over Charges to Appropriations	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**Explanation of Differences between Budgetary Inflows and Outflows
and GAAP Revenues and Expenditures**

Sources/inflows of resources

Actual amounts (budgetary basis) "available for appropriation" from the budgetary comparison schedule.	\$ 1,252,546
Differences - budget to GAAP:	
The fund balance at the beginning of the year is a budgetary resource but is not a current-year revenue for financial reporting purposes.	(1,252,546)
Transfers from other funds are inflows of budgetary resources but are not revenues for financial reporting purposes.	<u>-</u>
Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds.	<u>\$ -</u>

Uses/outflows of resources

Actual amounts (budgetary basis) "total charges to appropriations" from the budgetary comparison schedule.	\$ 1,252,546
Differences - budget to GAAP:	
Encumbrances for supplies and equipment ordered but not received is reported in the year the order is placed for budgetary purposes, but in the year supplies are received for financial reporting purposes.	-
Transfers to other funds are outflows of budgetary resources but are not expenditures for financial reporting purposes.	<u>(1,252,546)</u>
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances-governmental funds.	<u>\$ -</u>

**City of Miami, Florida
Budgetary Comparison Schedule
Stormwater Utility Fund
For The Year Ended September 30, 2005**

	<u>Budgeted Amounts</u>		<u>Actual Amounts (Budgetary Basis)</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Resources (inflows):				
Franchise Fees and Other Taxes	\$ -	\$ -	\$ 404	\$ 404
Amounts Available for Appropriation	<u>-</u>	<u>-</u>	<u>404</u>	<u>404</u>
Charges To Appropriations (outflows):	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Resources Over Charges to Appropriations	-	-	404	404
Fund Balance Allocation	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Resources Over Charges to Appropriations	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 404</u>	<u>\$ 404</u>

**Explanation of Differences between Budgetary Inflows and Outflows
and GAAP Revenues and Expenditures**

Sources/inflows of resources

Actual amounts (budgetary basis) "available for appropriation" from the budgetary comparison schedule.

\$ 404

Differences - budget to GAAP:

The fund balance at the beginning of the year is a budgetary resource but is not a current-year revenue for financial reporting purposes.

-

Transfers from other funds are inflows of budgetary resources but are not revenues for financial reporting purposes.

-

Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds.

\$ 404

Uses/outflows of resources

Actual amounts (budgetary basis) "total charges to appropriations" from the budgetary comparison schedule.

\$ -

Differences - budget to GAAP:

Encumbrances for supplies and equipment ordered but not received is reported in the year the order is placed for budgetary purposes, but in the year supplies are received for financial reporting purposes.

-

Transfers to other funds are outflows of budgetary resources but are not expenditures for financial reporting purposes.

-

Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances-governmental funds.

\$ -

**City of Miami, Florida
Budgetary Comparison Schedule
Department Improvement Initiatives
For The Year Ended September 30, 2005**

	<u>Budgeted Amounts</u>		<u>Actual Amounts (Budgetary Basis)</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Resources (inflows):				
Intergovernmental Revenues	\$ -	\$ -	\$ 38,750	\$ 38,750
Other	500,000	100,000	3,193,805	3,093,805
Transfers In	-	499,958	80,000	(419,958)
Amounts Available for Appropriation	<u>500,000</u>	<u>599,958</u>	<u>3,312,555</u>	<u>2,712,597</u>
Charges To Appropriations (outflows):				
General Government	2,634,573	3,338,440	1,034,964	2,303,476
Transfers Out	-	418,958	130,000	288,958
Total Charges to Appropriations	<u>2,634,573</u>	<u>3,757,398</u>	<u>1,164,964</u>	<u>2,592,434</u>
Excess (Deficiency) of Resources Over Charges to Appropriations	(2,134,573)	(3,157,440)	2,147,591	5,305,031
Fund Balance Allocation	<u>2,134,573</u>	<u>3,157,440</u>	<u>-</u>	<u>(3,157,440)</u>
Excess (Deficiency) of Resources Over Charges to Appropriations	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,147,591</u>	<u>\$ 2,147,591</u>

**Explanation of Differences between Budgetary Inflows and Outflows
and GAAP Revenues and Expenditures**

Sources/inflows of resources

Actual amounts (budgetary basis) "available for appropriation" from the budgetary comparison schedule.	\$ 3,312,555
Differences - budget to GAAP:	
The fund balance at the beginning of the year is a budgetary resource but is not a current-year revenue for financial reporting purposes.	(3,157,440)
Transfers from other funds are inflows of budgetary resources but are not revenues for financial reporting purposes.	(80,000)
Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds.	<u>\$ 75,115</u>

Uses/outflows of resources

Actual amounts (budgetary basis) "total charges to appropriations" from the budgetary comparison schedule.	\$ 1,164,964
Differences - budget to GAAP:	
Encumbrances for supplies and equipment ordered but not received is reported in the year the order is placed for budgetary purposes, but in the year supplies are received for financial reporting purposes.	-
Transfers to other funds are outflows of budgetary resources but are not expenditures for financial reporting purposes.	(130,000)
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances-governmental funds.	<u>\$ 1,034,964</u>

**City of Miami, Florida
Budgetary Comparison Schedule
Transportation & Transit
For The Year Ended September 30, 2005**

	<u>Budgeted Amounts</u>		<u>Actual Amounts (Budgetary Basis)</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Resources (inflows):				
Intergovernmental Revenues	\$ 10,623,215	\$ 11,866,706	\$ 11,208,930	\$ (657,776)
Amounts Available for Appropriation	<u>10,623,215</u>	<u>11,866,706</u>	<u>11,208,930</u>	<u>(657,776)</u>
Charges To Appropriations (outflows):				
General Government	523,070	684,890	449,311	235,579
Transfers Out	10,100,145	11,181,816	11,181,816	-
Total Charges to Appropriations	<u>10,623,215</u>	<u>11,866,706</u>	<u>11,631,127</u>	<u>235,579</u>
Excess (Deficiency) of Resources Over Charges to Appropriations	-	-	(422,197)	(422,197)
Fund Balance Allocation	-	-	-	-
Excess (Deficiency) of Resources Over Charges to Appropriations	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (422,197)</u>	<u>\$ (422,197)</u>

**Explanation of Differences between Budgetary Inflows and Outflows
and GAAP Revenues and Expenditures**

Sources/inflows of resources

Actual amounts (budgetary basis) "available for appropriation" from the budgetary comparison schedule.	\$ 11,208,930
Differences - budget to GAAP:	
The fund balance at the beginning of the year is a budgetary resource but is not a current-year revenue for financial reporting purposes.	-
Transfers from other funds are inflows of budgetary resources but are not revenues for financial reporting purposes.	-
Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds.	<u>\$ 11,208,930</u>

Uses/outflows of resources

Actual amounts (budgetary basis) "total charges to appropriations" from the budgetary comparison schedule.	\$ 11,631,127
Differences - budget to GAAP:	
Encumbrances for supplies and equipment ordered but not received is reported in the year the order is placed for budgetary purposes, but in the year supplies are received for financial reporting purposes.	-
Transfers to other funds are outflows of budgetary resources but are not expenditures for financial reporting purposes.	(11,181,816)
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances-governmental funds.	<u>\$ 449,311</u>

City of Miami, Florida
Budgetary Comparison Schedule
Model City
For The Year Ended September 30, 2005

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
Resources (inflows):				
Intergovernmental Revenues	\$ 122,431	\$ 1,924,990	\$ 743,599	\$ (1,181,391)
Other	81,091	81,091	12,954	(68,137)
Transfers In	641,263	641,263	641,263	-
Amounts Available for Appropriation	<u>844,785</u>	<u>2,647,344</u>	<u>1,397,816</u>	<u>(1,249,528)</u>
Charges To Appropriations (outflows):				
Planning and Development	844,785	2,647,344	1,472,098	1,175,246
Total Charges to Appropriations	<u>844,785</u>	<u>2,647,344</u>	<u>1,472,098</u>	<u>1,175,246</u>
Excess (Deficiency) of Resources Over Charges to Appropriations	-	-	(74,282)	(74,282)
Fund Balance Allocation	-	-	-	-
Excess (Deficiency) of Resources Over Charges to Appropriations	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (74,282)</u>	<u>\$ (74,282)</u>

**Explanation of Differences between Budgetary Inflows and Outflows
and GAAP Revenues and Expenditures**

Sources/inflows of resources

Actual amounts (budgetary basis) "available for appropriation" from the budgetary comparison schedule.	\$ 1,397,816
Differences - budget to GAAP:	
The fund balance at the beginning of the year is a budgetary resource but is not a current-year revenue for financial reporting purposes.	-
Transfers from other funds are inflows of budgetary resources but are not revenues for financial reporting purposes.	(641,263)
Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds.	<u>\$ 756,553</u>

Uses/outflows of resources

Actual amounts (budgetary basis) "total charges to appropriations" from the budgetary comparison schedule.	\$ 1,472,098
Differences - budget to GAAP:	
Encumbrances for supplies and equipment ordered but not received is reported in the year the order is placed for budgetary purposes, but in the year supplies are received for financial reporting purposes.	-
Transfers to other funds are outflows of budgetary resources but are not expenditures for financial reporting purposes.	-
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances-governmental funds.	<u>\$ 1,472,098</u>

**City of Miami, Florida
Budgetary Comparison Schedule
Virginia Key Beach Trust
For The Year Ended September 30, 2005**

	<u>Budgeted Amounts</u>		<u>Actual Amounts (Budgetary Basis)</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Resources (inflows):				
Intergovernmental Revenues	\$ 550,000	\$ 550,000	\$ 57,708	\$ (492,292)
Interest	5,000	5,000	10,874	5,874
Other	100,000	545,526	343,259	(202,267)
Transfers In	900,976	900,976	900,976	-
Amounts Available for Appropriation	<u>1,555,976</u>	<u>2,001,502</u>	<u>1,312,817</u>	<u>(688,685)</u>
Charges To Appropriations (outflows):				
Parks and Recreation	2,081,774	2,341,661	1,277,800	1,063,861
Total Charges to Appropriations	<u>2,081,774</u>	<u>2,341,661</u>	<u>1,277,800</u>	<u>1,063,861</u>
Excess (Deficiency) of Resources Over Charges to Appropriations	(525,798)	(340,159)	35,017	375,176
Fund Balance Allocation	<u>525,798</u>	<u>340,159</u>	<u>-</u>	<u>(340,159)</u>
Excess (Deficiency) of Resources Over Charges to Appropriations	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 35,017</u>	<u>\$ 35,017</u>

**Explanation of Differences between Budgetary Inflows and Outflows
and GAAP Revenues and Expenditures**

Sources/inflows of resources

Actual amounts (budgetary basis) "available for appropriation" from the budgetary comparison schedule.	\$ 1,312,817
Differences - budget to GAAP:	
The fund balance at the beginning of the year is a budgetary resource but is not a current-year revenue for financial reporting purposes.	(340,159)
Transfers from other funds are inflows of budgetary resources but are not revenues for financial reporting purposes.	(900,976)
Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds.	<u>\$ 71,682</u>

Uses/outflows of resources

Actual amounts (budgetary basis) "total charges to appropriations" from the budgetary comparison schedule.	\$ 1,277,800
Differences - budget to GAAP:	
Encumbrances for supplies and equipment ordered but not received is reported in the year the order is placed for budgetary purposes, but in the year supplies are received for financial reporting purposes.	-
Transfers to other funds are outflows of budgetary resources but are not expenditures for financial reporting purposes.	-
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances-governmental funds.	<u>\$ 1,277,800</u>

**City of Miami, Florida
Budgetary Comparison Schedule
Gusman & Olympia
For The Year Ended September 30, 2005**

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
Resources (inflows):				
Intergovernmental Revenues	\$ 125,000	\$ 125,000	\$ 842,405	\$ 717,405
Charges for Services	341,000	341,000	433,164	92,164
Other	287,000	287,000	191,326	(95,674)
Transfers In	232,730	232,730	232,730	-
Amounts Available for Appropriation	<u>985,730</u>	<u>985,730</u>	<u>1,699,625</u>	<u>713,895</u>
Charges To Appropriations (outflows):				
Public Facilities	985,730	985,730	1,687,148	(701,418)
Total Charges to Appropriations	<u>985,730</u>	<u>985,730</u>	<u>1,687,148</u>	<u>(701,418)</u>
Excess (Deficiency) of Resources Over Charges to Appropriations	-	-	12,477	12,477
Fund Balance Allocation	-	-	-	-
Excess (Deficiency) of Resources Over Charges to Appropriations	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 12,477</u>	<u>\$ 12,477</u>

**Explanation of Differences between Budgetary Inflows and Outflows
and GAAP Revenues and Expenditures**

Sources/inflows of resources

Actual amounts (budgetary basis) "available for appropriation" from the budgetary comparison schedule.	\$ 1,699,625
Differences - budget to GAAP:	
The fund balance at the beginning of the year is a budgetary resource but is not a current-year revenue for financial reporting purposes.	-
Transfers from other funds are inflows of budgetary resources but are not revenues for financial reporting purposes.	(232,730)
Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds.	<u>\$ 1,466,895</u>

Uses/outflows of resources

Actual amounts (budgetary basis) "total charges to appropriations" from the budgetary comparison schedule.	\$ 1,687,148
Differences - budget to GAAP:	
Encumbrances for supplies and equipment ordered but not received is reported in the year the order is placed for budgetary purposes, but in the year supplies are received for financial reporting purposes.	-
Transfers to other funds are outflows of budgetary resources but are not expenditures for financial reporting purposes.	-
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances-governmental funds.	<u>\$ 1,687,148</u>

**City of Miami, Florida
Budgetary Comparison Schedule
General Obligation Bonds
For The Year Ended September 30, 2005**

	<u>Budgeted Amounts</u>		<u>Actual Amounts (Budgetary Basis)</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Resources (inflows):				
Property Taxes	\$ 19,630,816	\$ 19,630,816	\$ 20,092,994	\$ 462,178
Interest	-	-	2	2
Transfers In	-	2,815,532	2,815,532	-
Amounts Available for Appropriation	<u>19,630,816</u>	<u>22,446,348</u>	<u>22,908,528</u>	<u>462,180</u>
Charges To Appropriations (outflows):				
Debt Service:				
Principal	10,210,000	10,215,000	10,215,000	-
Interest and Other Charges	9,420,816	9,415,816	9,331,531	84,285
Transfers Out	-	2,815,532	2,815,532	-
Total Charges to Appropriations	<u>19,630,816</u>	<u>22,446,348</u>	<u>22,362,063</u>	<u>84,285</u>
Excess (Deficiency) of Resources Over Charges to Appropriations	-	-	546,465	546,465
Fund Balance Allocation	-	-	-	-
Excess (Deficiency) of Resources Over Charges to Appropriations	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 546,465</u>	<u>\$ 546,465</u>

**Explanation of Differences between Budgetary Inflows and Outflows
and GAAP Revenues and Expenditures**

Sources/inflows of resources

Actual amounts (budgetary basis) "available for appropriation" from the budgetary comparison schedule.

\$ 22,908,528

Differences - budget to GAAP:

The fund balance at the beginning of the year is a budgetary resource but is not a current-year revenue for financial reporting purposes.

-

Transfers from other funds are inflows of budgetary resources but are not revenues for financial reporting purposes.

(2,815,532)

Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds.

\$ 20,092,996

Uses/outflows of resources

Actual amounts (budgetary basis) "total charges to appropriations" from the budgetary comparison schedule.

\$ 22,362,063

Differences - budget to GAAP:

Transfers to other funds are outflows of budgetary resources but are not expenditures for financial reporting purposes.

(2,815,532)

Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances-governmental funds.

\$ 19,546,531

City of Miami, Florida
Budgetary Comparison Schedule
Other Special Obligation Bonds
For The Year Ended September 30, 2005

	<u>Budgeted Amounts</u>		<u>Actual Amounts (Budgetary Basis)</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Resources (inflows):				
Interest	\$ -	\$ -	\$ 105,080	\$ 105,080
Other	-	-	1,150,000	1,150,000
Transfers In	19,615,465	23,887,668	20,015,189	(3,872,479)
Amounts Available for Appropriation	<u>19,615,465</u>	<u>23,887,668</u>	<u>21,270,269</u>	<u>(2,617,399)</u>
Charges To Appropriations (outflows):				
Debt Service:				
Principal	12,706,400	12,706,400	8,420,229	4,286,171
Interest and Other Charges	8,059,065	12,274,789	12,274,789	-
Transfers Out	-	56,479	56,478	1
Total Charges to Appropriations	<u>20,765,465</u>	<u>25,037,668</u>	<u>20,751,496</u>	<u>4,286,172</u>
Excess (Deficiency) of Resources Over Charges to Appropriations	(1,150,000)	(1,150,000)	518,773	1,668,773
Fund Balance Allocation	<u>1,150,000</u>	<u>1,150,000</u>	<u>-</u>	<u>(1,150,000)</u>
Excess (Deficiency) of Resources Over Charges to Appropriations	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 518,773</u>	<u>\$ 518,773</u>

**Explanation of Differences between Budgetary Inflows and Outflows
and GAAP Revenues and Expenditures**

Sources/inflows of resources

Actual amounts (budgetary basis) "available for appropriation" from the budgetary comparison schedule.	\$ 21,270,269
Differences - budget to GAAP:	
The fund balance at the beginning of the year is a budgetary resource but is not a current-year revenue for financial reporting purposes.	(1,150,000)
Transfers from other funds are inflows of budgetary resources but are not revenues for financial reporting purposes.	(20,015,189)
Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds.	<u>\$ 105,080</u>

Uses/outflows of resources

Actual amounts (budgetary basis) "total charges to appropriations" from the budgetary comparison schedule.	\$ 20,751,496
Differences - budget to GAAP:	
Transfers to other funds are outflows of budgetary resources but are not expenditures for financial reporting purposes.	(56,478)
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances-governmental funds.	<u>\$ 20,695,018</u>

City of Miami, Florida
Budgetary Comparison Schedule
CRA Other Special Obligation Bonds
For The Year Ended September 30, 2005

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
Resources (inflows):				
Intergovernmental Revenues	\$ 302,475	\$ 305,737	\$ 300,000	\$ (5,737)
Interest	-	-	7,669	7,669
Transfers In	55,800	55,800	405,800	350,000
Amounts Available for Appropriation	<u>358,275</u>	<u>361,537</u>	<u>713,469</u>	<u>351,932</u>
Charges To Appropriations (outflows):				
Debt Service:				
Principal	145,000	145,000	135,000	10,000
Interest and Other Charges	213,275	216,537	216,537	-
Total Charges to Appropriations	<u>358,275</u>	<u>361,537</u>	<u>351,537</u>	<u>10,000</u>
Excess (Deficiency) of Resources Over Charges to Appropriations	-	-	361,932	361,932
Fund Balance Allocation	-	-	-	-
Excess (Deficiency) of Resources Over Charges to Appropriations	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 361,932</u>	<u>\$ 361,932</u>

Explanation of Differences between Budgetary Inflows and Outflows and GAAP Revenues and Expenditures

Sources/inflows of resources

Actual amounts (budgetary basis) "available for appropriation" from the budgetary comparison schedule.	\$ 713,469
Differences - budget to GAAP:	
The fund balance at the beginning of the year is a budgetary resource but is not a current-year revenue for financial reporting purposes.	-
Transfers from other funds are inflows of budgetary resources but are not revenues for financial reporting purposes.	<u>(405,800)</u>
Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds.	<u>\$ 307,669</u>

Uses/outflows of resources

Actual amounts (budgetary basis) "total charges to appropriations" from the budgetary comparison schedule.	\$ 351,537
Differences - budget to GAAP:	
Transfers to other funds are outflows of budgetary resources but are not expenditures for financial reporting purposes.	-
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances-governmental funds.	<u>\$ 351,537</u>



FIDUCIARY FUNDS

Fiduciary Funds are used to account for assets held by the City in a trustee capacity.

Firefighters' and Police Officers' (FIPO) – These Pension Trust Fund is used to account for the accumulation of resources to be used for 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. The funds are used to account for the accumulation of resources to be used for 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) – Funds are used to account for the accumulation of resources to be used for retirement benefits to elected officials. Resources are contributed by the City in amounts determined by actuarial valuations.

City of Miami, Florida
Combining Statement of Fiduciary Net Assets
Fiduciary Funds
September 30, 2005

	Employee Retirement Funds				Elected Officer's Retirement Trust (EORT)	Totals Employee Retirement Funds
	Firefighter and Police (FIPO)	General and Sanitation (GESE) (Members)	General and Sanitation (GESE) (Excess Plan)	General and Sanitation (GESE) (Staff Plan)		
Assets						
Cash and Short-Term Investments	\$ 35,254,581	\$ 429,680	\$ 52,412	\$ 1,000	\$ 175	\$ 35,737,848
Accounts Receivable	4,615,530	4,840,487	-	-	-	9,456,017
Capital Assets	2,298,993	1,966,358	-	-	-	4,265,351
	<u>42,169,104</u>	<u>7,236,525</u>	<u>52,412</u>	<u>1,000</u>	<u>175</u>	<u>49,459,216</u>
Investments, at fair value						
U.S. Government Obligations	188,925,754	77,922,613	-	58,567	2,089,563	268,996,497
Corporate Bonds	189,893,202	64,947,286	-	288,301	-	255,128,789
Corporate Stocks	872,513,589	384,092,939	-	387,486	-	1,256,994,014
Money Market Funds and Commercial Paper	-	19,783,105	-	10,748	147,500	19,941,353
Mutual Funds	83,656,420	-	-	-	-	83,656,420
Real Estate	-	36,747,961	-	-	-	36,747,961
Total Investments	<u>1,334,988,965</u>	<u>583,493,904</u>	<u>-</u>	<u>745,102</u>	<u>2,237,063</u>	<u>1,921,465,034</u>
Securities Lending Collateral	196,025,160	-	-	-	-	196,025,160
Total Assets	<u>1,573,183,229</u>	<u>590,730,429</u>	<u>52,412</u>	<u>746,102</u>	<u>2,237,238</u>	<u>2,166,949,410</u>
Liabilities						
Obligations Under Security Lending	196,025,160	-	-	-	-	196,025,160
Accounts Payable	255,271	1,003,580	52,412	-	-	1,311,263
Accrued Liabilities	24,523,233	-	-	-	-	24,523,233
Payable for Securities Purchased	15,980,132	3,037,774	-	-	-	19,017,906
Total Liabilities	<u>236,783,796</u>	<u>4,041,354</u>	<u>52,412</u>	<u>-</u>	<u>-</u>	<u>240,877,562</u>
Net Assets						
Held in Trust for Pension Benefits	<u>\$ 1,336,399,433</u>	<u>\$ 586,689,075</u>	<u>\$ -</u>	<u>\$ 746,102</u>	<u>\$ 2,237,238</u>	<u>\$ 1,926,071,848</u>

City of Miami, Florida
Combining Statement of Changes in Fiduciary Net Assets
Fiduciary Funds
For the Year Ended September 30, 2005

	Employee Retirement Funds				Elected Officer's Retirement Trust (EORT)	Totals
	Firefighter and Police (FIPO)	General and Sanitation (GESE) (Members)	General and Sanitation (GESE) (Excess Plan)	General and Sanitation (GESE) (Staff Plan)		Employee Retirement Funds
Additions						
Contributions:						
Employer	\$ 49,393,765	\$ 19,003,415	\$ 474,865	\$ 99,779	\$ 300,000	\$ 69,271,824
Plan Members	18,607,681	7,858,302	-	42,054	-	26,508,037
Total Contributions	<u>68,001,446</u>	<u>26,861,717</u>	<u>474,865</u>	<u>141,833</u>	<u>300,000</u>	<u>95,779,861</u>
Investment Earnings:						
Net Increase in Fair						
Value of Investments	151,436,271	48,510,215	-	34,104	-	199,980,590
Interest	19,119,240	8,157,742	-	18,453	49,032	27,344,467
Dividends	10,840,925	6,229,496	-	5,331	-	17,075,752
Other Income, net	565,920	2,462,039	63,323	-	-	3,091,282
Total Investment Earnings	<u>181,962,356</u>	<u>65,359,492</u>	<u>63,323</u>	<u>57,888</u>	<u>49,032</u>	<u>247,492,091</u>
Less Investment Expenses	4,372,643	2,591,529	-	2,393	-	6,966,565
Net Investment Earnings	<u>177,589,713</u>	<u>62,767,963</u>	<u>63,323</u>	<u>55,495</u>	<u>49,032</u>	<u>240,525,526</u>
Total Additions	<u>245,591,159</u>	<u>89,629,680</u>	<u>538,188</u>	<u>197,328</u>	<u>349,032</u>	<u>336,305,387</u>
Deductions						
Benefits	66,518,784	45,926,628	474,865	-	142,886	113,063,163
Refunds upon Resignation, Death, etc.	259,741	1,167,658	-	29,401	-	1,456,800
Distribution to Retirees	10,614,510	-	-	-	-	10,614,510
Administrative and Other Expenses	42,725	2,310,065	63,323	-	-	2,416,113
Total Deductions	<u>77,435,760</u>	<u>49,404,351</u>	<u>538,188</u>	<u>29,401</u>	<u>142,886</u>	<u>127,550,586</u>
Change in Net Assets	<u>168,155,399</u>	<u>40,225,329</u>	<u>-</u>	<u>167,927</u>	<u>206,146</u>	<u>208,754,801</u>
Net Assets - Beginning of Year	<u>1,168,244,034</u>	<u>546,463,746</u>	<u>-</u>	<u>578,175</u>	<u>2,031,092</u>	<u>1,717,317,047</u>
Net Assets - End of Year	<u>\$ 1,336,399,433</u>	<u>\$ 586,689,075</u>	<u>\$ -</u>	<u>\$ 746,102</u>	<u>\$ 2,237,238</u>	<u>\$ 1,926,071,848</u>

STATISTICAL SECTION

This part of the City of Miami, Florida's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City's overall financial health.

<u>Contents</u>	<u>Page</u>
Financial Trends <i>These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.</i>	118
Revenue Capacity <i>These schedules contain information to help the reader assess the City's most significant local revenue source, the property tax.</i>	124
Debt Capacity <i>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.</i>	128
Demographic and Economic Information <i>These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.</i>	133
Operating Information <i>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.</i>	135

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

**CITY OF MIAMI, FLORIDA
NET ASSETS BY COMPONENT
LAST FOUR FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)**

	Fiscal Year			
	2002	2003	2004	2005
Primary Government				
Invested in Capital Assets, Net of Related Debt	\$ 598,154,380	\$ 618,784,135	\$ 586,493,178	\$ 608,958,407
Restricted	115,031,965	114,327,395	149,143,544	153,641,905
Unrestricted	(16,932,986)	(35,234,348)	(64,134,990)	(82,047,220)
Total Primary Government Net Assets	<u>\$ 696,253,359</u>	<u>\$ 697,877,182</u>	<u>\$ 671,501,732</u>	<u>\$ 680,553,092</u>

Notes:

- (1) Data not available prior to fiscal 2002 implementation of Governmental Accounting Standards Board Statement No. 34, *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments* .
- (2) The City does not have any business type activities for financial reporting purposes.

**CITY OF MIAMI, FLORIDA
CHANGES IN NET ASSETS
LAST FOUR FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)**

	Fiscal Year			
	2002	2003	2004	2005
Expenses				
Governmental Activities:				
General Government	\$ 94,349,348	\$ 85,176,588	\$ 85,252,892	\$ 78,336,822
Planning and Development	13,289,988	13,579,968	13,148,696	16,259,651
Community Development	47,186,103	32,088,517	40,349,703	55,264,647
Community Redevelopment Areas	6,125,242	6,477,916	4,618,714	4,968,422
Public Works	53,950,238	60,708,046	49,498,193	70,987,541
Public Safety	200,727,361	226,580,865	282,427,868	325,533,600
Public Facilities	9,832,601	10,561,373	17,458,726	12,949,751
Parks and Recreation	19,550,960	20,152,074	44,275,606	24,293,055
Interest on Long-Term Debt	17,252,301	19,489,387	23,235,705	22,201,669
Unallocated Depreciation	25,765,566	25,765,567	26,147,570	26,147,088
Total Primary Government Expenses	<u>\$ 488,029,708</u>	<u>\$ 500,580,301</u>	<u>\$ 586,413,673</u>	<u>\$ 636,942,246</u>
Program Revenues				
Governmental Activities:				
Charges for Services:				
General Government	\$ 25,145,862	\$ 38,112,181	\$ 48,955,278	\$ 41,775,235
Planning and Development	16,639,268	12,192,540	14,352,919	23,964,447
Community Development	3,121,251	2,058,660	2,069,068	777,291
Community Redevelopment Areas	2,848,509	310,182	220,517	45,163
Public Works	45,174,858	39,697,353	42,608,182	47,278,720
Public Safety	46,840,040	48,061,754	48,507,121	47,488,375
Public Facilities	13,605,750	16,273,110	16,736,649	22,792,948
Parks and Recreation	2,416,563	2,446,385	3,308,314	1,901,403
Operating Grants and Contributions	51,137,825	34,441,899	42,967,708	59,414,862
Capital Grants and Contributions	23,053,287	9,646,560	19,952,074	38,161,382
Total Primary Government Program Revenues	<u>\$ 229,983,213</u>	<u>\$ 203,240,624</u>	<u>\$ 239,677,830</u>	<u>\$ 283,599,826</u>
Net (Expense)/Revenue				
Total Primary Government Net Expense	<u>\$ (258,046,495)</u>	<u>\$ (297,339,677)</u>	<u>\$ (346,735,843)</u>	<u>\$ (353,342,420)</u>
General Revenues and Other Changes in Net Assets				
Governmental Activities:				
Taxes				
Property Taxes, Levied for General Purposes	\$ 133,633,077	\$ 146,828,411	\$ 163,056,413	\$ 191,640,650
Property Taxes, Levied for Debt Service	17,981,523	19,941,880	19,932,162	20,368,722
Franchise Taxes	28,390,470	31,556,387	35,024,215	35,918,724
State Revenue Sharing - Unrestricted	15,359,613	9,104,046	10,351,506	12,581,352
Sales and Other Use Tax	21,285,227	22,721,472	22,279,656	23,422,160
Public Service Taxes	58,314,804	58,900,480	60,024,832	61,114,292
Investment Earnings - Unrestricted	10,645,639	8,833,535	5,618,813	5,866,114
Loss on Disposal of Assets	-	-	-	(3,387,124)
Other	4,035,765	1,077,289	4,072,796	1,891,124
Total Primary Government	<u>289,646,118</u>	<u>298,963,500</u>	<u>320,360,393</u>	<u>349,416,014</u>
Change in Net Assets				
Total Primary Government	<u>\$ 31,599,623</u>	<u>\$ 1,623,823</u>	<u>\$ (26,375,450)</u>	<u>\$ (3,926,406)</u>

Notes:

- (1) Data not available prior to fiscal 2002 implementation of Governmental Accounting Standards Board Statement No. 34, *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments*.
- (2) The City does not have any business type activities for financial reporting purposes.

CITY OF MIAMI, FLORIDA
GENERAL GOVERNMENTAL TAX REVENUES BY SOURCE
LAST FOUR 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	Public Service Taxes	Total
2002	\$ 133,633,077	\$ 17,981,523	\$ 28,390,470	\$ 21,285,227	\$ 58,314,804	\$ 259,605,101
2003	146,828,411	19,941,880	31,556,387	22,721,472	58,900,480	279,948,630
2004	163,056,413	19,932,162	35,024,215	22,279,656	60,024,832	300,317,278
2005	191,640,650	20,368,722	35,918,724	23,422,160	61,114,292	332,464,548

Note: Data not available prior to fiscal 2002 implementation of Governmental Accounting Standards Board Statement No. 34, *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments* .

CITY OF MIAMI, FLORIDA
FUND BALANCES OF GOVERNMENTAL FUNDS
LAST FOUR FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

	Fiscal Year			
	2002	2003	2004	2005
General Fund				
Reserved	\$ 3,205,250	\$ 4,957,194	\$ 3,439,120	\$ 3,224,542
Unreserved	138,322,603	136,905,142	133,413,642	113,880,513
Total General Fund	<u>\$ 141,527,853</u>	<u>\$ 141,862,336</u>	<u>\$ 136,852,762</u>	<u>\$ 117,105,055</u>
All Other Governmental Funds				
Reserved	\$ 50,030,424	\$ 47,462,015	\$ 59,142,160	\$ 78,343,670
Unreserved, reported in:				
Special Revenue Funds	37,641,587	42,890,394	47,901,687	49,180,840
Debt Service Funds	-	-	1,150,000	2,691,656
Capital Projects Funds	248,291,182	253,413,002	241,854,585	175,505,411
Total All Other Governmental Funds	<u>\$ 335,963,193</u>	<u>\$ 343,765,411</u>	<u>\$ 350,048,432</u>	<u>\$ 305,721,577</u>

Notes:

- (1) Data not available prior to fiscal 2002 implementation of Governmental Accounting Standards Board Statement No. 34, *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments* .

CITY OF MIAMI, FLORIDA
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
LAST FOUR FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

	Fiscal Year			
	2002	2003	2004	2005
Revenues				
Property Taxes	\$ 151,466,110	\$ 165,276,692	\$ 186,501,954	\$ 208,091,814
Franchise and Other Taxes	82,420,792	90,536,519	102,811,047	92,714,383
Licenses and Permits	21,375,993	21,469,973	23,011,688	27,394,427
Fines and Forfeitures	7,873,608	6,171,539	5,649,452	5,777,697
Intergovernmental Revenues	119,200,594	95,596,305	124,153,113	161,745,250
Charges for Services	112,810,566	98,801,168	102,172,563	110,483,424
Interest	14,361,868	12,869,537	9,054,422	8,715,234
Impact Fees	2,518,983	1,016,942	3,743,183	9,256,637
Other	11,819,604	9,518,349	15,370,429	5,721,312
Total Revenues	523,848,118	501,257,024	572,467,851	629,900,178
Expenditures				
General Government	90,559,876	79,149,782	71,744,631	44,713,551
Planning and Development	8,697,063	10,060,699	12,420,765	12,858,675
Community Development	47,497,163	32,025,868	39,073,478	57,803,782
Community Redevelopment Areas	6,055,846	6,935,388	4,610,070	4,608,027
Public Works	46,334,524	50,591,533	56,926,608	48,266,766
Public Safety	181,544,596	209,518,537	265,574,068	222,377,919
Public Facilities	7,926,285	7,867,401	10,243,873	11,426,487
Parks and Recreation	12,920,245	14,987,253	16,682,057	17,261,022
Risk Management (2)	-	-	-	29,162,254
Pensions (2)	-	-	-	73,862,309
Organizational Support (2)	-	-	-	23,917,033
Non-Departmental (2)	-	-	-	12,926,933
Debt Service:				
Principal	23,073,400	22,056,400	19,839,464	18,770,229
Interest and Other Charges	19,336,603	17,834,229	22,694,233	21,822,857
Capital Outlay	45,276,403	42,570,640	54,707,004	94,680,930
Total Expenditures	489,222,004	493,597,730	574,516,251	694,458,774
Excess (Deficiency) of Revenues Over (Under) Expenditures	34,626,114	7,659,294	(2,048,400)	(64,558,596)
Other Financing Sources (Uses)				
Transfers In	142,497,540	162,945,393	224,948,344	204,015,209
Transfers Out	(142,497,540)	(162,945,393)	(224,948,344)	(204,015,209)
Refunding Bonds Issued	73,575,000	47,070,000	4,180,000	-
Payments to Refunded Bond Escrow Agent	(69,980,000)	(46,592,593)	(4,062,502)	-
Bonds Issued	155,130,087	-	-	-
Capital Leases	-	-	3,204,349	-
Sale of Capital Assets	-	-	-	500,000
Total Other Financing Sources	158,725,087	477,407	3,321,847	500,000
Net Change In Fund Balances	\$ 193,351,201	\$ 8,136,701	\$ 1,273,447	\$ (64,058,596)
Debt Service as a Percentage of Non-Capital Expenditures	9.55%	8.84%	8.18%	6.76%

Notes:

(1) Data not available prior to fiscal 2002 implementation of Governmental Accounting Standards Board Statement No. 34, *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments*.

(2) The City, in the 2005 fiscal year, revised the reporting for these functions in the governmental funds. Previously, these amounts were included in other functions

CITY OF MIAMI, FLORIDA
GENERAL GOVERNMENTAL TAX REVENUES BY SOURCE
LAST FOUR 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	Public Service Taxes	Total
2002	\$ 133,398,797	\$ 18,067,313	\$ 28,390,470	\$ 21,285,227	\$ 58,314,804	\$ 259,456,611
2003	145,520,698	19,755,994	31,556,387	22,721,472	58,900,480	278,455,031
2004	166,121,214	20,380,740	35,024,215	22,279,656	67,786,829	311,592,654
2005	187,998,820	20,092,994	35,918,724	23,422,160	56,795,255	324,227,953

Note: Data not available prior to fiscal 2002 implementation of Governmental Accounting Standards Board Statement No. 34, *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments*.

CITY OF MIAMI, FLORIDA
NET ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS

Fiscal Year Ended September 30,	Real Property		Personal Property	Net Assessed Value	Total Direct Tax Rate	Estimated Actual Value	Net Assessed Value as a Percentage of Estimated Actual Value (1)
	Residential Property	Commercial Property					
1996	\$ 4,667,399,202	\$5,022,893,973	\$ 1,301,197,462	\$ 10,991,490,637	11.71	\$ 16,123,104,241	68.17%
1997	4,935,864,809	5,089,651,385	1,323,876,600	11,349,392,794	11.71	16,578,047,476	68.46%
1998	5,183,731,875	5,183,760,882	1,329,476,797	11,696,969,554	11.52	17,112,988,091	68.35%
1999	5,476,130,675	5,564,886,455	1,334,992,653	12,376,009,783	11.79	17,901,918,921	69.13%
2000	5,796,864,025	5,835,981,002	1,480,211,283	13,113,056,310	10.90	18,857,553,034	69.54%
2001	6,000,474,083	6,113,340,757	1,657,551,519	13,771,366,359	10.28	20,061,032,742	68.65%
2002	6,612,151,524	6,730,517,606	1,770,392,311	15,113,061,441	10.21	22,035,829,555	68.58%
2003	7,679,048,886	7,380,571,799	1,878,266,085	16,937,886,770	10.07	24,759,964,620	68.41%
2004	8,789,474,779	8,369,950,851	1,711,697,688	18,871,123,318	9.84	27,717,908,682	68.08%
2005	10,364,157,774	9,870,433,741	1,695,110,542	21,929,702,057	9.67	32,133,104,422	68.25%

Source: Miami-Dade County 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.

CITY OF MIAMI, FLORIDA
PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS
LAST TEN FISCAL YEARS

Fiscal Year	Tax Roll Year	City of Miami, Florida			Overlapping Rates (1)							
		General Operations	Debt Service	Total City	Miami-Dade County School Board	Miami-Dade County	Miami-Dade Children's Trust	Miami-Dade County Library System	South Florida Water Management District	Environmental Projects	Florida Inland Navigation District	Total Direct and Overlapping Rates
1996	1995	\$ 9.5995	\$ 2.1060	\$ 11.7055	\$ 10.4890	\$ 7.6170	\$ -	\$ 0.3290	\$ 0.5470	\$ -	\$ 0.0400	\$ 30.7275
1997	1996	9.5995	2.1060	11.7055	10.4660	7.2430	-	0.3390	0.5720	-	0.0380	30.3635
1998	1997	9.5995	1.9200	11.5195	10.5620	6.9520	-	0.3160	0.5970	-	0.0500	29.9965
1999	1998	10.0000	1.7900	11.7900	10.2600	6.8600	-	0.3340	0.5970	-	0.0470	29.8880
2000	1999	9.5000	1.4000	10.9000	9.7440	6.6250	-	0.3210	0.5970	-	0.0440	28.2310
2001	2000	8.9950	1.2800	10.2750	9.7170	6.4030	-	0.3510	0.5970	-	0.0410	27.3840
2002	2001	8.9950	1.2180	10.2130	9.4760	6.2650	-	0.4510	0.5970	-	0.0385	27.0405
2003	2002	8.8500	1.2180	10.0680	9.3520	6.2790	-	0.4860	0.5970	-	0.0385	26.8205
2004	2003	8.7625	1.0800	9.8425	9.2000	6.2540	0.5000	0.4860	0.5970	-	0.0385	26.9180
2005	2004	8.71625	0.9500	9.6663	8.6870	6.2200	0.4442	0.4860	0.5970	0.1000	0.0385	26.23895

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**

2005				1996			
<u>Taxpayer</u>	<u>Net Assessed Value</u>	<u>Rank</u>	<u>Percent of Total City Net Assessed Value</u>	<u>Taxpayer</u>	<u>Net Assessed Value</u>	<u>Rank</u>	<u>Percent of Total City Net Assessed Value</u>
SRI Miami Ventures, LP	\$ 278,800,000	1	1.27%				
Teachers Ins & Annuity Assoc of America	254,000,000	2	1.16%				
Florida Power & Light	229,721,716	3	1.05%	Florida Power & Light	\$ 239,581,000	1	2.18%
Prudential Insurance Co.	152,600,000	4	0.70%	Prudential Insurance Co.	82,200,000	6	0.75%
1111 Brickell Office LLC	124,500,000	5	0.57%				
Terremark	114,874,121	6	0.52%				
Biscayne Tower Group	90,000,000	7	0.41%				
Swire Properties	88,252,812	8	0.40%				
Blue Capital U.S.	85,000,000	9	0.39%				
Cedars Healthcare Group	77,689,484	10	0.35%				
	<u>\$ 1,495,438,133</u>		<u>6.82%</u>	Southern Bell Telephone	195,261,000	2	1.78%
				Aetna Life Insurance	155,800,000	3	1.42%
				Brickell Square	123,500,000	4	1.12%
				Equitable Life Assurance	97,947,000	5	0.89%
				Metropolitan Life Ins. Co.	82,200,000	7	0.75%
				One Biscayne Tower	61,500,000	8	0.56%
				Inter-Continental Florida	53,200,000	9	0.48%
				Knight Rider/Miami Herald	50,997,000	10	0.46%
					<u>\$ 1,142,186,000</u>		<u>10.39%</u>

**CITY OF MIAMI, FLORIDA
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS**

Fiscal Year Ended September 30,	Total Taxes Levied for Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Year's	Total Collections to Date	
		Amount	Percent of Levy		Amount	Percent of Levy
1996	\$ 128,661,000	\$ 120,519,000	93.67%	\$ 7,777,558	\$ 128,296,558	99.72%
1997	132,850,000	128,783,000	96.94%	3,479,776	132,262,776	99.56%
1998	134,743,241	127,911,000	94.93%	6,330,294	134,241,294	99.63%
1999	145,913,155	143,515,000	98.36%	1,405,841	144,920,841	99.32%
2000	142,932,314	136,028,063	95.17%	6,174,244	142,202,307	99.49%
2001	141,425,410	134,535,715	95.13%	5,959,373	140,495,088	99.34%
2002	152,339,301	146,185,141	95.96%	4,079,641	150,264,782	98.64%
2003	167,490,551	157,339,038	93.94%	7,735,274	165,074,312	98.56%
2004	186,253,134	183,845,937	98.71%	1,640,252	185,486,189	99.59%
2005	208,091,814	199,072,981	95.67%	-	199,072,981	95.67%

Source: City of Miami, Finance Department and Miami-Dade County Tax Collector's Office

**CITY OF MIAMI, FLORIDA
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS**

Fiscal Year Ended September 30,	Governmental Activities			Total	Percent of Personal Income (1)	Per Capita (1)
	General Obligation Bonds	Revenue Bonds	Loans Payable			
1996	\$ 170,650,000	\$ 199,531,325	\$ 75,868,000	\$ 446,049,325	1.89%	\$ 1,163
1997	157,020,000	162,726,368	71,724,000	391,470,368	2.12%	1,071
1998	142,755,000	156,146,325	72,689,364	371,590,689	2.35%	1,017
1999	130,205,000	149,331,325	67,923,364	347,459,689	2.62%	951
2000	119,150,000	142,061,325	65,357,964	326,569,289	2.92%	893
2001	107,620,000	134,531,325	62,040,564	304,191,889	3.17%	839
2002	252,615,822	128,861,019	58,877,164	440,354,005	2.20%	1,215
2003	236,549,956	151,566,324	28,230,764	416,347,044	N/A	1,149
2004	225,944,956	145,130,260	25,567,364	396,642,580	N/A	1,094
2005	215,729,956	138,676,431	23,465,964	377,872,351	N/A	1,042

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 137 for personal income and population data.

N/A Information not available

CITY OF MIAMI, FLORIDA
RATIOS OF GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS

Fiscal Year Ended September 30,	General Obligation Bonds	Less Amounts Available in Debt Service Fund	Total	Percentage of Estimated Actual Taxable Value of Property (1)	Per Capita (2)
1996	\$ 170,650,000	\$ 2,489,000	\$ 168,161,000	1.043%	\$ 438.60
1997	157,020,000	4,730,000	152,290,000	0.919%	416.61
1998	142,755,000	2,645,000	140,110,000	0.819%	383.29
1999	130,205,000	4,280,363	125,924,637	0.703%	344.48
2000	119,150,000	4,314,466	114,835,534	0.609%	314.15
2001	107,620,000	3,795,503	103,824,497	0.518%	286.44
2002	249,711,406	5,140,714	244,570,692	1.110%	674.73
2003	236,549,956	1,410,866	235,139,090	0.950%	648.71
2004	225,944,956	966,126	224,978,830	0.812%	620.68
2005	215,729,956	1,512,591	214,217,365	0.667%	590.99

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements

- (1) See the Schedule of Assessed Value and Estimated Actual Value of Taxable Property on page 128 for property value data.
- (2) See the Schedule of Demographic and Economic Statistics on page 137 for population data.

CITY OF MIAMI, FLORIDA
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF SEPTEMBER 30, 2005

Government Unit	Net Debt Outstanding	Percentage Applicable to the City of Miami (1)	Amount Applicable to the City of Miami
Debt Repaid With Property Taxes:			
Miami-Dade County	\$ 500,362,075	19.00%	\$ 95,068,794
Miami-Dade County School Board	983,577,044	19.00%	<u>186,879,638</u>
Subtotal, Overlapping Debt			<u>281,948,432</u>
City of Miami, Florida Direct Debt			<u>377,872,351</u>
Total Direct and Overlapping Debt			<u>\$ 659,820,783</u>

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**

	Fiscal Year									
	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
Debt Limit	\$ 1,648,724,000	\$ 1,702,409,000	\$ 1,754,545,433	\$ 1,856,401,467	\$ 1,966,958,447	\$ 2,065,704,949	\$ 2,266,959,216	\$ 2,540,683,016	\$ 2,830,668,498	\$ 3,289,455,309
Total Net Debt Applicable to Limit	168,161,000	153,629,000	139,360,000	127,927,234	114,914,079	103,824,851	249,711,407	236,549,956	224,978,830	214,217,365
Legal Debt Margin	\$ 1,480,563,000	\$ 1,548,780,000	\$ 1,615,185,433	\$ 1,728,474,233	\$ 1,852,044,368	\$ 1,961,880,098	\$ 2,017,247,809	\$ 2,304,133,060	\$ 2,605,689,668	\$ 3,075,237,944
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	10.20%	9.02%	7.94%	6.89%	5.84%	5.03%	11.02%	9.31%	7.95%	6.51%

Legal Debt Margin Calculation for Fiscal Year 2005

Assessed value	\$ 23,016,531,335
Less: Homestead Exempt Valuation	(1,086,829,278)
Total Assessed Value	<u>\$ 21,929,702,057</u>
Debt Limit for Bonds (15% of Total Assessed Value)	<u>\$ 3,289,455,309</u>
Present Debt Application to Debt Limitation	
General Obligation Debt	215,729,956
Less: Amount Available in Debt Service Fund	(1,512,591)
Total Net Debt Applicable to Limit	<u>214,217,365</u>
Legal Debt Margin	<u>\$ 3,075,237,944</u>

Note: Section 58 of the City Charter limits the general obligation bonded debt of the City to 15% of the assessed valuation of all real and personal property within the City limits as determined by the preceding assessment roll of the City.

**CITY OF MIAMI, FLORIDA
 PLEDGED REVENUE COVERAGE
 LAST TEN FISCAL YEARS**

Fiscal Year Ended September 30,	Non-Ad Valorem Revenues (1)	Debt Service		2x Annual Debt Service	Coverage (2)
		Principal	Interest		
1996	\$ 141,906,000	\$ 10,709,400	\$ 13,933,727	\$ 49,286,254	2.88
1997	187,672,000	11,121,400	17,000,831	56,244,462	3.34
1998	205,663,020	11,241,400	12,677,883	47,838,566	4.30
1999	170,186,403	9,240,400	11,886,971	42,254,742	4.03
2000	211,641,947	9,602,400	11,924,590	43,053,980	4.92
2001	226,040,821	10,243,400	10,524,127	41,535,054	5.44
2002	240,074,038	8,546,400	13,652,298	44,397,396	5.41
2003	250,581,519	7,809,464	13,997,817	43,614,562	5.75
2004	260,251,789	9,099,464	12,625,974	43,450,876	5.99
2005	261,901,194	8,555,229	12,491,326	42,093,110	6.22

Note:

- (1) Non 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)	Personal Income (Amounts Expressed in Thousands) (2)	Per Capital Personal Income (2)	Median Age (2)	School Enrollment (3)	Unemployment Rate (4)
1996	383,402	\$ 8,443,662	\$ 22,023	35.0	333,444	7.30%
1997	365,548	8,312,562	22,740	35.0	340,904	7.10
1998	365,548	8,749,391	23,935	35.0	345,861	6.40
1999	365,548	9,087,523	24,860	35.0	352,595	5.80
2000	365,548	9,538,244	26,093	35.6	360,202	5.30
2001	362,470	9,639,527	26,594	35.9	368,453	6.90
2002	362,470	9,706,947	26,780	36.9	374,725	7.70
2003	362,470	10,001,635	27,593	37.0	371,482	7.50
2004	362,470	N/A	N/A	N/A	369,578	5.70
2005	362,470	N/A	N/A	N/A	398,435	4.70

Sources:

- (1) United States Census Bureau
 - (2) Miami-Dade County Finance Department
 - (3) Miami-Dade County School Board Budget Office
 - (4) Florida Agency for Workplace Innovation, Office of Workforce Information Services,
Labor Market Statistics
- N/A Information not available

**CITY OF MIAMI, FLORIDA
PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO**

Employer	2005			1996		
	Employees	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment
Miami-Dade County Public Schools	50,000	1	4.77%	32,474	1	3.40%
Miami-Dade County	30,000	2	2.86%	28,000	2	2.93%
U.S. Federal Government	20,300	3	1.94%	18,000	3	1.89%
State of Florida	18,300	4	1.75%	17,400	4	1.82%
Baptist Health Systems of South Florida	10,683	5	1.02%	-		0.00%
Public Health Trust/Jackson Memorial Hospital	10,453	6	1.00%	7,216	7	0.76%
University of Miami	9,367	7	0.89%	7,481	6	0.78%
American Airlines	9,000	8	0.86%	8,200	5	0.86%
Miami-Dade Community College	5,400	9	0.52%	-		0.00%
Bell South Telecommunications, Inc.	4,800	10	0.46%	5,000	8	0.52%
Florida Power & Light	-		-	3,589	9	0.38%
Burdines Department Stores	-		-	3,400	10	0.36%
Total	168,303		16.07%	130,760		13.70%

Source: The Beacon Council/Miami-Dade County, Florida

CITY OF MIAMI, FLORIDA
FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION
LAST YEN FISCAL YEARS

	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
Number of Employees:										
General Government	382	487	390	460	488	511	523	587	594	617
Planning and Development	80	114	192	109	109	127	141	140	138	147
Community Development	28	73	23	140	140	172	170	91	77	73
Public Works	396	554	447	477	479	500	507	498	497	505
Public Safety	2,149	1,624	1,655	2,345	2,388	2,346	2,275	2,248	2,140	2,138
Public Facilities	49	48	44	34	34	37	37	33	43	45
Culture and Recreation	165	67	126	128	129	136	136	141	148	188
Total Number of Employees	3,249	2,967	2,877	3,693	3,767	3,829	3,789	3,738	3,637	3,713

Source: City of Miami, Budget Department

**CITY OF MIAMI, FLORIDA
OPERATING INDICATORS BY FUNCTION
LAST TEN FISCAL YEARS**

<u>Function/Program</u>	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
Community Development:										
Entitlements/Grants Received	\$ 30,973,205	\$ 30,242,954	\$ 30,238,553	\$ 44,278,455	\$ 35,755,804	\$ 53,634,346	\$ 38,337,736	\$ 35,569,042	\$ 32,351,101	\$ 37,191,063
Public Safety:										
Police:										
Part 1 Crimes - (1)	52,922	50,271	44,930	40,048	39,759	35,291	33,952	33,527	30,966	29,455
Part 1 Arrests - (1)	9,244	9,242	8,154	8,320	7,521	8,812	8,368	6,729	6,662	5,728
Part 2 Arrests - (2)	24,159	23,440	27,461	42,198	42,236	41,089	31,077	26,786	38,467	33,385
Fire:										
Number of Fire Calls	11,597	11,567	12,239	11,897	13,310	12,945	12,228	15,571	17,889	19,017
Number of EMS Calls	59,707	58,716	57,930	58,507	60,166	63,104	63,041	62,784	64,500	67,300
Number of Alarms	71,304	70,283	70,169	70,404	73,476	76,049	75,269	78,355	82,389	86,318
Planning and Development:										
Certificate of Use Permits Issued	20,085	20,362	19,351	19,394	19,682	19,483	20,366	20,625	20,422	21,123
Occupational Licenses Issued	33,954	37,488	37,116	36,250	36,867	38,207	37,524	39,040	39,422	40,371
Culture and Recreation:										
Summer Food Program - Meals Served (Lunches)	115,108	92,619	97,276	68,603	67,589	83,515	96,249	124,701	122,749	89,324
Summer Food Program - Meals Served (Snacks)	130,439	103,558	117,363	92,285	96,128	116,899	132,481	146,786	115,837	100,870
Solid Waste:										
Refuse Collected (Tons/Day)	N/A	N/A	706	735	748	725	805	768	793	578
Recyclables Collected (Tons/Day)	N/A	N/A	N/A	N/A	N/A	28	28	24	21	72

Sources: Various City Departments

Note: Indicators are not available for the general government function

(1) 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 ASSET STATISTICS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS**

Function/Program	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
Public Safety:										
Police:										
Police Stations	1	1	1	1	1	1	1	1	1	1
Police Sub-Stations	2	2	2	2	2	2	2	2	2	2
Fire:										
Fire Stations	12	12	12	12	12	12	12	12	12	14
Solid Waste:										
Collection Trucks	N/A	N/A	N/A	N/A	117	132	153	172	176	152
Public Works:										
Streets (Miles- Paved)	661.0	661.0	660.8	660.8	660.5	659.2	659.0	658.9	658.9	660.0
Streets (Miles - Unpaved)	1.5	1.5	1.5	1.5	1.5	1.4	1.4	1.4	1.4	1.4
Transportation:										
Street Resurfacing (Miles)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	25.0	33.5	33.5
Culture and Recreation:										
Parks Acreage	800	800	800	800	800	800	800	800	800	800
Parks	110	110	110	110	110	110	110	110	111	111
Swimming Pools	10	10	10	10	10	10	10	10	10	10
Tennis Courts	53	53	53	53	53	53	53	53	53	53
Community Centers	25	25	25	25	26	26	30	30	31	30
Basketball Courts	63	63	63	63	63	63	63	63	63	61
Water Playgrounds	-	-	-	-	-	-	-	-	1	1
Soccer Fields	6	6	6	6	6	6	6	6	7	7
Football Fields	12	12	12	12	12	12	12	12	12	12
Baseball Fields	25	25	25	25	25	25	25	25	25	21

Sources: Various City Departments

Note: No capital asset indicators are available for the general government function

N/A Information not available.

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