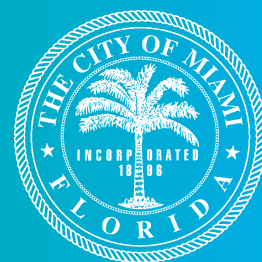


CITY OF MIAMI, FLORIDA COMPREHENSIVE ANNUAL FINANCIAL REPORT

FISCAL YEAR ENDED SEPTEMBER 30TH, 2008



COMPREHENSIVE ANNUAL FINANCIAL REPORT



City of Miami, Florida
For the Year Ended September 30, 2008

Prepared by the Finance Department

City of Miami, Florida

Comprehensive Annual Financial Report For the Fiscal Year Ended September 30, 2008

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INTRODUCTORY SECTION

PRINCIPAL CITY OFFICIALS

LETTER OF TRANSMITTAL

CERTIFICATE OF ACHIEVEMENT

ORGANIZATIONAL CHART



City of Miami, Florida Principal City Officials

September 30, 2008

MAYOR

Manuel A. Diaz

CITY COMMISSION

Joe M. Sanchez, Chairman

Michelle Spence-Jones, Vice – Chairman

Angel González, Commissioner

Marc Sarnoff, Commissioner

Thomás P. Regalado, Commissioner

CITY MANAGER

Pedro G. Hernandez

CITY ATTORNEY

Julie O. Bru

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March 26, 2009

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, 2008 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.

McGladrey & Pullen, LLP partnering with Sanson, Kline, Jacomino & Co., LLP, which are firm’s 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, 2008 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 auditor’s 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, 2008 were presented fairly in conformity with GAAP. The independent auditor’s 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 auditor's. 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 the services fall below minimum standards set by the County Commission, or with the consent of the governing body of the City. Accordingly, the County's financial statements are not included in this report.

The accompanying financial statements include those of the City (the primary government) and those of its component units. Component units are 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, the ability of the City to impose its will on that organization, or 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

Southeast Overtown Park West CRA
OMNI CRA
Midtown CRA
Virginia Key Beach Park Trust
Liberty City Revitalization District Trust
Neighborhood Improvement Districts

DISCRETELY PRESENTED

Miami Sports and Exhibition Authority
Downtown Development Authority
Department of Off-Street Parking
Bayfront Management Trust
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 year ended September 30, 2008.

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.

ECONOMIC CONDITION AND OUTLOOK

The City of Miami continues to maintain a stable economic base despite the negative impacts of property tax reform and a slowing housing market being felt statewide. The City's tax base, currently \$39 billion, continues to grow as a result of continued new investment. Additionally, our regional economic base remains diversified, comprised of wholesale and retail trade, construction, light manufacturing, and tourism. The City has made great strides in the areas of telecommunications and biomedical industries. 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/Seaport

In 2008, the Miami International Airport (MIA) served nearly 34 million passengers, with nearly 47% of those being international passengers. MIA also shipped 2.1 million tons of domestic and international cargo during the year. MIA ranks among the top 5 in domestic airports for international freight and passenger volume. Currently, MIA has a \$6.2 billion Capital Improvement Program being implemented, including a new runway, terminal, and cargo facility.

In 2008, the Port of Miami handled over 4.1 million cruise passengers, an increase of 8% from the prior year. This port is considered the Cruise Capital of the World, boasting more home-ported cruise ships than any other seaport. On the commercial side, the Port handled 7.4 million tons of cargo during the current year, a 5% reduction from last year. In an attempt to improve business to the Port, the City of Miami, Miami-Dade County, and the Florida Department of Transportation entered into an interlocal agreement that approved the financing for the construction of a tunnel into the Port of Miami. The Port Tunnel Project is estimated to cost just over \$600 million, and is expected to create an economic benefit to the local economy of \$1.3 billion and the creation and retention of 14,090 jobs. Currently, the Port of Miami generates \$2.2 billion and creates 17,300 jobs to benefit the local economy.

Arenas/Entertainment Venues

The Performance Arts Center (PAC) operated by Miami-Dade County, serves as the host venue for many Off Broadway shows; Jazz, Opera, and Pop music concerts; and educational and cultural programs. The PAC has also served as the catalytic project spawning several hundreds of millions dollars in private investment in the surrounding communities of the Omni and Southeast Overtown Park West redevelopment districts.

The City, Miami-Dade County, and the Florida Marlins Major League baseball team entered into an Agreement in February of 2008, to build a stadium on the site of the former Orange Bowl Stadium, in Little Havana. The Stadium is expected to cost approximately \$600 million and will seat 37,000 people. It is expected that the completion of the stadium along with the adjacent retail and commercial development will have a significant positive economic impact on the City.

Public/Private Development Ventures.

The City continues to focus efforts on the development of its waterfront assets. In 2008, the Historic Virginia Key Beach Trust completed its renovation and re-opened the historic black beach, on Virginia Key. Additionally, the City is in the process of completing a master plan for the eventual redevelopment of the entire Key. It is expected that recommendations to better utilize City-owned commercial/recreational marina areas for more profitable public/private partnerships will be included in the Master Plan.

The City is currently engaged in the process of restructuring its agreement with Hyatt Hotel located on city-owned property adjacent the James L Knight Miami Convention Center in downtown Miami. The restructuring is expected to include a sale of Garage 4, liquidation of existing debt encumbered on the garage and the convention center, and a renovation of the center to develop more usable convention space in the downtown area.

American Recovery and Reinvestment Act of 2009

The American Recovery and Reinvestment Act (ARRA) is an unprecedented effort to jumpstart our economy, preserve or create jobs, make investments in infrastructure, energy and science and provide unemployment assistance, and state and local economic stabilization. The ARRA was signed into law

by President Barrack Obama on February 17, 2009. The ARRA provides \$787 Billion in spending and tax relief Projects. This sum is not necessarily reflective of the amount of funding the City will receive from the ARRA. The federal legislation includes grant funds that are distributed in two ways: (1) directly to states and cities by formula, and (2) by competitive grants for which applicants must apply.

As of March 16, 2009, the grant funding rules or application timetables have not been written for these programs, so the City is unable to estimate specific competitive grant funding for projects. Although the formulas for the distribution and the rules for spending the funds have not been determined, the City and our sister agencies hope to receive approximately \$200 million in formula funding for our community.

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 six-year Capital Improvement Plan, covering the period from October 1, 2007 through September 30, 2013, has earmarked funding estimated at \$719.4 million for 505 projects throughout the City. Streets and sidewalks projects account for the largest portion of the total Capital Plan funding at \$192.8 million or 26.8%. Parks and Recreation projects are the second largest, accounting for \$153.2 million, or 21.3%, and Storm Sewer projects are the third largest accounting for \$104.4 million, or 14.5% of the total Capital Improvement Plan.

Proceeds from the issuance of City bonds represent the largest share of funding for the Capital Improvement Plan, accounting for 43.5% of the value. Capital project revenues (impact fees, storm water utilities, optional gas tax, etc.) account for 26.4%, received from Miami-Dade County accounts for 16%, and the remaining 14.1% of funding will come from Federal, State, and other private donations and grants.

RELEVANT 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 apply 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 a pay as you go basis. Insurance coverage is maintained with independent carriers for property damage to City facilities. The City maintains excess coverage with independent carriers for workers' compensation and general liability.

MAJOR INITIATIVES

With the improvement in the financial condition of the City, the emphasis has been to restore, maintain and beautify urban and residential infrastructure through a program of major renovations and improvements to City parks, streets, sidewalks, and drainage systems. Additionally, Miami 21 – the comprehensive master plan for the City of Miami – has made great strides since its launch in May of 2006. Miami 21 takes a holistic approach to land use and urban planning, broadening the scope of a traditional master plan to become a truly comprehensive plan. Miami 21 will provide a clear vision for the City that will be supported by specific guidelines and regulations so that future generations will reap the benefits of well-balanced neighborhoods and rich quality of life. While the external improvements are critical to promote further economic development, the City has successfully implemented a City-wide Enterprise Resource Planning system (Oracle) calling the project “iMiAMi” in order to address the technology needs of the City’s administration.

The New Markets Tax Credit (NMTC) program is nationally recognized for steering low interest, private capital into distressed census areas to capitalize hard to fund commercial and residential projects. In an effort to capture this opportunity for the City of Miami, the Economic Initiatives Division created a Community Development Entity (CDE) called Miami Economic Development Fund (MEDF). MEDF’s purpose is to apply for and allocate NMTCs. The CDE has collaborated with industry experts to educate and connect our local constituents to NMTC program opportunities. The MEDF is preparing to apply for a Round VII allocation of NMTCs.

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, 2007. 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 2007 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. We believe that the 2008 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.

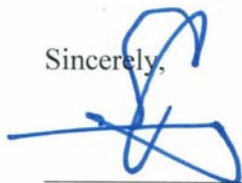
The City has also received the award for Outstanding Achievement in Popular Annual Reporting for the September 30, 2007 Popular Annual Financial Report. This award is given for those reports whose contents conform to program standards of creativity, presentation, understandability and reader appeal.

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 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, McGladrey & Pullen, LLP partnering with Sanson, Kline, Jacomino & Co., LLP for their cooperation and assistance. Lastly, we wish to express our appreciation to the City's General Services Administration for the reproduction of this report.

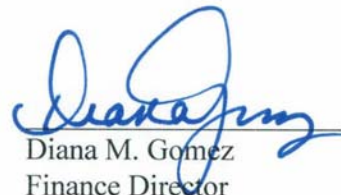
Sincerely,



Pedro G. Hernandez
City Manager



Larry Spring
Chief Financial Officer



Diana M. Gomez
Finance Director

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Miami
Florida

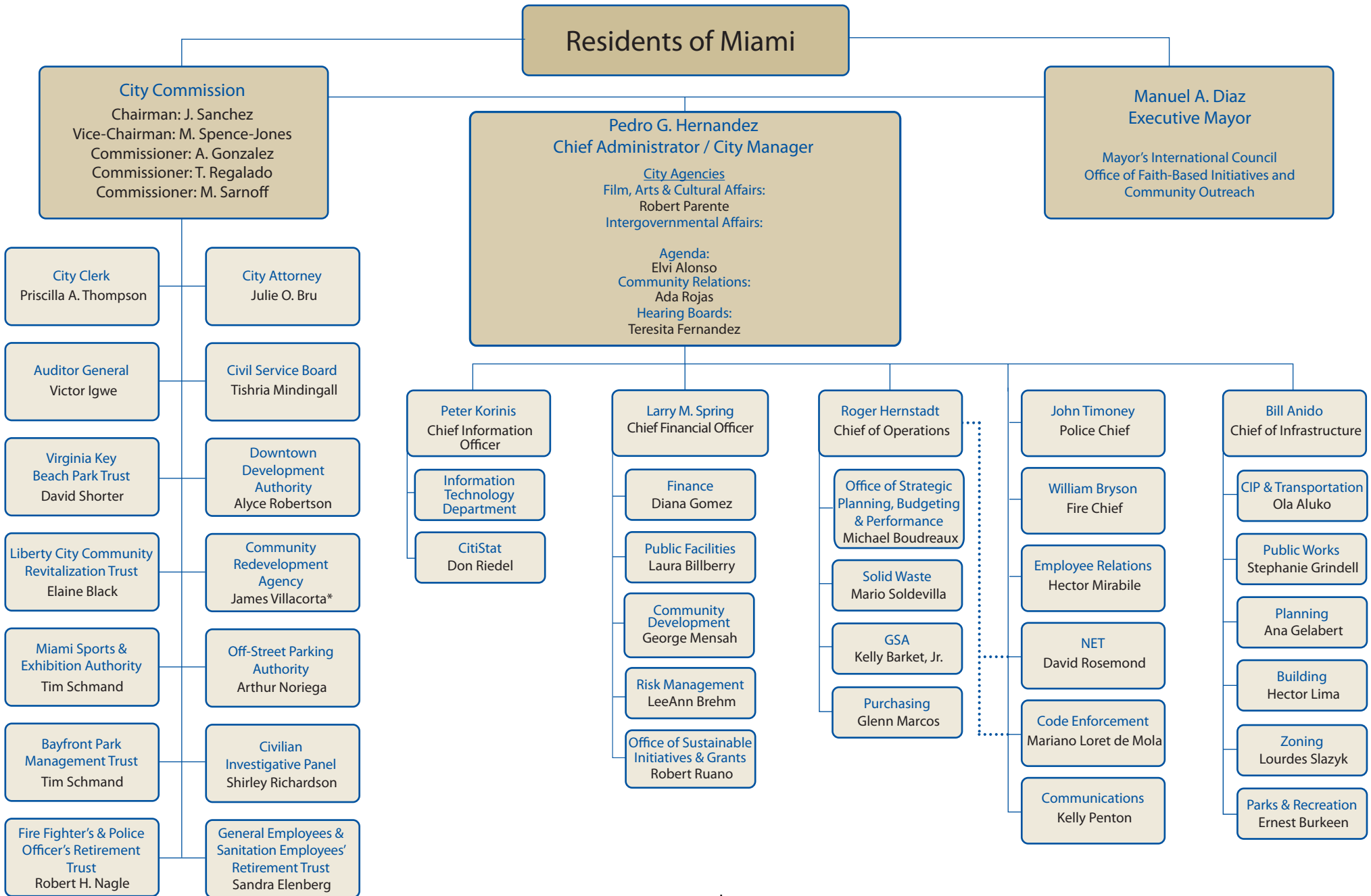
For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
September 30, 2007

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.



President

Executive Director



*Acting/Interim

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FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT

MANAGEMENT'S DISCUSSION AND ANALYSIS

BASIC FINANCIAL STATEMENTS
(Government-Wide Financial Statements)
(Fund Financial Statements)

NOTES TO THE FINANCIAL STATEMENTS

REQUIRED SUPPLEMENTARY INFORMATION

COMBINING AND INDIVIDUAL FUND
STATEMENTS AND SCHEDULES

McGladrey & Pullen

Certified Public Accountants

Independent Auditor's Report

The Honorable Mayor, Members of the
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 year ended September 30, 2008, 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:

Component Units / Funds

- Southeast Overtown Park West Redevelopment Agency
- Omni Redevelopment Agency
- Miami Midtown Community Redevelopment Agency
- the Gusman and Olympia Special Revenue Fund
- Virginia Key Beach Park Trust
- Liberty City Community Revitalization District Trusts
- Firefighters' and Police Officers' Retirement Trust
- General Employees' and Sanitation Employees' Retirement Trust and Other Managed Trusts
- Miami Sports and Exhibition Authority
- Downtown Development Authority
- Bayfront Park
- Civil Investigative Panel

Classification

nonmajor special revenue fund
nonmajor special revenue fund
nonmajor special revenue fund
nonmajor special revenue fund
nonmajor special revenue fund
nonmajor special revenue fund
aggregate remaining fund information
aggregate remaining fund information

discretely presented component unit
discretely presented component unit
discretely presented component unit
discretely presented component unit

Those component units and funds represent the percentage of assets and revenues, where applicable, of the respective opinion units, as listed below:

Reporting Classification	Percentage of,	
	Total Assets	Total Revenues
• Governmental Activities	5%	4%
• Aggregate Remaining Fund Information	89%	-
• Discretely Presented Component Units	22%	25%

Those financial statements were audited by other auditors whose reports thereon have been furnished to us, and our opinions, insofar as it relates to the amounts included for the component units and funds indicated above, are based on the reports of the other auditors.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. 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.

In our opinion, based on our audit and the reports of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Miami, Florida, as of September 30, 2008, and the respective changes in financial position, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As discussed in Note 11 to the financial statements, the City adopted the recognition and disclosure requirements of Governmental Accounting Standards Board Statement No. 45, Accounting and Financial Reporting by Employers for Post Employment Benefits Other than Pensions, as of October 1, 2007.

In accordance with Government Auditing Standards, we have also issued under separate cover our report dated March 26, 2009 on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and 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 considered in assessing the results of our audit.

The management's discussion and analysis, the budgetary comparison information, and the schedule of funding progress are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We and the other auditors 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, the combining and individual fund financial statements and schedules, and the statistical section, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual fund financial statements and schedules 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 reports of 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.

McGladrey & Pullen, LLP

Miami-Dade County, Florida
March 26, 2009

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, 2008. 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 iii – x of this report.

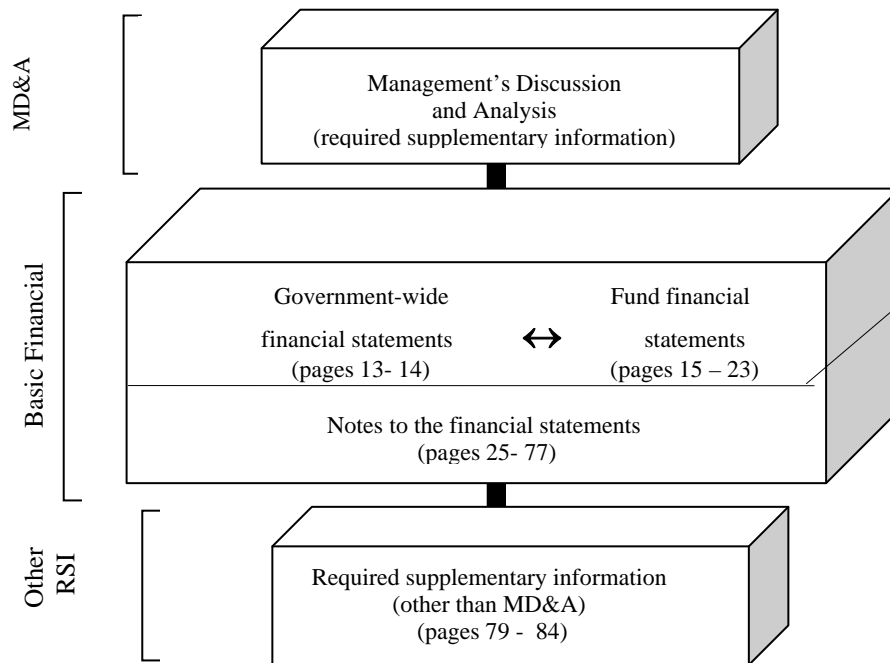
FINANCIAL HIGHLIGHTS

- The assets of the City exceeded its liabilities at the close of the most recent fiscal year by \$710,180,831.
- The governmental activities revenue decreased by \$8,515,294 (or 1.19%) and the net results from activities decreased by \$36,387,751. In 2008 and 2007, the results of activities produced a change in net assets of \$(28,981,895) and \$7,405,856, respectively.
- The General Fund (the primary operating fund) reflected on a current financial resource basis, reflects a decrease in fund balance of \$6,872,696 or (6.84%).
- The City’s total debt for bonds and loans increased by \$110,815,264 (or 25.14%) during the current year. New debt in the amount of \$134,443,886 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 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.

Discreetly presented 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 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 forty-one 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, Fire Rescue Services Special Revenue Fund, Emergency Services Special Revenue Fund, and the Streets and Sidewalks Capital Projects Fund, which are considered to be major funds. Data from the other thirty-seven governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements 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 – 77 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 79 – 84 of this report.

The combining statements referred to earlier in connection with non-major governmental funds are presented immediately following the required supplementary information. Combining and individual fund statements and schedules can be found on pages 90 – 128 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 \$710,180,831 at the close of the most recent fiscal year.

The largest portion of the City’s net assets 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, 21.23%, represents resources that are subject to restrictions on how they may be used.

The remaining unrestricted net assets deficit of \$214,516,532 is primarily due to outstanding borrowings of approximately \$73.96 million for which there are no off-setting assets along with an increase in claims payable and the recognition of the City’s Other Post Employment Benefits resulting from the implementation of GASB Statement No. 45. The following schedule reflects a summary of net assets compared to the prior year:

Summary of Net Assets as of September 30,

	Governmental Activities	
	2008	2007
Current and other assets	\$ 574,502,615	\$ 530,145,898
Capital assets	1,058,764,539	988,932,377
Total assets	<u>1,633,267,154</u>	<u>1,519,078,275</u>
Other liabilities	158,620,281	177,352,669
Long-term liabilities	764,466,042	602,562,880
Total liabilities	<u>923,086,323</u>	<u>779,915,549</u>
Net assets:		
Invested in capital assets, net of debt	773,959,639	730,272,844
Restricted	150,737,724	102,602,464
Unrestricted (Deficit)	(214,516,532)	(93,712,582)
Total net assets	<u>\$ 710,180,831</u>	<u>\$ 739,162,726</u>

The following table provides a summary of the City's changes in net assets for the fiscal years ended September 30, 2008 and 2007.

	Changes in Net Assets	
	Governmental Activities	
	2008	2007
Revenues:		
Program revenues:		
Charges for services	\$ 140,816,112	\$ 141,265,941
Operating grants and contributions	63,179,016	71,070,882
Capital grants and contributions	54,174,136	69,140,730
General revenues:		
Property taxes	291,113,298	294,899,503
Franchise taxes	42,298,452	42,257,282
State revenue sharing - unrestricted	12,187,197	13,073,886
Sales and other use taxes	24,860,795	25,505,412
Public services tax	62,257,072	58,099,069
Investment earnings - unrestricted	17,655,647	23,837,450
Gain on sale of capital assets	-	1,502,044
Total revenues	<u>708,541,725</u>	<u>740,652,199</u>
Expenses:		
General government	140,680,932	121,694,219
Planning and development	16,217,858	16,923,477
Community development	42,029,139	35,486,773
Community redevelopment areas	13,904,297	7,011,132
Public works	72,572,813	75,073,321
Public safety	370,007,019	343,470,082
Public facilities	15,354,423	16,691,365
Parks and recreation	39,550,244	39,893,208
Interest on long-term debt	27,206,895	23,859,254
Unallocated depreciation	-	29,548,332
Special item - Impairment loss on capital assets	-	23,595,180
Total expenses	<u>737,523,620</u>	<u>733,246,343</u>
Change in net assets	<u>(28,981,895)</u>	<u>7,405,856</u>
Net assets - Beginning	<u>739,162,726</u>	<u>731,756,870</u>
Net assets - Ending	<u>\$ 710,180,831</u>	<u>\$ 739,162,726</u>

Governmental Activities – As noted earlier, governmental activities decreased the City's net assets by \$28,981,895. Key elements of this decrease are as follows:

The decrease in operating grants and contributions is primarily the result of decreases in funding received in the current year relative to the prior year related to the following grant programs: COPS More 98, FEMA Disaster Recovery, Housing Opportunities for Persons with Aids, and Enterprise Resource Planning Project.

The decrease in capital grants and contributions is primarily due to a reduction in funding received from Miami-Dade County General Obligation Bond referendum of 2004 and a decrease of \$6.8 million in State of Florida grant funding.

Property tax revenues decreased by 1.28% or approximately \$3.9 million over the prior year and were 1.05% or \$2.7 million under the anticipated budget. Although there was a one-year increase in preliminary taxable values of 14.5%, the City's operating millage rate was reduced by 12.8% from 8.3745 mills to 7.2999 mills. The reduction in the City's millage rate was due to the passing of House Bill 1b by the State of Florida, which limited the increase in the operating millage rate above the rolled back rate. The City decreased the overall millage rate since fiscal year 2000 by 38.3%; during fiscal year 2009 the City increased the overall rate by 4.9%.

Public Services Tax increased by approximately \$4.2 million due to increase communication and utility services usage throughout the State of Florida.

Investment income decreased approximately \$6.2 million due to the Federal Reserve decreasing short-term interest rates during fiscal year 2008 by approximately 3.13% and the City having lower cash balances throughout the year.

General Government expenses experienced an increase of \$19 million from the prior year primarily as a result of including unallocated depreciation in the general government function in the current year.

Community Development expenses increased by \$6.5 million due to increase funding received from the Community Development Block Grant and HOME grant in the current year as well as the ability for the City to use surplus funding from the prior year.

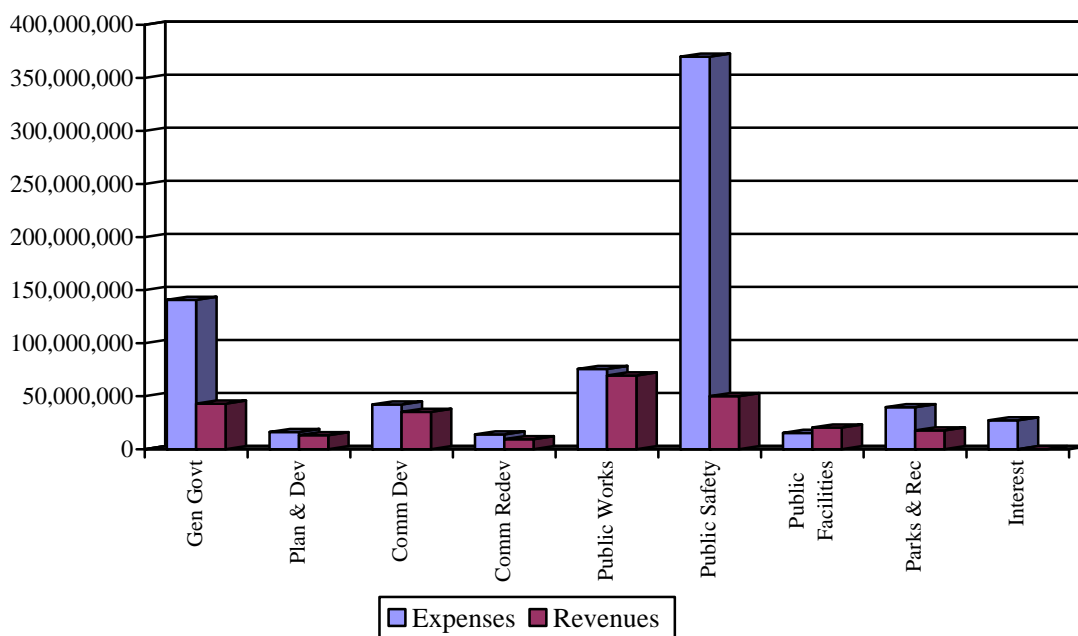
Community Redevelopment Agency expenses increased by \$7 million as a result of expenses incurred for new projects started during the current year in the respective redevelopment districts.

Public Safety experienced an increase of approximately \$27 million from the prior year due primarily to (1) increases in salaries, salary incentive overtime pay, and earned time payouts to Fire Rescue Department resulting from changes in IAFF contracts for paramedic, advanced life safety, and emergency medical technician certifications which resulted in \$16.8 million of new expense; (2) increase in overtime, fuel costs and an additional 10 new Police Officer positions in the Police Department in fiscal year 2008, which increased expense by approximately \$5.9 million; and (3) additional support of the FOP Health Trust as required under the current Collective Bargaining Agreement between the City and FOP in the amount of \$4.1 million

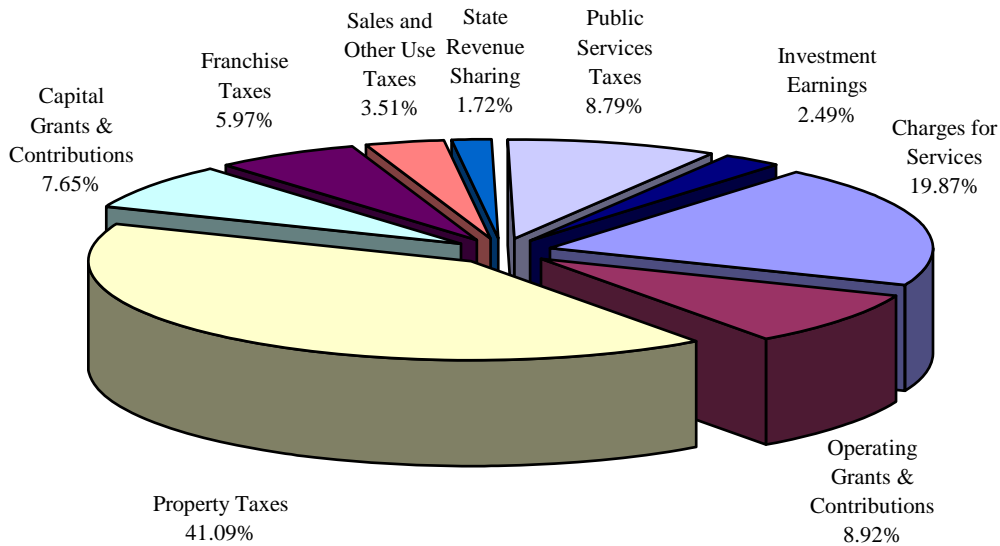
Public Facilities experienced a decrease of \$1.7 million in expenses from the prior year due primarily to the closure of the Orange Bowl Facility.

Interest expense on long-term debt increased by \$3.3 million as a result of new debt issuance during the fiscal year in the amount of approximately \$133 million.

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 designated and undesignated fund balance of the General Fund was \$85,930,475, while the total fund balance was \$93,577,448. 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 15.45% of the total expenditures and transfers-out for recurring operational costs reported in other funds, while total fund balance represents 16.83% of that same total amount.

The General Fund's fund balance had a net decrease of \$6,872,696 during the current fiscal year. The decrease in the General Fund's fund balance was off-set by approximately \$21.3 million of transfers from the capital projects funds which were unused appropriations that were initially funded from the general fund in prior years. Key factors in the overall decrease are as follows:

- Lower than anticipated collections from State Shared Revenue, Charges for Services due to the closure of the Orange Bowl, and additional Parking Surcharge revenues dedicated to the repayment of Street Bonds, all which resulted in a decrease of revenue of \$1.8 million.
- Expenditures related to litigated claims over the original allocated budget of approximately \$4.1 million.
- Additional funds expended in support of the FOP Health Trust as required under the current Collective Bargaining Agreement between the City and the FOP in the amount of \$3.6 million.
- Decrease in property tax revenues collected in fiscal year 2008 in the amount of \$2.7 million.
- Decrease in FPL Franchise Fee collections due to previously anticipated contractual changes which did not occur in the amount of \$2.1 million.

- The Fire-Rescue department had increases in salaries, salary incentive overtime, and earned time payout expenses due to the International Association of Fire Fighters (IAFF) contractual changes in paramedic, advanced life safety, and emergency medical technician certifications accounted for increase expenses of \$6.4 million, \$3.5 million, and \$1 million, respectively.
- The Police Department had increases of \$3.1 million in overtime pay expenditures.

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

The Fire Rescue Services Fund had a negative fund balance of \$7,125,907. This deficit fund balance is primarily due to deferred revenues resulting from the timing of receiving grant related reimbursements for the Urban Areas Security Initiatives (UASI) and Urban Search and Rescue (USAR) programs.

The Emergency Services Fund had a deficit fund balance of \$15,006,723. This deficit fund balance is due primarily due to deferred revenues resulting from the timing of receiving grant related reimbursements for hurricane and emergency services related expenditures.

The Street and Sidewalks Capital Projects Fund had a fund balance of \$73,395,508, of which \$14,167,446 is reserved for encumbrances. The \$59,771,830 increase in fund balance can be attributed to issuance of new debt during the year totaling \$80 million.

GENERAL FUND BUDGETARY HIGHLIGHTS

The General Fund budget increased by \$32,410,645 from the original budget including transfers (an increase of 6.19%). The major components of this increase can be summarized as follows (please see budget to actual comparison on page 79):

- \$19,510,107 increased allocation to the Fire-Rescue Department.
- \$2,544,085 increased allocation to the Parks and Recreation Department.
- \$14,678,799 increased allocation to the Police Department.
- \$1,569,528 decreased allocation to the Public Works Department.
- \$4,127,941 increased allocation to the Risk Management Department including Organizational Support (Group Benefits).
- \$1,194,698 decreased allocation to the Solid Waste Department.
- \$9,746,624 decreased allocation to Non-Departmental Accounts.
- \$37,550,759 increased allocation to Transfers In

Substantial portions of the net increase in allocations were funded by either revenue in excess of the original budget estimates or with the use of fund balance.

- The budget for the Fire Department was increased to provide additional allocations for increases in salaries, salary incentive overtime, and earned time payouts due to IAFF contractual changes in paramedic, advanced life safety, and emergency medical technician certifications.
- The budget for the Parks and Recreation Department was increased to provide additional allocations to cover salary increases, vacation and compensatory time payouts, and shortfalls related to temporary and part time expenses that exceeded the original budget.
- The budget for the Police Department was increased to provide additional allocations for increase in overtime, vacation and compensatory time payouts, fuel costs, 10 additional Police Officer positions, and additional support of the FOP Health Trust as required under the current Collective Bargaining Agreement between the City and FOP.
- The budget for the Public Works Department was decreased to reflect the actual expenditures incurred during the year. The amount was re-allocated to the Fire Department to cover its additional expenditures.

- The budget for the Risk Management Department was increased to provide additional amounts necessary to cover outstanding litigated claims over the original allocated budget
- The budget for the Solid Waste Department was decreased to reflect the actual expenditures incurred during the year. The amount was re-allocated to the Fire Department to cover its additional expenditures.
- The budget for the Non-Departmental Accounts was decreased to eliminate the use of General Fund Balance for payment of Fire Assessment Settlement in fiscal year 2008. The expense related to this settlement was recognized in fiscal year 2007.
- The budget for Transfers In was increased to off-set the expenditures in excess of original budgets. Transfers in from other funds include approximately \$21.3 million of capital projects funds which were unused appropriations that were initially funded from the general fund in prior years; \$6.1 million of Public Service Tax from higher than anticipated utility service tax collections; and \$6.6 million of direct costs charged in the General Fund that were reimbursed from other Capital and Special Revenue funds.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At September 30, 2008, the City had a total of \$1,058,764,539, 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 \$69,832,162 or 7.1% from the end of the prior year.

Capital Assets at Year End (Net of Depreciation)

	Governmental Activities	
	2008	2007
Land	\$ 87,587,991	\$ 86,719,846
Construction-in-Progress	255,670,214	194,648,902
Buildings	58,477,469	61,709,616
Improvements	71,083,188	64,286,005
Machinery and Equipment	66,216,323	57,194,434
Infrastructure	519,729,354	524,373,574
Total	\$ 1,058,764,539	\$ 988,932,377

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

- Construction in progress increased approximately \$61.0 million due to increased construction to improve City-wide infrastructure as a result of the City's 5-year Capital Plan.
- The decrease in Buildings and Infrastructure was a result of current year depreciation expense which reduced the carrying value of the assets.
- Machinery and Equipment increased by approximately \$9 million as a result of upgrades in communication equipment for Police and Fire departments as well as an increase in the City's fleet.
- Improvements increased by approximately \$6.8 million primarily due to various projects completed in the current year that were transitioned out of construction in progress.

Additional information on the City's capital assets can be found in Note 1 on page 32 and Note 5 on page 47 in the notes to the financial statements.

Long-Term Debt

At the end of the current fiscal year, the City had total debt outstanding of \$551,570,979. Of this amount, \$235,393,766 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).

	Governmental Activities	
	2008	2007
General Obligation Bonds	\$ 235,393,765	\$ 245,689,409
Special Obligation		
Revenue Bonds and Loans	316,177,214	195,066,373
Total	<u>\$ 551,570,979</u>	<u>\$ 440,755,782</u>

The City's total debt had a net increase of \$110,815,197 (or 25.14%) during the current fiscal year. The City issued new debt in the amount of \$134,443,886 during the current fiscal year.

The City maintained its bond rating on its general obligation debt of A+ from Standard & Poor's, an A2 from Moody's, and an A- from Fitch Ratings.

Additional information on the City's long-term liabilities can be found in Note 8 on pages 51 – 59 in the notes to the financial statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

The budget process begins with the preparation of the financial outlook; a comprehensive review of allocation needs that are expected to be required by the City for its operations. These allocations include a review of salaries and wages (growth as dictated by negotiated union contracts); pension requirement needs, anticipated insurance premium increases, etc. These allocation needs are then compared to the City's anticipated revenue inflows to determine whether these needs can be satisfied. It is with this analysis, along with the Mayor and City Commissioners' feedback, and the City's comprehensive strategic plan, that the guidelines for preparing the budget toolkit are determined and compiled into an all-inclusive instructional booklet that is then distributed to departments for their use in preparing their budget submissions. The City's elected and appointed officials considered many factors when adopting the fiscal year 2008 budget. Included among these factors were uncertainties regarding pension costs, health insurance costs, other post employment benefit costs, and various other economic indicators.

The City of Miami, like many municipalities throughout the State, is experiencing the impact of a slowing economy. Recently approved property tax legislation, rising fuel prices, and increases in utility costs continue to impact every resident and business in the City. Recently approved State legislation along with a constitutional amendment passed by Florida voters, lowered the City's taxable values while establishing controls on its millage rate (discussed below). This legislation and amendment was also a clear indication by the people of the State of Florida that not enough was done in the previous year to provide property owners with tax relief.

House Bill 1-B (HB1b), which was passed by the Florida Legislature on June 14, 2007, limited property tax revenues collected by the City in fiscal year 2008. This bill contained two provisions: one which maximized the City's ability to collect property tax revenues and another to limit its property tax revenue growth in future years. HB1b basically limited the City's ability to collect property tax revenues to its rolled back rate and required any increase in this rate to be approved by a majority, supermajority or unanimous vote by the City Commission. As a result of HB1b, the City adopted an operating millage rate of 7.2999 mills with a majority vote of the City Commission. This rate reduced the amount of property tax revenues collected in fiscal year 2008 by \$3.8 million over the prior fiscal year. Prior to HB1b, the City realized property tax

revenue growth of \$19.6 million in fiscal year 2005, \$35.3 million in fiscal year 2006, and \$44.4 million in fiscal year 2007.

In October 2007, the City was removed from the list of municipalities under special financial concerns as contained in HB1b. This list was created to prevent the penalization of Florida municipalities who did not realize extraordinary assessment growth between 2000 and 2005, or was otherwise under State fiscal oversight. This removal changed the City's adopted millage rate with a majority vote from 7.2999 mills to 6.6429 mills for calculating the operating millage rate in fiscal year 2009. Additionally, HB1b limited the growth in this millage rate to the statewide change in per capita Florida personal income at 4.15% with a majority vote of the City Commission. However, HB1b also allowed the City to further increase this millage rate by 10% with a two-thirds vote of the City Commission.

Additional relief to property owners was provided on January 29, 2008 when voters approved Amendment 1. Amendment 1 in fiscal year 2009 provided homestead property owners with an additional \$25,000 in exemption on the 3rd \$25,000 in assessed value. It also provided a \$25,000 exemption on personal business property and allows portability of Save Our Home savings up to \$500,000. Starting in fiscal year 2010, a 10% assessment cap will be applied to non-homestead properties. Amendment 1 reduced the City's preliminary gross taxable values by \$1.2 billion, from \$40.9 billion to \$39.7 billion in fiscal year 2009. This made the overall year-to-year change in the City's preliminary gross taxable values 1.6% compared to 14.5% in fiscal year 2008.

To limit the impact Amendment 1 will have on the City's taxable values and calculation of its operating millage rate, the Florida Legislature passed Senate Bill 1588 also known as the Glitch Bill. The Glitch Bill removed the effects of Amendment 1 from the calculation of the City's rolled back rate and reduced the majority vote operating millage rate by 0.2251 mills from 6.9764 mills to 6.7513 mills. In fiscal year 2009, the City adopted its operating millage rate at 7.6740 mills with a two-thirds vote and is anticipated to collect \$276.4 million in property tax revenues. The millage rate recommended in the fiscal year 2009 budget required City officials to fully understand the impact property taxes were having on Miami residents and to become more creative in managing government.

The economic downturn has not only affected property tax values. Per the U.S. Department of Labor, the unemployment rate for South Florida is currently 6.1%, which is an increase of 53.85% from the prior year. This rate is lower than the State's average unemployment rate of 6.9% and lower than the national average rate of 6.2%. The region's inflation rate of 5.8% is significantly higher than the national indices of 4.1%.

All of these factors indicate that local economic conditions are not expected to be as favorable for fiscal year 2009 as compared to previous years. The continuing economic downturn further adds to the concern and uncertainty as to the overall revenue impact on local governments.

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, 2008

	Governmental Activities	Component Units
Assets		
Cash, Cash Equivalents, and Investments	\$ 431,043,578	\$ 31,171,351
Receivables - Net	33,198,410	608,276
Accrued Interest	1,432,904	105,767
Due from Other Governments	58,330,135	326,896
Prepays	973,788	187,513
Other Assets	183,098	1,720,315
Restricted Cash, Cash Equivalents, and Investments	41,014,805	24,946,799
Capital Assets:		
Non-Depreciable	343,258,205	28,657,720
Depreciable - Net	715,506,334	25,296,579
Deferred Charges	8,325,897	-
Total Assets	1,633,267,154	113,021,216
Liabilities		
Accounts Payable and Accrued Liabilities	83,846,147	4,606,727
Due to Other Governments	3,763,964	2,071,555
Unearned Revenue	16,304,375	418,044
Deposits	5,121,076	208,499
Accrued Interest Payable	3,950,006	1,131,144
Non-Current Liabilities		
Due Within One Year:		
Bonds and Loans Payable	23,266,012	950,000
Compensated Absences	5,430,784	384,380
Claims Payable	16,937,917	-
Due In More Than One Year:		
Bonds and Loans Payable	528,304,967	50,094,210
Compensated Absences	79,048,482	396,094
Claims Payable	125,654,253	-
Other Post Employment Benefits	27,192,737	-
Net Pension Obligation	4,265,603	-
Total Liabilities	923,086,323	60,260,653
Net Assets		
Invested in Capital Assets - Net of Related Debt	773,959,639	28,034,769
Restricted for:		
Capital Projects	87,153,882	-
Debt Service	8,756,858	358,323
Building Department	3,654,134	-
Law Enforcement	3,964,103	-
Community Redevelopment	38,579,646	-
Choice Housing Voucher Program	198,967	-
E-911	5,399,241	-
Unrestricted (Deficit)	(211,485,639)	24,260,017
Total Net Assets	\$ 710,180,831	\$ 52,653,109

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

City of Miami, Florida
Statement of Activities
For the Year Ended September 30, 2008

Functions/Programs Activities:	Program Revenues				Net (Expenses) Revenue and Changes in Net Assets	
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government	
					Governmental Activities	Component Units
Primary Government:						
Governmental Activities:						
General Government	\$ 140,680,932	\$ 40,062,337	\$ 1,660,916	\$ 1,177,667	\$ (97,780,012)	\$ -
Planning and Development	16,217,858	13,076,692	110,706	-	(3,030,460)	-
Community Development	42,029,139	702,888	34,494,253	-	(6,831,998)	-
Community Redevelopment Areas	13,904,297	1,140,923	5,804,490	2,432,802	(4,526,082)	-
Public Works	72,572,813	48,488,699	162,309	20,766,849	(3,154,956)	-
Public Safety	370,007,019	16,577,772	20,088,346	13,240,196	(320,100,705)	-
Public Facilities	15,354,423	16,660,099	473,484	3,305,494	5,084,654	-
Parks and Recreation	39,550,244	4,106,702	384,512	13,251,128	(21,807,902)	-
Interest on Long-Term Debt	27,206,895	-	-	-	(27,206,895)	-
Total primary government	<u>\$ 737,523,620</u>	<u>\$ 140,816,112</u>	<u>\$ 63,179,016</u>	<u>\$ 54,174,136</u>	<u>(479,354,356)</u>	<u>-</u>
Component Units:						
Miami Sports Exhibition Authority	\$ 42,855	\$ 1,969	\$ -	\$ -	-	(40,886)
Department of Off-Street Parking	22,350,980	23,064,384	-	-	-	713,404
Downtown Development Authority	4,047,620	-	-	-	-	(4,047,620)
Bayfront Park	3,369,139	3,381,574	-	-	-	12,435
Civilian Investigative Panel	1,037,559	-	1,056,561	-	-	19,002
Total component units	<u>\$ 30,848,153</u>	<u>\$ 26,447,927</u>	<u>\$ 1,056,561</u>	<u>\$ -</u>	<u>-</u>	<u>(3,343,665)</u>

General Revenues:

Taxes:		
Property Taxes, levied for general purposes	269,785,445	4,445,672
Property Taxes, levied for debt service	21,327,853	-
Franchise Taxes	42,298,452	-
State Revenue Sharing - Unrestricted	12,187,197	-
Sales and Other Use Taxes	24,860,795	-
Public Service Taxes	62,257,072	-
Investment Earnings - Unrestricted	17,655,647	1,714,060
Other	-	(777,881)
Total General Revenues	<u>450,372,461</u>	<u>5,381,851</u>
Change in Net Assets	(28,981,895)	2,038,186
Net assets - Beginning	739,162,726	50,722,377
Net assets - Ending	<u>\$ 710,180,831</u>	<u>\$ 52,760,563</u>

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

City of Miami, Florida
Balance Sheet
Governmental Funds
September 30, 2008

	Major Funds				Other Non-Major Governmental Funds	Total Governmental Funds
	General	Fire Rescue Services	Emergency Services	Street & Sidewalks		
Assets						
Cash, Cash Equivalents and Investments	\$ 91,932,815	\$ -	\$ 1,703,451	\$ 84,028,807	\$ 253,378,505	\$ 431,043,578
Restricted Cash, Cash Equivalents, and Investments	54,708	-	-	-	40,960,097	41,014,805
Receivables						
(Net of Allowances for Uncollectibles):						
Accounts	9,620,619	23,700	-	21,952	5,928,434	15,594,705
Taxes	16,234,738	-	-	-	1,368,967	17,603,705
Due from Other Funds	39,870,872	-	-	-	-	39,870,872
Due from Other Governments	2,387,217	16,168,533	9,561,334	3,992,437	26,220,614	58,330,135
Accrued Interest	686,263	1,187	-	301,142	444,312	1,432,904
Prepays	961,946	-	-	-	11,842	973,788
Other Assets	183,095	-	-	-	-	183,095
Total Assets	\$ 161,932,273	\$ 16,193,420	\$ 11,264,785	\$ 88,344,338	\$ 328,312,771	\$ 606,047,587
Liabilities and Fund Balances						
Liabilities:						
Accounts Payable and Accrued Liabilities	\$ 44,243,063	\$ 2,363,080	\$ 921,749	\$ 10,263,612	\$ 26,054,643	\$ 83,846,147
Due to Other Funds	-	9,137,870	14,084,974	-	16,648,028	39,870,872
Due to Other Governments	2,301,552	-	-	-	1,462,412	3,763,964
Deferred Revenue or Unearned Revenues	17,049,992	11,818,377	11,264,785	4,685,218	21,686,600	66,504,972
Deposits	4,760,218	-	-	-	360,858	5,121,076
Total Liabilities	68,354,825	23,319,327	26,271,508	14,948,830	66,212,541	199,107,031
Fund Balances (Deficit):						
Reserved for:						
Encumbrances	-	-	-	14,167,446	23,418,005	37,585,451
Debt Service	-	-	-	-	9,228,173	9,228,173
Building Department	3,654,134	-	-	-	-	3,654,134
Prepaid Items	961,946	-	-	-	11,842	973,788
Unreserved, Designated for						
Subsequent Year's Expenditures, Reported in:						
General Fund	5,000,000	-	-	-	-	5,000,000
Future Settlements	-	-	-	-	4,027,253	4,027,253
Strategic Initiatives	1,648,710	-	-	-	-	1,648,710
Management Initiatives	37,687,219	-	-	-	-	37,687,219
Unreserved, Undesignated Reported in:						
General Fund	44,625,439	-	-	-	-	44,625,439
Special Revenue Funds	-	(7,125,907)	(15,006,723)	-	82,575,762	60,443,132
Capital Projects Funds	-	-	-	59,228,062	140,977,921	200,205,983
Debt Service Funds	-	-	-	-	1,861,274	1,861,274
Total Fund Balances (Deficit)	93,577,448	(7,125,907)	(15,006,723)	73,395,508	262,100,230	406,940,556
Total Liabilities and Fund Balances (Deficit)	\$ 161,932,273	\$ 16,193,420	\$ 11,264,785	\$ 88,344,338	\$ 328,312,771	\$ 606,047,587

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, 2008

Fund Balances - Total Governmental Funds (Page 15) \$ 406,940,556

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	\$ 1,861,022,425	
Less: Accumulated Depreciation	<u>(802,257,886)</u>	1,058,764,539

Grant revenues are reported as deferred revenue in the fund financial statements due to availability of funds; under full accrual accounting they are reported as revenues.		40,439,971
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Tax revenues are reported as deferred revenue in the fund financial statements due to availability of funds; under full accrual accounting they are reported as revenues.		9,760,629
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Unamortized bond and loan issuance costs are not available to pay for current period expenditures and therefore are not reported in the governmental funds.		8,325,897
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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, Notes, and Loans Payable	(551,570,979)	
Compensated Absences	(84,479,266)	
Claims Liability	(142,592,170)	
Other Post Employment Benefit	(27,192,737)	
Net Pension Obligation	(4,265,603)	
Accrued Interest Payable	<u>(3,950,006)</u>	<u>(814,050,761)</u>

Net Assets of Governmental Activities (Page 13) \$ 710,180,831

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

City of Miami, Florida
Statement of Revenues, Expenditures and Changes In Fund Balances (Deficit)
Governmental Funds
For The Year Ended September 30, 2008

	<u>Major Funds</u>				<u>Other</u>	<u>Total</u>
	<u>General</u>	<u>Fire Rescue Services</u>	<u>Emergency Services</u>	<u>Street & Sidewalks</u>	<u>Non-Major Governmental Funds</u>	<u>Governmental Funds</u>
Revenues						
Property Taxes	\$ 258,294,391	\$ -	\$ -	\$ -	\$ 32,818,908	\$ 291,113,299
Franchise and Other Taxes	35,319,051	-	-	-	69,236,473	104,555,524
Licenses and Permits	29,788,818	-	-	-	56,050	29,844,868
Fines and Forfeitures	6,031,799	-	-	-	945,989	6,977,788
Intergovernmental Revenues	51,320,942	6,806,528	2,484,442	2,278,500	94,378,198	157,268,610
Charges for Services	74,998,172	39,366	-	-	11,349,183	86,386,721
Interest	10,086,415	7,425	-	2,367,582	5,194,348	17,655,770
Impact Fees	-	-	-	4,615	4,674,385	4,679,000
Other	6,594,312	102,564	-	-	3,405,933	10,102,809
Total Revenues	472,433,900	6,955,883	2,484,442	4,650,697	222,059,467	708,584,389
Expenditures						
Current Operating:						
General Government	57,525,471	-	-	660,648	18,940,953	77,127,072
Planning and Development	10,788,224	-	-	-	447,912	11,236,136
Community Development	-	-	-	-	41,036,697	41,036,697
Community Redevelopment Areas	-	-	-	-	15,946,941	15,946,941
Public Works	54,858,769	-	-	-	209,610	55,068,379
Public Safety	249,881,480	10,208,998	923,299	-	4,483,882	265,497,659
Public Facilities	6,248,557	-	-	-	6,771,161	13,019,718
Parks and Recreation	24,276,993	-	-	-	4,779,144	29,056,137
Risk Management	28,796,859	-	-	-	-	28,796,859
Pensions	65,116,477	-	-	-	-	65,116,477
Group Benefits	27,751,691	-	-	-	-	27,751,691
Debt Service:						
Principal	-	-	-	-	21,343,143	21,343,143
Interest and Other Charges	-	-	-	-	28,920,735	28,920,735
Capital Outlay	-	3,185,991	6,058	32,551,214	78,833,648	114,576,911
Total Expenditures	525,244,521	13,394,989	929,357	33,211,862	221,713,826	794,494,555
Excess (Deficiency) of Revenues Over Expenditures	(52,810,621)	(6,439,106)	1,555,085	(28,561,165)	345,641	(85,910,166)
Other Financing Sources (Uses)						
Transfers In	76,817,851	16,901,691	-	12,676,447	121,166,841	227,562,830
Transfers Out	(30,879,926)	(43,300)	(16,561,808)	(4,507,262)	(175,570,534)	(227,562,830)
Proceeds Received From Long-Term Debt	-	-	-	80,163,810	52,935,120	133,098,930
Premium Long-Term Debt	-	-	-	-	1,344,956	1,344,956
Total Other Financing Sources (Uses)	45,937,925	16,858,391	(16,561,808)	88,332,995	(123,617)	134,443,886
Net Changes in Fund Balances	(6,872,696)	10,419,285	(15,006,723)	59,771,830	222,024	48,533,720
Fund Balances (Deficit) - Beginning	100,450,144	(17,545,192)	-	13,623,678	261,878,206	358,406,836
Fund Balances (Deficit) - Ending	\$ 93,577,448	\$ (7,125,907)	\$ (15,006,723)	\$ 73,395,508	\$ 262,100,230	\$ 406,940,556

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, 2008

Net Changes in Fund Balances - Total Governmental Funds (Page 17)		\$ 48,533,720
Amounts reported for governmental activities in the Statement of Activities are different because:		
Grant revenues are reported as deferred revenue in the fund financial statements due to availability of funds; under full accrual accounting they are reported as revenues.		24,732,819
Revenues in the statement of activities for the previous year provided current financial resources and, as such, are reported as revenues in the funds for the current year.		(24,775,483)
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	\$ 121,762,826	
Less: Current Year Depreciation	<u>(50,785,604)</u>	
		70,977,222
The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, donations) that decrease net assets.		(1,145,056)
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	21,343,143	
Principal Paid on Capital Lease	658,722	
Net effect of Deferring and Amortizing Issuance Costs, Premiums, Discounts, and Accretion	1,658,787	
Proceeds from Long-Term Debt	<u>(134,443,886)</u>	(110,783,234)
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	(8,007,470)	
Claims Liability	(988,332)	
Other Post Employment Benefits	(27,192,737)	
Net Pension Obligation	(388,395)	
Accrued Interest Payable	<u>55,051</u>	<u>(36,521,883)</u>
Change in Net Assets of Governmental Activities (Page 14)		<u>\$ (28,981,895)</u>

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

City of Miami, Florida
Statement of Fiduciary Net Assets
Fiduciary Funds
September 30, 2008

	Employee Retirement Funds
Assets	
Cash and Short-Term Investments	\$ 61,993,490
Accounts Receivable	15,836,041
Capital Assets	4,798,046
Prepaid Assets	49,166
	82,676,743
Investments	
U.S. Government Obligations	292,393,635
Corporate Bonds	275,882,955
Corporate Stocks	1,010,136,956
Money Market Funds and Commercial Paper	24,695,838
International Equity	73,933,123
Mutual Funds	44,479,142
Real Estate	159,853,823
Private Equity	19,747,148
Total Investments	1,901,122,620
Securities Lending Collateral	187,540,846
Total Assets	2,171,340,209
Liabilities	
Obligations Under Security Lending	190,141,047
Accounts Payable	1,011,430
Accrued Liabilities	44,479,142
Payable for Securities Purchased	29,639,528
Total Liabilities	265,271,147
Net Assets	
Held in Trust for Pension Benefits	\$ 1,906,069,062

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, 2008

	Employee Retirement Funds
Additions	
Contributions:	
Employer	\$ 60,070,441
Plan Members	19,303,676
Total Contributions	79,374,117
Investment Earnings (Loss):	
Net Increase (Decrease) in Fair Value of Investments	(369,580,443)
Interest	33,347,822
Dividends	20,063,863
Other	(254,464)
Total Investment Earnings (Loss)	(316,423,222)
Less Investment Expenses	8,576,197
Net Investment Earnings (Loss)	(324,999,419)
Reimbursement Income from City	2,543,133
Total	(243,082,169)
Deductions	
Pension Benefits	130,559,134
Refunds upon Resignation, Death, etc.	1,700,099
Distribution to Retirees	15,666,175
Administrative and Other Expenses	2,729,063
Total	150,654,471
Change in Net Assets	(393,736,640)
Net Assets - Beginning of Year	2,299,805,702
Net Assets - End of Year	\$ 1,906,069,062

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, 2008

	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	\$ 10,566,296	\$ 10,729,706	\$ 4,884,490	\$ 4,928,210	\$ 62,649	\$ 31,171,351
Receivables (Net)						
Accounts	-	585,766	-	19,865	-	605,631
Taxes	-	-	2,645	-	-	2,645
Accrued Interest	-	105,767	-	-	-	105,767
Due From Other Government	-	326,896	-	-	-	326,896
Prepays	7,814	108,323	55,266	16,110	-	187,513
Other Assets	-	1,720,315	-	-	-	1,720,315
Restricted Assets:						
Cash, Cash Equivalents, and Investments	-	24,946,799	-	-	-	24,946,799
Capital Assets:						
Non-Depreciable	-	27,580,468	-	1,077,252	-	28,657,720
Depreciable, Net	-	21,667,548	190,832	3,438,199	-	25,296,579
Total Assets	10,574,110	87,771,588	5,133,233	9,479,636	62,649	113,021,216
Liabilities						
Accounts Payable and Accrued Liabilities	-	4,361,812	106,410	94,858	43,647	4,606,727
Due to Other Governments	-	2,039,813	31,742	-	-	2,071,555
Unearned Revenue	-	407,936	-	10,108	-	418,044
Deposits	-	171,608	-	36,891	-	208,499
Accrued Interest Payable	-	1,131,144	-	-	-	1,131,144
Non-Current Liabilities						
Due Within One Year:						
Bonds and Loans Payable	-	950,000	-	-	-	950,000
Compensated Absences	-	384,380	-	-	-	384,380
Due In More Than One Year:						
Bonds and Loans Payable	-	50,094,210	-	-	-	50,094,210
Compensated Absences	-	385,265	10,829	-	-	396,094
Total Liabilities	-	59,926,168	148,981	141,857	43,647	60,260,653
Net Assets						
Invested in Capital Assets, Net of Related Debt	-	23,328,486	190,832	4,515,451	-	28,034,769
Restricted for:						
Debt Service	-	358,323	-	-	-	358,323
Watson Island	107,454					
Unrestricted	10,466,656	4,158,611	4,793,420	4,822,328	19,002	24,260,017
Total Net Assets	\$ 10,574,110	\$ 27,845,420	\$ 4,984,252	\$ 9,337,779	\$ 19,002	\$ 52,653,109

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, 2008

	<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	\$ 42,855	\$ 1,969	\$ -	\$ -
Total Miami Sports Exhibition Authority	<u>42,855</u>	<u>1,969</u>	<u>-</u>	<u>-</u>
Department				
of Off-Street Parking				
Transportation	22,350,980	23,064,384	-	-
Total Department of Off-Street Parking	<u>22,350,980</u>	<u>23,064,384</u>	<u>-</u>	<u>-</u>
Downtown				
Development Authority				
Economic Development	4,047,620	-	-	-
Total Downtown Development Authority	<u>4,047,620</u>	<u>-</u>	<u>-</u>	<u>-</u>
Bayfront Park				
Parks and Recreation	3,369,139	3,381,574	-	-
Total Bayfront Park	<u>3,369,139</u>	<u>3,381,574</u>	<u>-</u>	<u>-</u>
Civilian Investigative Panel				
General Government	1,037,559	-	1,056,561	-
Total Civilian Investigative Panel	<u>1,037,559</u>	<u>-</u>	<u>1,056,561</u>	<u>-</u>
Total Component Units	<u>\$ 30,848,153</u>	<u>\$ 26,447,927</u>	<u>\$ 1,056,561</u>	<u>\$ -</u>

General Revenues:

Taxes:
 Property Taxes, levied for general purposes
Investment Earnings
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
\$ (40,886)	\$ -	\$ -	\$ -	\$ -	\$ (40,886)
(40,886)	-	-	-	-	(40,886)
-	713,404	-	-	-	713,404
-	713,404	-	-	-	713,404
-	-	(4,047,620)	-	-	(4,047,620)
-	-	(4,047,620)	-	-	(4,047,620)
-	-	-	12,435	-	12,435
-	-	-	12,435	-	12,435
-	-	-	-	19,002	19,002
-	-	-	-	19,002	19,002
(40,886)	713,404	(4,047,620)	12,435	19,002	(3,343,665)
-	-	4,445,672	-	-	4,445,672
240,467	1,312,945	72,756	87,892	-	1,714,060
(935,288)	-	56,244	101,163	-	(777,881)
(694,821)	1,312,945	4,574,672	189,055	-	5,381,851
(735,707)	2,026,349	527,052	201,490	19,002	2,038,186
11,309,817	25,819,071	4,457,200	9,136,289	-	50,722,377
\$ 10,574,110	\$ 27,845,420	\$ 4,984,252	\$ 9,337,779	\$ 19,002	\$ 52,760,563

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CITY OF MIAMI, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2008

NOTE 1. – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying financial statements of the City of Miami, Florida (the City) have been prepared in accordance with accounting standards 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, which is located in the county of Miami-Dade, was incorporated in 1896, and has a population of over 362,000. 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’s Charter was adopted by the electors of the City of Miami at an election held on May 17, 1921 and was legalized and validated by Chapter 9024 of the laws of the State of Florida of 1921. During fiscal year 1997, the residents of the City voted on a referendum that created single-member districts and an Executive Mayor form of government. The City continues to operate under the Commission/City Manager form of government and provides the following services: police and fire protection, public works activities, solid waste collection, parks and recreational facilities, planning and development, community development, financial services, and general administrative services.

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

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

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* and GASB Statement No. 39 - *Determining Whether Certain Organizations Are Component Units* 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 Statements No. 14 and 39, 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.

CITY OF MIAMI, FLORIDA
NOTES TO FINANCIAL STATEMENTS

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 year ended September 30, 2008.

Blended Component Units

SOUTHEAST OVERTOWN PARK WEST REDEVELOPMENT AGENCY (“SEOPW”) – SEOPW is an Agency established by the City in 1983 under the authority of Section 163.330, Florida Statutes and City Resolution No. 82-755. The purpose of the Agency is to eliminate blight and slum conditions within the redevelopment area of the agency pursuant to the redevelopment plans of the Agency for new residential and commercial activity of the Southeast Overtown Park West area. The City has entered into an interlocal agreement with Miami-Dade County approving the deposit of tax increments into the Redevelopment Trust Fund. The members of the City Commission are also the Board of Directors of the SEOPW. The City has issued debt for the 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 (CRA).

OMNI REDEVELOPMENT AGENCY (“ORA”) – ORA is an Agency established by the City in 1986 under the authority of Section 163.330, Florida Statutes and City Resolution No. 86-868. The purpose of the Agency is to eliminate blight and slum conditions within the redevelopment area of the agency pursuant to the redevelopment plans of the Agency for new residential and commercial activity of the Omni area. The City has entered into an interlocal agreement with Miami-Dade County approving the deposit of tax increments into the 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. The ORA is included within the reporting entity as a special revenue fund (Omni CRA).

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

VIRGINIA KEY BEACH PARK TRUST (“VKBPT”) – On December 14, 2000 (and effective January 2001), via sections 38-230 through 38-242 of Chapter 38 of the Code of the City of Miami Ordinance 12003, the VKBPT was established and acts as a limited agency and instrumentality of the City of Miami. Its general purposes, in cooperation with City of Miami, are to preserve, restore, and maintain the Historic Virginia Key Beach Park in a manner consistent with environmental health, historical importance of the Park and the aspirations of the African American Community, make it accessible to the general public,

CITY OF MIAMI, FLORIDA
NOTES TO FINANCIAL STATEMENTS

propose policy, planning, and design to ensure maximum community utilization and enjoyment. The City Commission must approve VKBPT's board membership and operating budget. The City considers itself the exclusive recipient of the services provided by VKBPT and therefore its operations are blended in the reporting entity as a special revenue fund.

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

NEIGHBORHOOD IMPROVEMENT DISTRICTS – There are four neighborhood improvement districts. All four districts were inactive during fiscal year 2008.

Discretely Presented Component Units

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

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

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

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BAYFRONT PARK MANAGEMENT TRUST (“BFP”) –The BFP was established by the City in 1987 under the authority of City of Miami Resolution No. 10348. The BFP was created for the purpose of managing and operating the events held at Bayfront and Bicentennial Park and the daily maintenance and upkeep of the grounds, its various amenities including the amphitheater and the Mildred and Claude Pepper Fountain. The governing body of the BFP consists of nine appointed members serving initial terms of one to three years. Upon expiration of an initial term, each successor member may be appointed by the City Commission for terms of one to three years. The BFP has appointed an executive director to act as the chief executive officer, subject to policy directives. The BFP prepares and submits an annual budget request and master plan to the City Commission for its approval for each fiscal year. Therefore, the City is financially accountable and is discretely presenting the 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 the HFA’s board membership and operating budget. Therefore, the City is financially accountable and is discretely presenting the 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 \$121,830,000 at September 30, 2008. The HFA does not issue stand-alone audited financial statements. The only activity during the fiscal year was to service the debt outstanding. The debt service payments were made by Mercy Hospital and Miami Jewish Home.

The City of Miami Health Facilities Authority conduit debt outstanding as of September 30, 2008 is as follows:

	<u>Mercy Hospital</u>	<u>Miami Jewish Home</u>	<u>Total</u>
Series 1998A	\$ 13,360,000	\$ -	\$ 13,360,000
Series 2002	35,000,000	-	35,000,000
Series 2003	14,605,000	-	14,605,000
Series 2006	35,195,000	-	35,195,000
Series 2005	-	23,670,000	23,670,000
Total	<u>\$ 98,160,000</u>	<u>\$ 23,670,000</u>	<u>\$ 121,830,000</u>

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’s 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, practices and procedures of the police department and perform community outreach programs. The CIP consists of thirteen members who were originally appointed as follows: a) the Miami City Commission selects and appoints nine members, b) the Mayor selects three members whose names are ratified and appointed by the City Commission, and c) the Chief of Police of the City of Miami appoints one member, who serves at the will of the Chief of Police. The CIP prepares and submits an annual budget request to the City Commission for its approval for each fiscal year and is funded by the City of Miami. Therefore, the City is financially accountable and is discretely presenting the CIP in the accompanying financial statements.

CITY OF MIAMI, FLORIDA
NOTES TO FINANCIAL STATEMENTS

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

SEOPW / ORA / MRA
49 NW 5th Street, Suite 100
Miami, Florida 33128-1811

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

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

VKBPT
4020 Virginia Beach Drive
Miami, Florida 33149

DDA
200 South Biscayne Blvd.
Suite 2929
Miami, Florida 33131

CIP
155 South Miami Ave
Penthouse 1-B
Miami, FL 33130-1609

Liberty City
4800 NW 12th Avenue
Miami, Florida 33127-2218

DOSP
90 SW 1st Street
Miami, Florida 33130-1602

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 and its component units. The primary government is reported separately from the discreetly presented 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 that are not deemed to be 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 non-major 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 used to account for assets held by the City in a trustee capacity. Since the governmental fund statements are presented on a different measurement focus and basis of accounting than the government-wide statements' governmental activities column, a reconciliation is presented which briefly explains the adjustments necessary to transform the fund-based financial

CITY OF MIAMI, FLORIDA
NOTES TO FINANCIAL STATEMENTS

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.

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.

Emergency Services Fund – This Special Revenue Fund accounts for grants and reimbursements related to disasters. Additionally, this fund accounts for non-disaster related reimbursable expenditures.

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 fiduciary fund type:

Pension Trust - The pension trust funds account for the City of Miami Fire Fighters’ and Police Officers’ Retirement Trust (“FIPO”), the City of Miami General Employees’ and Sanitation Employees’ Retirement Trust (“GESE”) and Other Managed Trusts (Members, Excess Plan, and Staff Plan), 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. 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 and judgments are recorded only when payment is due. Expenditures related to pensions and other post employment benefits are recognized when the City has made a decision to fund those obligations with current available resources.

Property taxes, when levied for, intergovernmental revenue, when eligibility requirements are met, sales tax, franchise and utility taxes, licenses, charges for services, 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 only when cash is received by the City.

CITY OF MIAMI, FLORIDA
NOTES TO FINANCIAL STATEMENTS

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements; however, interfund services provided and used are not eliminated in the process of consolidation. 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 Fund Equity

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

All investments, including those of the Pension Trust Funds, are stated at fair value, using quoted market price or the best available estimate thereof. Investments that have a maturity of one year or less at the time of purchase are reported at amortized cost. Alternative investments which include private equity, private debt, venture capital and equity real estate investments where no readily ascertainable market value exists, management, in consultation with the general partner and investment advisors, has determined the fair values for the individual investments based upon the partnership's most recent available financial information.

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

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

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 governmental funds or government-wide financial statements of the City. Purchases of inventoriable items are recorded as expenditures/expense at the time of purchase and year-end balances are not material.

Restricted Assets - Certain proceeds from bonds, loans, and deposits, as well as resources for debt service payments, are classified as restricted assets because their use is limited by applicable bond indentures, contracts, and agreements.

CITY OF MIAMI, FLORIDA
NOTES TO FINANCIAL STATEMENTS

Capital Assets - Capital assets, which include property, plant, equipment, and infrastructure (e.g. roads, sidewalks, drainage, and similar items), are reported in the governmental activities column in the government-wide financial statements and fiduciary fund financial statements. Capital assets are defined by the City as assets with an initial cost of \$1,000 or more and an estimated useful life in excess of one year. Such assets are recorded at historical cost if purchased or constructed. Donated capital assets are recorded at 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 - 75

In the governmental funds, capital assets are recorded as expenditures and no depreciation expense is recorded.

Deferred Charges - Deferred charges in the government-wide financial statements represent the unamortized portion of the cost incurred for the issuance of long-term debt and the difference between the reacquisition price and the net carrying amount of the old debt, relating to current and advance refunding resulting in the defeasance of debt. These costs are being amortized over the term of the respective bond issue or the shorter of the amortization period remaining from the prior refunding or the life of the latest refunding debt. The costs are amortized using the effective interest method. For governmental funds, these costs are considered to be period costs.

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 City accrues a liability for compensated absences as well as certain other salary related costs associated with the payment of compensated absences. The liability for such accumulated leave is reflected in the government-wide financial statements as current and long-term liabilities. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignations and retirements. The liability for compensated absences includes salary-related payments, where applicable.

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

At September 30, 2008 the City recorded a net pension obligation related to the General Employees and Sanitation Employees (GESE) Excess Benefit Plan in its government-wide statement of net assets. The net pension obligation is a function of annual required contributions, interest, adjustments to the annual required contribution, annual pension costs and actual employers contributions made to the plan. Please refer to Note for further information.

CITY OF MIAMI, FLORIDA
NOTES TO FINANCIAL STATEMENTS

Post Employment Benefits Other Than Pensions (OPEB) - Pursuant to Section 112.0801, Florida Statutes, the City is mandated to permit participation in the health insurance program by retirees and their eligible dependents at a cost to the retiree that is no greater than the cost at which coverage is available for active employees. Retirees pay 75% of the blended (active and retiree combined) equivalent premium rates. The blended rates provide an implicit subsidy for retirees because, on an actuarial basis, their current and future claims are expected to result in higher costs to the plan on average than those of active employees. The City currently provides these benefits in accordance with the vesting and retirement requirements for its General Employees and Sanitation Employees, Firefighters and Police.

The City is financing the post employee benefits on a pay-as-you go basis. As determined by an actuarial valuation, the City records a net OPEB obligation in its proprietary and government-wide financial statements related to the implicit subsidy. Please refer to Note 11 for further information.

Unearned/Deferred Revenues - Resources that do not meet revenue recognition requirements (not earned) are recorded as unearned revenue in the governmental-wide and fund financial statements. In addition, amounts related to government fund receivables that are measurable, but not available, are recorded as deferred revenue in the governmental fund financial statements.

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.

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, and debt principal payments are reported as debt service expenditures.

Risk Management – The City is self-insured for automobile liability, general liability, including public official’s liability and property damage claims pursuant to Florida Statute Section 768.28 (*Waiver of Statute of Limitations; Exclusions: Indemnifications; Risk Management Programs*). Per Florida Statute section 768.28, the City is self-insured up to \$100,000 per person/\$200,000 per occurrence. The City is also self-insured for workers’ compensation claims, in accordance with Florida Statute Section 440. The City is self-insured for health claims and uses a commercial carrier as the administrator. The accrued liability for estimated insurance claims represents an estimate of the ultimate cost of settling claims arising prior to year end including claims incurred but not yet reported.

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.

The government-wide statement of net assets reports \$150,737,724 of restricted net assets, of which \$54,826,984 is restricted by enabling legislation.

CITY OF MIAMI, FLORIDA
NOTES TO FINANCIAL STATEMENTS

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 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 that 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 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.

Excess of Expenditures over Appropriations - The Midtown CRA Special Revenue Fund exceeded their budgetary authorization by \$1,112,084.

Fund Deficits

The following funds had undesignated deficits in the amounts indicated as of September 30, 2008:

<u>Fund</u>	<u>Deficit</u>
Special Revenue:	
Fire Services	\$ 7,125,907
Emergency Services	15,006,723
Homeless	289,970

CITY OF MIAMI, FLORIDA
NOTES TO FINANCIAL STATEMENTS

These undesignated deficits are the result of encumbrances, other reserves exceeding available fund balances or the deferral of revenue recognition. The City plans to eliminate these deficits in the ensuing fiscal year.

NOTE 2. – DEPOSITS AND INVESTMENTS

Deposits

The City, excluding the Pension Trust Funds, maintains a cash management pool for its cash, cash equivalents, and investments in which each fund and/or account or sub-account of a fund participates on a dollar equivalent and daily transaction basis. Interest income (which includes unrealized gains and losses) is distributed monthly 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.

Custodial Credit Risk – This is the risk that in the event of a bank failure, the City's deposits may not be recoverable. In addition to insurance provided by the Federal Deposit Insurance Corporation, deposits are held in banking institutions approved by the State Treasurer of Florida to hold public funds. The City's adopted policy is governed by Florida Statutes Chapter 280, *Florida Security for Public Deposits Act*, which 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

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

At September 30, 2008, the investments of the primary government, exclusive of the Pension Trust Funds, consisted of the following:

CITY OF MIAMI, FLORIDA
NOTES TO FINANCIAL STATEMENTS

<u>Investment Type</u>	<u>Fair Value</u>
United States Treasury Notes	\$ 35,217,250
Federal National Mortgage Association	57,350,700
Federal Home Loan Mortgage Corporation	63,104,080
Federal Farm Credit Bank	97,289,046
Federal Home Loan Bank	92,450,704
Commercial Paper	84,057,749
Money Market Fund	41,014,805
Total Investments	470,484,334
Bank Deposits	1,574,049
Total Cash, Cash Equivalents and Investments	\$ 472,058,383

Interest Rate Risk - Interest rate risk is the risk that as market rates change, 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, 2008, 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 Maturity in Years</u>
United States Treasury Notes	0.40
Federal National Mortgage Association	0.21
Federal Home Loan Mortgage Corporation	0.32
Federal Farm Credit Bank	0.23
Federal Home Loan Bank	0.46
Commercial Paper	0.08
Money Market	Less than 1 year

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 and 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, 2008:

<u>Investment Type</u>	<u>Standards & Poors Credit Rating</u>
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
Money Market Fund	Not Rated

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

CITY OF MIAMI, FLORIDA
NOTES TO FINANCIAL STATEMENTS

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 instruments, with a limit of 25% invested in any one issuer of federal instruments. 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, 2008, the following issuers held 5% or more of the investment portfolio:

<u>Issuer</u>	<u>Percentage</u>
Federal Farm Credit Bank	21%
Federal Home Loan Bank	20%
Federal Home Loan Mortgage Corp.	13%
Federal National Mortgage Association	12%
United States Treasury Notes	7%

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 Firefighters and Police Officers Retirement Trust (FIPO)

FIPO’s investment policy is determined by its Board of Trustees and is implemented by investment managers. 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’s Investment Policy limits the maturities of its investments. 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, 2008:

	<u>U.S. Treasuries</u>	<u>U.S. Agencies</u>	<u>Corporate Bonds</u>	<u>Total</u>
Fair Value (\$000)	\$ 43,789	\$ 179,615	\$ 197,919	\$ 421,323
Investment Maturities:				
Less than 1 year	6,596	1,746	7,378	15,720
1 to 5 years	13,164	5,704	24,700	43,568
6 to 10 years	12,133	18,549	122,788	153,470
More than 10 years	11,896	153,615	43,053	208,564

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.

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The following table discloses credit ratings by investment type, at September 30, 2008, as applicable:

Investment Type/Rating	Fair Value	Percentage of Portfolio
U.S. Government guaranteed*	\$ 223,403,484	53.02%
Credit risk debt securities:		
AAA	23,370,309	5.55%
AA+	1,548,587	0.37%
AA	3,682,741	0.87%
AA-	6,283,727	1.49%
A+	11,232,091	2.67%
A	14,551,459	3.45%
A-	12,309,689	2.92%
BBB+	15,037,777	3.57%
BBB	8,800,307	2.09%
BBB-	5,494,902	1.30%
BB and lower	542,845	0.13%
Bond Funds**	85,543,133	20.30%
Not Rated	9,521,641	2.26%
Total credit risk debt securities	197,919,208	46.98%
Total fixed income securities	\$ 421,322,692	100.00%

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

** At September 30, 2008, bond funds are comprised of securities rated AAA (76%), AA (4%), A (8%), BBB (7%), BB and lower (5%) per Lehman Brothers Aggregate Bond Index and Standard and Poors.

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 that are in the possession of an outside party. Consistent with the Plan's investment policy, the investments are held by the Plan's custodial bank and registered in the Plan's name.

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, 2008.

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. 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:

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<u>Currency</u>	Holdings valued in U.S. Dollars - International Equities
Euro	\$ 25,375,718
Swedish krona	2,616,959
Norwegian krona	2,356,805
Canadian dollar	1,972,778
Swiss franc	1,643,139
South Korean won	1,583,211
Japanese yen	1,280,225
Hong Kong dollar	760,789
Other	543,668
British pound sterling	113,863
	<u>\$ 38,247,155</u>

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 89 days. The custodial bank and its affiliates are prohibited from borrowing the system's securities. The agent lends the Trust U.S. government and agency securities and domestic corporate fixed-income and equity securities for securities or cash collateral of 102% and international securities of 105% 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 31 days.

The relationship between the maturities of the investment pool and the Trust's loans is affected by 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.

The following represents the balances relating to securities lending transactions at September 30, 2008:

Securities Lent:	Fair Value of Underlying Securities	Cash Collateral Received/Securities Collateral Value	Cash Collateral Investment Value
Lent for cash collateral:			
U.S. government and agency obligations	\$ 49,988,535	\$ 51,311,456	\$ 50,609,766
Domestic corporate stocks	128,298,187	130,021,567	128,243,507
Domestic corporate bonds	7,645,957	7,843,533	7,736,272
International corporate stocks	880,196	964,491	951,301
Total securities lent	<u>\$ 186,812,875</u>	<u>\$ 190,141,047</u>	<u>\$ 187,540,846</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

CITY OF MIAMI, FLORIDA
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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 is no income distributions owing on securities lent.

During the fiscal year 2008, the value of certain underlying securities became impaired because of the credit failure of the issuer. Accordingly, the carrying amount of the collateral reported in the Trust’s statement of plan net assets for FY 2008 was reduced by \$2.6 million to reflect this impairment and reflect the net realizable value of the securities purchased with collateral from securities lending transactions.

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, 2008, were as follows:

Investment Type	Fair Value	
	GESE Trust	Staff Trust
U.S. Government and Agency Securities	\$ 65,451,840	\$ -
Corporate Stocks	362,740,215	627,831
Corporate Bonds	77,503,821	459,926
	<u>505,695,876</u>	<u>1,087,757</u>
Real Estate Fund	45,012,487	-
Money Market Fund	24,547,610	-
Total Investments	<u>\$ 575,255,973</u>	<u>\$ 1,087,757</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 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. The Trusts are potentially exposed to various types of investment risk including credit risk, custodial credit risk, concentration of credit risk, interest rate risk, and foreign currency risk.

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

The following represents the investments’ market value and duration of the securities at September 30, 2008:

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<u>Investment Type</u>	<u>Fair Value</u>	<u>Weighted Avg. Maturity Years</u>
Asset-Backed	\$ 12,157,000	2.94
Corporate-Bank	10,876,000	3.33
Corporate-Finance	10,812,000	3.66
Corporate-Industrial	18,272,000	6.54
Corporate-Misc	1,474,000	2.59
Corporate-Transportation	3,300,000	3.07
Corporate-Comm. Utility	8,617,000	4.49
Corporate-Electric Utility	2,050,000	4.86
Corporate-Gas Utility	1,013,000	6.11
US Treasury	13,428,000	6.98
US Agency	1,019,000	6.88
Yankee-Industrial	1,307,000	7.05
Yankee-Utility	369,000	10.43
Yankee-Finance	41,000	9.84
Municipal	2,045,000	3.19
Mortgages	55,976,000	3.70
Cash	3,503,000	0.02
Total	<u>\$ 146,259,000</u>	

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/BBB 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/CCC or better.

At September 30, 2008, the following table displays Moody's ratings and the market value of the total fixed-income portfolio invested:

<u>Investment Type/Rating</u>	<u>Market Value</u>	<u>Percent</u>
Treasury*	\$ 13,428,000	9.18%
Agency*	1,019,000	0.70%
Asset-Backed**	12,157,000	8.31%
Mortgages**	55,976,000	38.27%
Aaa	2,505,000	1.71%
Aa	11,239,000	7.68%
A	29,863,000	20.42%
Baa	16,448,000	11.25%
Ba	121,000	0.08%
Cash	3,503,000	2.40%
Total	<u>\$ 146,259,000</u>	<u>100.00%</u>

* Implied AAA rating

** There is no rating classification for these investments

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

Concentration of Credit Risk - The GESE Trust utilizes limitations on securities of a single issuer or industry to manage this risk. Investments issued or explicitly guaranteed by the U.S. Government and investments in mutual funds, external investment pools, and other pooled investments are not subject to any concentration of credit risk. The GESE Trust investment policy requires that corporate bond issues must be diversified by industry and in number so that no investment in the securities of a single issue shall exceed 5% (at cost) of the value of the portfolio. Single industry weightings will be a maximum of 25%, except U.S. government and agency securities. At September 30, 2008, the GESE Trust did not have any investments with issuers greater than 5%.

Foreign Currency Risk - At September 30, 2008, the GESE Trust did not have any foreign denominated 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.

Interest Rate Risk - The Staff Trust limits the maturities of investments to control this risk. The Staff Trust investment policy requires that the average duration of the fixed-income asset class be targeted within a range of three to ten years. In addition, the manager is expected to keep its duration at +/- one year of the benchmark duration. The effective duration of the passive mutual funds is 4.46 years.

Credit Risk - The Staff Trust Investment Policy Statement limits credit risk by requiring all fixed-income securities to be rated by Moody’s as a Baa/BBB or better. At September 30, 2008, the Staff Plan did not have investments in fixed-income securities.

<u>Investment Type/ Rating</u>	<u>Fair Value</u>	<u>Effective Duration</u>
Government*	\$ 149,000	32.39%
Aaa	219,000	47.61%
Aa	22,000	4.78%
A	38,000	8.26%
Baa	32,000	6.96%
	<u>\$ 460,000</u>	<u>100.00%</u>

* Implied AAA Rating

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

Concentration of Credit Risk - The Staff Trust utilizes limitations on securities of a single issuer or industry to manage this risk. Investments issued or explicitly guaranteed by the U.S. government and investments in mutual funds, external investment pools, and other pooled investments are excluded from

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this requirement. The Staff Trust investment policy requires that corporate bond issues must be diversified by industry and in number so that no investment in the securities of a single issue shall exceed 20% (at cost) of the value of the portfolio. Single industry weightings will be a maximum of 20%, except U.S. government and agency securities. As of September 30, 2008, the Staff Trust did not have any positions with issuers greater than 5%.

Foreign Currency Risk - At September 30, 2008, the GESE Staff Trust did not have any foreign fixed-income investments and is therefore, not exposed to foreign currency risk. The Staff Trust prohibits investments in foreign currency denominated securities.

Elected Officers' Retirement Trust (EORT)

At September 30, 2008, the investments of EORT consisted of the following:

<u>Investment Type</u>	<u>Fair Value</u>
United States Treasury Notes	\$ 552,321
Federal Home Loan Mortgage Corporation	746,303
Federal Farm Credit Bank	747,893
Federal National Mortgage Association	748,357
Federal Home Loan Bank	743,437
Cash and Money Market Funds	148,229
Total	<u><u>\$ 3,686,540</u></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 investment policy limits the maturity of an investment to a maximum of 5 years. As of September 30, 2008, 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.

<u>Investment Type</u>	<u>In Years</u>
United States Treasury Notes	0.17
Federal Home Loan Mortgage Corporation	0.58
Federal Farm Credit Bank	2.08
Federal National Mortgage Association	2.58
Federal Home Loan Bank	3.58
Money Market Funds	Less than 1 year

The investments at September 30, 2008 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, and 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 for U.S. Treasury and Agency were consistent among the three major rating agencies (Moody's, Standard and Poor's, and Fitch). Money Market Funds are authorized by the City's investment policy, but are not rated by the major rating agencies.

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The table below summarizes the investments by credit rating at September 30, 2008:

<u>Investment Type</u>	<u>Credit Rating</u>
United States Treasury Notes	AAA
U.S. Agency Obligations	AAA
Cash and Money Market Funds	Not Rated

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

Concentration of Credit Risk - The 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 instruments, with a limit of 25% invested in any one issuer of federal instruments. A maximum of 35% of the portfolio may be invested in prime commercial paper with a maximum of 5% 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, 2008, the following issuers held 5% or more of the investment portfolio:

<u>Issuer</u>	<u>Percent</u>
United States Treasury Notes	15%
Federal Home Loan Mortgage Corporation	20%
Federal Farm Credit Bank	20%
Federal National Mortgage Association	20%
Federal Home Loan Bank	20%
Cash and Money Market Funds	5%
	<u>100%</u>

NOTE 3. – 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:

<u>Receivables</u>	<u>General</u>	<u>Fire Rescue Services</u>	<u>Emergency Services</u>	<u>Streets & Sidewalks</u>	<u>Other Non-Major Govt Funds</u>	<u>Total</u>
Accounts	\$ 20,694,345	\$ 39,479	\$ -	\$ 375,185	\$ 7,571,970	\$ 28,680,979
Taxes	16,234,738	-	-	-	1,368,967	17,603,705
Due from Other Governments	2,387,217	16,168,533	11,678,327	3,992,437	28,770,240	62,996,754
Loan to Component Unit	-	-	-	-	2,550,000	2,550,000
Loans Receivable	-	-	-	-	8,283,761	8,283,761
Gross Receivables	39,316,300	16,208,012	11,678,327	4,367,622	48,544,938	120,115,199
Less: Allow for Uncollectable	(11,073,726)	(15,779)	(2,116,993)	(353,233)	(15,026,923)	(28,586,654)
Net Total Receivables	<u>\$ 28,242,574</u>	<u>\$ 16,192,233</u>	<u>\$ 9,561,334</u>	<u>\$ 4,014,389</u>	<u>\$ 33,518,015</u>	<u>\$ 91,528,545</u>

CITY OF MIAMI, FLORIDA
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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. The loan to the component unit represents a receivable from the Department of Off-Street Parking (DOSP) in the amount of \$2,550,000, which is fully reserved for as of September 30, 2008 (see Note 8).

Loans receivables amount represents a loan to Parrot Jungle Island authorized under a loan participation agreement with Miami-Dade County. The agreement required the City to assume 80% of the guarantee of the loan. Balance at September 30, 2008 represents payments made on behalf of Parrot Jungle Island to Miami-Dade County. Amounts are due to the City beginning in 2012.

Single-Family Homeownership and Rehabilitation Programs

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

A summary of single-family, deferred long-term loans that are not recognized in the financial statements is as follows:

	September 30, 2008	
Program	Loans Outstanding	Amount
CDBG	103 loans	\$ 1,931,346
HOME	402 loans	13,236,230
SHIP	409 loans	8,540,848
Other	44 loans	1,169,294
Total	958 loans	\$ 24,877,718

Home Ownership and Rental Multi-Family Loans

As of September 30, 2008, there are 85 projects aggregating to \$42,580,568 of loans for new construction or rehabilitation of multi-family units, which under the terms of the loan agreement are to be repaid if program conditions are not met. Home ownership loans are usually “forgiven” to the developer and transferred to the home buyer. The home buyer loans are usually amortizable or deferred during the life of the affordability period. Such loans will be forgiven and become grants if the homeowners remain in their homes during the full term of the loan. Given the nature of these “loans”, collection on loans is not assured, consequently they are not recognized in the financial statements.

Economic Development Commercial Loans

As of September 30, 2008, there are 38 loans aggregating to \$10,376,165 for Special Economic Development projects under the CDBG program. Those projects are collateralized by placing a mortgage against the property of the business or non-profit entity's assets to ensure repayment to the City in the event that the property is sold or transferred. Some of these "loans" are written with no interest payment or deferred payments and are "forgivable", if all program conditions are met. Given the nature of these "loans", collection on loans is not assured, consequently they are not recognized in the financial statements.

NOTE 4. – PROPERTY TAXES

Property taxes are reassessed according to the fair market value on January 1st of each year and are due, 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, 2007, upon which the 2007-2008 levy was based, was \$37,755,839,094. 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, 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, 2008, was \$7.2999 per \$1,000. The debt service tax rate for the same period was \$0.5776 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 property taxes at September 30, 2008. Property taxes that are not considered "available" have been reported as deferred revenues in the governmental funds Balance Sheet.

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NOTE 5. – CAPITAL ASSETS

The following is a summary of changes in capital assets during the year ended September 30, 2008:

	<u>Primary Government</u>				
	<u>Beginning Balance</u>	<u>Additions/ Transfers In</u>	<u>Retirements/ Transfers Out</u>	<u>Adjustments*</u>	
Governmental Activities:					
Non-Depreciable Assets:					
Land	\$ 86,719,846	\$ 1,196,728	\$ 328,583	\$ -	\$ 87,587,991
Construction in Progress	194,648,902	98,969,532	37,948,220	-	255,670,214
Total Capital Assets, not being depreciated	281,368,748	100,166,260	38,276,803	-	343,258,205
Depreciable Assets:					
Buildings	136,638,045	-	-	-	136,638,045
Improvements	95,989,672	11,289,259	-	3,219,248	110,498,179
Machinery and Equipment	138,137,049	25,506,019	3,091,599	527,046	161,078,515
Infrastructure	1,087,515,720	22,033,761	-	-	1,109,549,481
Total Capital Assets being depreciated	1,458,280,486	58,829,039	3,091,599	3,746,294	1,517,764,220
Less Accumulated Depreciation for:					
Buildings	74,928,429	3,232,147	-	-	78,160,576
Improvements	31,703,667	4,569,039	-	3,142,285	39,414,991
Machinery and Equipment	80,942,615	16,306,437	2,911,226	524,366	94,862,192
Infrastructure	563,142,146	26,677,981	-	-	589,820,127
Total accumulated depreciation	750,716,857	50,785,604	2,911,226	3,666,651	802,257,886
Total Capital Assets being depreciated, net	707,563,629	8,043,435	180,373	79,643	715,506,334
Governmental activities capital assets, net	\$ 988,932,377	\$ 108,209,695	\$ 38,457,176	\$ 79,643	\$ 1,058,764,539

* Adjustment necessary to record gross historical cost and gross accumulated depreciation of certain assets from Gusman and Olympia that were recorded at net book value in prior years.

Depreciation expense was charged to governmental functions as follows:

<u>Function/Program Activities</u>	<u>Depreciation Expense</u>
General Government	\$ 31,945,867
Planning and Development	98,292
Community Development	61,692
Community Redevelopment Areas	390,158
Public Works	4,819,333
Public Safety	8,900,407
Public Facilities	499,938
Parks and Recreation	4,069,917
Total depreciation expense	\$ 50,785,604

Construction Commitments

At September 30, 2008, the City had in process various construction projects that were not completed with a remaining balances totaling \$29,439,242. Funding of these projects is to be made primarily through the proceeds of the related bond issues, loans, and future tax, revenues and grants.

Discretely Presented Component Units Capital Assets

The following is a summary of changes in capital assets of the discretely presented component units during the year ended September 30, 2008:

MSEA and CIP did not have capital asset balances at September 30, 2008.

CITY OF MIAMI, FLORIDA
NOTES TO FINANCIAL STATEMENTS

A summary of the changes in capital assets for DOSP is as follows:

	DOSP			
	Beginning Balance	Additions	Retirements	Ending Balance
Capital assets, not being depreciated:				
Land	\$ 14,152,054	\$ -	\$ -	\$ 14,152,054
Construction in progress	3,793,154	9,698,776	(63,516)	13,428,414
Total capital assets, not being depreciated	<u>17,945,208</u>	<u>9,698,776</u>	<u>(63,516)</u>	<u>27,580,468</u>
Capital assets, being depreciated:				
Building and structures	29,229,457	154,966	(1,488,808)	27,895,615
Leasehold improvements	8,835,351	1,101,066	(12,732)	9,923,685
Furniture and fixtures	307,326	7,625	-	314,951
Equipment	14,587,735	1,345,849	(113,149)	15,820,435
Total capital assets, being depreciated	<u>52,959,869</u>	<u>2,609,506</u>	<u>(1,614,689)</u>	<u>53,954,686</u>
Less accumulated depreciation for:				
Building and structures	(14,996,086)	(793,722)	1,498,231	(14,291,577)
Leasehold improvements	(6,196,047)	(624,917)	(715)	(6,821,679)
Furniture and fixtures	(208,629)	(17,547)	-	(226,176)
Equipment	(9,780,538)	(1,054,019)	(113,149)	(10,947,706)
Total accumulated depreciation	<u>(31,181,300)</u>	<u>(2,490,205)</u>	<u>1,384,367</u>	<u>(32,287,138)</u>
Total capital assets, being depreciated, net	<u>21,778,569</u>	<u>119,301</u>	<u>(230,322)</u>	<u>21,667,548</u>
DOSP capital assets, net	<u>\$ 39,723,777</u>	<u>\$ 9,818,077</u>	<u>\$ (293,838)</u>	<u>\$ 49,248,016</u>

A summary of the changes in capital assets for DDA is as follows:

	DDA			
	Beginning Balance	Additions	Retirements	Ending Balance
Capital assets, being depreciated:				
Furniture and equipment	\$ 566,722	\$ 10,783	\$ -	\$ 577,505
Less accumulated depreciation for:				
Furniture and equipment	(322,240)	(64,433)	-	(386,673)
DDA capital assets, net	<u>\$ 244,482</u>	<u>\$ (53,650)</u>	<u>\$ -</u>	<u>\$ 190,832</u>

CITY OF MIAMI, FLORIDA
NOTES TO FINANCIAL STATEMENTS

	BFP			
	Beginning Balance	Additions	Retirements	Ending Balance
Capital assets, not being depreciated:				
Land	\$ 516,129	\$ -	\$ -	\$ 516,129
Construction in progress	350,543	210,580	-	561,123
Total capital assets, not being depreciated:	<u>866,672</u>	<u>210,580</u>	<u>-</u>	<u>1,077,252</u>
Capital assets, being depreciated:				
Buildings	2,637,934	-	-	2,637,934
Public domain and system infrastructure	3,108,122	162,537	-	3,270,659
Machinery and equipment	371,118	50,500	-	421,618
Total capital assets, being depreciated	<u>6,117,174</u>	<u>213,037</u>	<u>-</u>	<u>6,330,211</u>
Less accumulated depreciation for:				
Buildings	(1,018,962)	(52,759)	-	(1,071,721)
Public domain and system infrastructure	(1,417,954)	(132,581)	-	(1,550,535)
Machinery and equipment	(243,946)	(25,810)	-	(269,756)
Total accumulated depreciation	<u>(2,680,862)</u>	<u>(211,150)</u>	<u>-</u>	<u>(2,892,012)</u>
Total capital assets, being depreciated, net	<u>3,436,312</u>	<u>1,887</u>	<u>-</u>	<u>3,438,199</u>
BFP capital assets, net	<u>\$ 4,302,984</u>	<u>\$ 212,467</u>	<u>\$ -</u>	<u>\$ 4,515,451</u>

Summary of discretely presented component unit capital asset balances is as follows:

	DOSP	DDA	BFP	Total
Capital Assets:				
Non-depreciable	\$ 27,580,468	\$ -	\$ 1,077,252	\$ 28,657,720
Depreciable, Net	21,667,548	190,832	3,438,199	25,296,579
	<u>\$ 49,248,016</u>	<u>\$ 190,832</u>	<u>\$ 4,515,451</u>	<u>\$ 53,954,299</u>

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

Entity	Depreciation Expense
DOSP	\$ 2,490,205
DDA	64,433
BFP	211,150
Total depreciation expense	<u>\$ 2,765,788</u>

CITY OF MIAMI, FLORIDA
NOTES TO FINANCIAL STATEMENTS

NOTE 6. – ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Accounts payable and accrued liabilities at September 30, 2008 consisted of the following:

	General	Fire Rescue Services	Emergency Services	Street & Sidewalks	Other Non-Major Governmental Funds	Total
Vendors	\$ 27,902,646	\$ 2,101,270	\$ 921,749	\$ 10,263,612	\$ 24,856,984	\$ 66,046,261
Salaries and Benefits	16,340,417	261,810	-	-	1,197,659	17,799,886
Total	\$ 44,243,063	\$ 2,363,080	\$ 921,749	\$ 10,263,612	\$ 26,054,643	\$ 83,846,147

NOTE 7. – INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

The balances reflected as due from/due to other funds as of September 30, 2008 are as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Fire Rescue Services	\$ 9,137,870
General Fund	Emergency Services	14,084,974
General Fund	Other Non-Major Governmental Funds	16,648,028
		<u>\$ 39,870,872</u>

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 interfund transfers for the year ended September 30, 2008:

<u>Transfer Out</u>	<u>Transfer In</u>					Total
	General	Fire Rescue Service	Emergency Services	Street & Sidewalks	Other Nonmajor Governmental Funds	
General	\$ -	\$ 43,300	\$ -	\$ 2,022,213	\$ 74,752,338	\$ 76,817,851
Fire Rescue Service	300,000	-	16,561,808	-	39,883	16,901,691
Emergency Services	-	-	-	-	-	-
Street & Sidewalks	400,000	-	-	-	12,276,447	12,676,447
Other Non-Major Governmental Funds	30,179,926	-	-	2,485,049	88,501,866	121,166,841
Total	\$ 30,879,926	\$ 43,300	\$ 16,561,808	\$ 4,507,262	\$ 175,570,534	\$ 227,562,830

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 and public services tax funds to finance various programs accounted for in other funds in accordance with budgetary authorizations.

NOTE 8. – 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, 2008:

Primary Government	Beginning Balance	Additions	Reduction	Ending Balance	Due within One Year
General Obligation bonds	\$ 245,689,409	\$ -	\$ (10,295,644)	\$ 235,393,765	\$ 10,335,262
Special obligation revenue bonds and loans	150,089,872	133,098,930	(11,047,499)	272,141,303	12,930,750
Accretion	36,177,509	-	(1,297,075)	34,880,434	-
Deferred amounts	8,798,992	1,344,956	(988,471)	9,155,477	-
Total bonds and loans	440,755,782	134,443,886	(23,628,689)	551,570,979	23,266,012
Other liabilities:					
Capital lease	658,722	-	(658,722)	-	-
Compensated absences	76,471,796	20,527,261	(12,519,791)	84,479,266	5,430,784
Claims payable	141,603,838	36,182,885	(35,194,553)	142,592,170	16,937,917
Other Post Employment Benefits	-	27,192,737	-	27,192,737	-
Net pension obligation	3,877,208	388,395	-	4,265,603	-
Total governmental activities and long-term liabilities	\$ 663,367,346	\$ 218,735,164	\$ (72,001,755)	\$ 810,100,755	\$ 45,634,713

Claims and judgments, compensated absences, net pension obligation, and other post employment benefits 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, 2008:

DESCRIPTION	Purpose of Issue	Amount Issued	Outstanding Balance	Interest Rate Range
General Obligation Bonds:				
General Obligations Refunding Bonds Series 1992	Refunding	\$ 70,100,000	\$ 6,385,000	5.9%-6%
Homeland Defense/Neighborhood CIP Series 2002 (Limited)	Homeland Defense	153,186,406	40,058,765	1.8%-4.97%
General Obligation Refunding Bonds Series 2002A	Refunding	32,510,000	26,795,000	3.7%-5.375%
General Obligation Bonds Other Issues	Housing	23,190,000	880,000	.5%-4%
General Obligation Refunding Bonds Series 2003B	Refunding	4,180,000	4,100,000	2%-3.5%
General Obligation Refunding Bonds Series 2003	Refunding	18,680,000	4,115,000	3%-5%
General Obligation Refunding Bonds Series 2007A (Limited)	Refunding	103,060,000	103,060,000	4%-5%
General Obligation Refunding Bonds Series 2007B (Limited)	Homeland Defense	50,000,000	50,000,000	4.995%-5%
Total General Obligation Bonds		454,906,406	235,393,765	
Special Obligation and Revenue Bonds and Loans:				
Special Revenue Refunding Bonds Series 1987	Refunding	\$ 65,271,325	\$ 6,224,539	5.25%-7.3%
Community Redevelopment Revenue Bonds Series 1990	Redevelopment	11,500,000	2,010,000	8.50%
Special Obligation Non-Ad Valorem Series 1995	MRC Building	22,000,000	1,245,000	5.4%-5.7%
Special Obligation Non-Ad Valorem Revenue Series 1995	Pension	72,000,000	30,875,000	6.5%-7.25%
Special Revenue Refunding Bonds Series 2002A	Refunding	27,895,000	27,330,000	3.7%-5.375%
Special Revenue Refunding Bonds Series 2002C	Refunding	28,390,000	21,790,000	3%-4.375%
Non Ad Valorem Variable Rate Refunding Bonds Series 2006	Refunding	30,615,000	29,010,000	(4)
Sunshine State Government Financing Commission Loans	Facility Improvements	27,630,900	7,581,900	(1)
SEOPW - Section 108 HUD Loan	Redevelopment	5,100,000	3,150,000	8.47%-9.03%
Wynwood - Section 108 HUD Loan	Redevelopment	5,500,000	2,610,000	(3)
Wagner Square Section 108 HUD Loan	Redevelopment	3,999,000	3,999,000	(3)
Sunshine State Government Financing Commission-Secondary Loan	SCI, Melreese	3,500,000	1,195,000	(1)
Parrot Jungle	Development	6,112,000	4,312,000	
Sunshine State Government Financing Commission Loans	Facility Improvements	6,600,000	6,600,000	(1)
Sunshine State Government Financing Commission Loans	Facility Improvements	42,500,000	42,500,000	(1)
Special Revenue Bonds Series 2007	Street & Highway	80,000,000	80,000,000	3.5%-5.0%
Gran Central Corporation Loan	Redevelopment	1,708,864	1,708,864	0.00%
Total Special Obligation Bonds, Revenue Bonds, and Loans		440,322,089	272,141,303	
Total Bonds and Loans		\$ 895,228,495	\$ 507,535,068	

- (1) These variable rate loans are subject to a 12% interest rate cap. The Commission loans had an average interest rate of 3.98% on September 30, 2008.
- (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.
- (4) These variable rate loans are subject to LIBOR plus 0.2%. The interest is calculated and paid monthly.

Annual Debt Service Requirements to Maturity

The annual debt service requirements for all bonds and loans outstanding as of September 30, 2008 are as follows:

Year Ended September 30,	General Obligation Bonds		Special Obligation Revenue Bonds and Loans		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2009	\$ 10,335,262	\$ 11,390,034	\$ 14,639,622	\$ 20,337,353	\$ 24,974,884	\$ 31,727,387
2010	10,309,048	11,420,388	15,223,629	19,818,927	25,532,677	31,239,315
2011	10,357,664	11,375,053	15,032,810	19,144,746	25,390,474	30,519,799
2012	10,373,376	11,374,472	16,920,515	17,228,050	27,293,891	28,602,522
2013	9,932,644	11,482,535	17,677,230	16,426,795	27,609,874	27,909,330
2014-2018	63,650,771	45,869,755	81,815,497	51,454,569	145,466,268	97,324,324
2019-2023	77,760,000	19,536,504	39,376,000	25,641,617	117,136,000	45,178,121
2024-2028	42,675,000	5,545,684	33,661,000	13,435,231	76,336,000	18,980,915
2029-2033	-	-	18,855,000	7,266,438	18,855,000	7,266,438
2033-2037	-	-	18,940,000	1,953,250	18,940,000	1,953,250
	<u>\$ 235,393,765</u>	<u>\$ 127,994,425</u>	<u>\$ 272,141,303</u>	<u>\$ 192,706,976</u>	<u>\$ 507,535,068</u>	<u>\$ 320,701,401</u>

Summary of New Debt Issuances

\$6,600,000 Sunshine State Governmental Financing Commission Loan - On October 3, 2007, the City obtained a \$6,600,000 loan from the Sunshine State Governmental Financing Commission under Loan Program Series 1986 for the purpose of financing various capital projects. This is a variable rate loan maturing in 2016. The Sunshine State Governmental Financing Commission is a legal entity through interlocal agreements among the State of Florida, counties and local municipalities. The City has covenanted to budget and appropriate in its annual budget and to pay when due non-ad valorem revenues sufficient to satisfy the required annual debt service payments.

\$80,000,000 Special Obligation Revenue Bonds, Series 2007 - On December 5, 2007, the City issued \$80,000,000 in Special Obligation Bonds, Series 2007 for the purpose of financing various street and sidewalk capital improvement projects. The bonds were issued with interest rates ranging from 3.500% to 5.25% maturing during years 2008 through 2031. The bonds are to be repaid by ad valorem tax revenues.

\$42,500,000 Sunshine State Governmental Financing Commission Loan - On August 14, 2008, the City obtained a \$42,500,000 loan from the Sunshine State Governmental Financing Commission under Loan Program Series 1986 for the purpose of financing various capital projects. This is a variable rate loan maturing in 2016. The Sunshine State Governmental Financing Commission is a legal entity through interlocal agreements among the State of Florida, counties and local municipalities. The City has covenanted to budget and appropriate in its annual budget non-ad valorem revenues sufficient to satisfy the required annual debt service payments.

\$3,999,000 WAGNER SQUARE – HUD Section 108 Loan - On September 19, 2008, the City obtained a \$3,999,000 loan under the Department of Housing and Urban Development Section 108 Program. The loan proceeds will be used to fund the Wagner Square Project. The Wagner Square Project is an arrangement between the City of Miami, (the “City”), and Wagner Square LLC (“Wagner”), a developer, to build a mixed-use development consisting of two residential towers each to include 99 units of which 52 are to be affordable housing units. Under the Section 108 loan, the \$4,000,000 was received by the

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City and was put in escrow on September 19, 2008. Proceeds will be provided to the developer as construction on the Wagner Square Project progresses. This loan has a final maturity of August 1, 2024, and bears an interest rate which is based on the one month LIBOR + .20% (20 basis points). See note 12 for disclosure of agreement with developer.

Parrot Jungle Island & Gardens Loan

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.

During the current fiscal year, the City made a payment representing eighty percent (80%) of the Section 108 Loan payment due by the County to U.S. HUD on August 1, 2008. The City paid \$1,364,923 in interest and \$1,000,000 in principal payments in fiscal year 2008. The City has entered into a loan participation agreement with Miami-Dade County whereby the City assumed 80% of the loan obligation. Final maturity on this loan is in 2019. As of September 30, 2008, the City is obligated to make principal payments totaling \$4,312,000 thru 2011.

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, 2008, the statutory limitation for the City amounted to \$5,400,939,950 providing a debt margin of \$5,167,684,697 after consideration of \$233,255,253 of general obligation bonds outstanding at September 30, 2008 and adjusted for the fund balance of \$2,138,512 in the related Debt Service Fund.

Pledged Revenue

The City pledged future revenue proceeds of (i) 80% People Transportation Taxes, (ii) 100% Local Option Gas Taxes, and 20% of the City's Parking Surcharge to repay \$80,000,000 in Special Obligation Revenue Bonds, Series 2007. The proceeds from the bonds were used for the improvement of streets and sidewalks within the City. The bonds are payable solely from the pledged revenues listed above through January 1, 2027. Principal and interest paid for the current year were \$0 and \$2,227,579, respectively. The current year revenues were (i) \$12,654,846, (ii) \$6,979,401, and (iii) \$14,539,482, respectively.

All other Special Obligation debt of the City is collateralized by pledges of non-ad valorem revenues in accordance with their bond indentures. The bond indentures require that sufficient funds be available in reserve accounts or a surety bond be obtained in lieu of the reserve account to meet the annual debt service requirements.

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.

Escrow Agreement

On March 17, 1997, an agreement was entered into by and among an Escrow Agent, the Oversight Board, acting through its committee (Fiscal Sufficiency Advisory Board), and the City. The agreement directs the Escrow Agent to establish two escrow accounts, and maintain appropriate balances to ensure the timely payment of debt service on outstanding General Obligation and Revenue Bonds.

The City made deposits of \$2,138,512 with the escrow agent during fiscal year 2008 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 deposits of \$8,950,935 with the Escrow Agent during fiscal year 2008 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.

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, 2008, the City has issued \$203,186,406 of the approved bonds.

Defeasance of Long-Term Debt

In prior years, the City had defeased certain outstanding general obligation, special obligation, and revenue bonds. For those defeasances involving advance refundings, the proceeds of the new bonds were placed in an irrevocable trust to provide for all future debt service payments on the defeased bonds.

At September 30, 2008, the following outstanding bonds are considered defeased:

Defeased Debt:

	<u>Balance</u>
\$153,186,406 Limited Ad Valorem Tax Bonds, Series 2002: Homeland Defense/Neighborhood Capital Improvement Projects.....	\$102,305,000

Derivative Disclosure – Swaption Agreement

Objective of the Swaption – As a means to lowering its borrowing costs, when compared against fixed-rate bonds at the time of issuance in December 2006, 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 in order to reduce interest costs. 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.

Terms - On November 27, 2006, the City issued \$30,615,000, City of Miami, Florida Non-Ad Valorem Variable Rate Refunding Revenue Bonds, Taxable Pension Series 2006 Bonds. The Series 2006 Bonds were issued for the purpose of refunding a portion of the outstanding \$72,000,000 City of Miami, Florida Non-Ad Valorem Revenue Taxable Pension Bonds Series 1995. The reason for the issuance of the bonds was because the City entered into swaption agreement on November 15, 2004 with Morgan Stanley

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whereby they had the option to refinance the above portion of the Series 1995 bonds with floating rate debt. The City would then pay a fixed rate and receive a floating rate. On November 27, 2006, Morgan Stanley exercised the option. The LIBOR rate as of September 30, 2008 is 3.926%.

Fair Value - As of September 30, 2008, the swaption had a negative fair market value of \$2,405,788. The negative balance signifies the amount the City would have to pay to the counterparty (Morgan Stanley) if the City chose to terminate the swaption at that date. Morgan Stanley exercised their option on November 27, 2006 and entered into an interest rate swap with the City. The structure of the swaption was such that the City would pay a specified fixed rate of 6.43% and receive a floating rate based on the one month LIBOR in exchange for annual option premium payments of \$250,000 from December 1, 2006 through December 1, 2025 from Morgan Stanley.

Credit Risk - As of September 30, 2008, 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 September 30, 2008, 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 - The execution of the swap on November 27, 2006 by Morgan Stanley exposed the City to Basis and Termination risk. Basis risk, under the swap agreement is based on payments the City received (% of the one-month LIBOR) compared to the payments the City pays to the bondholders. If the City pays out more than it receives in this exercise, the City is then subject to Basis Risk. With Termination Risk under the swap agreement, the City or the counterparty has the right to optionally terminate the agreement at any time. The termination amount owed by either the City or the counterparty is determined by market quotation at the time of termination; if the swap has a negative fair value the City is liable to the counterparty for a payment equal to the swap's fair value.

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.

Swap Payments and Associated Debt - Using rates at September 30, 2008, the Net Debt Service requirements of the City's taxable variable-rate debt payments are as follows. As rates vary, variable-rate bond interest payments will vary:

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Fiscal Year Ending September 30,	Principal	Fixed Rate Bonds	Interest	Total Principal and Interest	Interest Rate Swap, Net	Net Debt Service
2009	\$ 1,720,000	6.430%	\$ 1,804,863	\$ 3,524,863	\$ 78,503	\$ 3,603,366
2010	1,840,000	6.430%	1,695,591	3,535,591	56,354	3,591,945
2011	45,000	6.430%	1,634,988	1,679,988	55,814	1,735,802
2012	50,000	6.430%	1,631,934	1,681,934	55,212	1,737,146
2013	55,000	6.430%	1,637,616	1,692,616	54,549	1,747,165
2014-2018	325,000	6.430%	8,075,893	8,400,893	261,612	8,662,505
2019-2023	9,155,000	6.430%	7,410,136	16,565,136	82,131	16,647,267
2024-2026	15,820,000	6.430%	1,572,754	17,392,754	(304,777)	17,087,977
Total	\$ 29,010,000		\$ 25,463,775	\$ 54,473,775	\$ 339,398	\$ 54,813,173

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.

Discretely Presented Component Units Long-Term Debt

DOSP

The changes in DOSP’s long-term debt during 2008 were as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Bonds payable	\$ 48,985,000	\$ 40,950,000	\$ 41,425,000	\$ 48,510,000	\$ 800,000
Deferred amounts	68,000	-	84,000	(16,000)	-
Compensated absences	650,000	504,000	384,000	770,000	384,380
Loan from primary government	2,700,000	-	150,000	2,550,000	150,000
	<u>\$ 52,403,000</u>	<u>\$ 41,454,000</u>	<u>\$ 42,043,000</u>	<u>\$ 51,814,000</u>	<u>\$ 1,334,380</u>

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

The 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, 2008, DOSP has drawn \$3,000,000 of this loan. The balance as of September 30, 2008 is \$2,550,000.

The following summarizes the debt service to maturity of outstanding DOSP debt at September 30, 2008:

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Year Ending September 30,	Bonds			Total Loan
	Principal	Interest	Total Bonds	Principal
2009	\$ 800,000	\$ 3,759,674	\$ 4,559,674	\$ 150,000
2010	835,000	3,724,104	4,559,104	150,000
2011	875,000	3,686,047	4,561,047	150,000
2012	910,000	3,643,609	4,553,609	150,000
2013	960,000	3,596,859	4,556,859	150,000
2014-2018	5,585,000	17,038,181	22,623,181	1,800,000
2019-2023	7,180,000	14,637,358	21,817,358	-
2024-2028	9,045,000	11,137,241	20,182,241	-
2029-2033	11,235,000	6,743,101	17,978,101	-
2034-2037	11,085,000	1,475,734	12,560,734	-
Total	<u>\$ 48,510,000</u>	<u>\$ 69,441,908</u>	<u>\$ 117,951,908</u>	<u>\$ 2,550,000</u>
Range of Rates	<u>2.70%-6.55%</u>			

In prior years, the DOSP defeased, in substance, its 1993A Parking Facilities Revenue Bonds and at September 30, 2008, the outstanding balance of defeased bonds was \$1,305,000.

Derivative Disclosure

Objective of the Interest Rate Swap – As a means to lowering its borrowing costs, when compared against fixed-rate bonds at the time of issuance in March 2006, the DOSP entered into an interest rate swap agreement in connection with a portion of its tax-exempt variable rate bonds (\$34,740,000 of the \$37,070,000 tax-exempt bonds issued). The intention of the swap was to effectively change the Authority’s variable interest rate on the bonds to a synthetic fixed rate of 4.485%.

Terms – Under the swap, the DOSP pays the counterparty a fixed payment of 4.485% and receives a variable payment computed as BMA Municipal Swap Index. The swap has a notional amount of \$34.74 million and the associated variable-rate bonds have a \$37.07 million principal amount. The swap was entered into at the same time that the bonds were issued. Starting in fiscal year 2016, the notional value of the swap and the principal amount of the associated debt will begin to decline. The SIMFA Municipal Swap Index as of September 30, 2008 was 3.842%.

Fair Value – As of September 30, 2008, the swap had a value of \$3,453,151, which represents if terminated, an obligation of the Authority at that date. The fair value of the swap may be countered by reductions in total interest payments required under the variable-rate bond, creating lower synthetic rates. Because the coupons on the government’s variable-rate bonds adjust to changing interest rates, the bonds do not have a corresponding fair value increase. The fair value was developed by a pricing service using the zero-coupon method. This method calculates the future net settlement payments required by the swap, assuming that the current forward rates implied by the yield curve correctly anticipate future spot interest rate. These payments are then discounted using the spot rates implied by the current yield curve for hypothetical zero-coupon bonds due on the date of each future net settlement of the swap.

Credit Risk – As of September 30, 2008, the DOSP is exposed to credit risk in the amount of the derivative’s fair value. As of September 30, 2008, the counterparty was rated A by Moody’s Investor Service, A by Standard & Poor’s, and A+ by Fitch Ratings. To mitigate the potential for credit risk, if the counterparty’s credit quality falls below BBB- as issued by Fitch or Standard & Poor’s or Baa3, it will collateralize the swap liability to the Authority with securities, consisting of obligations of the United States government, mortgage participation certificates of the Federal Home Mortgage Corporation, or the

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Federal National Mortgage Association, or such other securities as the parties mutually agree to. Collateral would be deposited with a third-party custodian.

Basis Risk – Municipal interest rate swaps are normally based on a fixed payment and an indexed variable receipt instead of the actual variable debt payment. Any difference between the indexed variable receipt and the accrual market-determined variable borrowing rate on bonds is called “basis-risk”. Under the swap, the DOSP will be paid the actual market-determined variable borrowing rate on the bonds is called “basis-risk”. Under the swap, the DOSP will be paid the actual market-determined variable borrowing rate on the swap, as determined by the remarketing agent, which eliminates the basis risk.

Termination Risk – The derivative contract used the International Swap Dealers Association Master Agreement “Master Agreement”, which includes standard termination events, such as failure to pay and bankruptcy. The schedule to the Master Agreement includes an “additional termination event”. That is, the DOSP may terminate the swap if the counterparty’s credit quality falls to BBB- as issued by Fitch Ratings or Standard & Poor’s or Baa3 as issued by Moody’s Investor Service. The DOSP or the counterparty may terminate the swap if the other party fails to perform under the terms of the contract. If the swap were terminated, the variable rate bond would no longer carry a synthetic interest rate. In addition, if at the time of the termination the swap has a negative fair value, the DOSP would be liable to the counterparty for a payment equal to the swap’s fair value.

The interest rate swap agreement does not affect the obligation of the DOSP under the indenture to repay the principal and variable interest on the Series 2006 Parking Revenue Bonds. However, during the term of the swap agreement, the DOSP effectively pays a fixed rate on the debt. The debt service requirements to maturity for these bonds are based on that fixed rate. The DOSP will be exposed to variable rates if the counterparty to the swap defaults or if the swap agreement is terminated. A termination of the swap agreement may also result in the DOSP making or receiving a termination payment.

Swap Payments and Associated Debt - Using rates at September 30, 2008, the debt service requirements of the DOSP’s tax-exempt variable-rate debt and net swap payments are as follows. As rates vary, variable-rate bond interest payments and net swap payments will vary:

Fiscal Year Ending September 30,	Interest Rate			Total
	Principal	Interest	Swap, Net	
2009	\$ -	\$ 2,928,530	\$ 223,239	\$ 3,151,769
2010	-	2,928,530	223,239	3,151,769
2011	-	2,928,530	223,239	3,151,769
2012	-	2,928,530	223,239	3,151,769
2013	-	2,928,530	223,239	3,151,769
2014-2018	570,000	14,575,500	1,114,268	16,259,768
2019-2023	5,135,000	13,495,570	1,073,013	19,703,583
2024-2028	9,045,000	10,300,415	836,826	20,182,241
2029-2033	11,235,000	6,235,865	507,236	17,978,101
2034-2037	11,085,000	1,364,725	111,009	12,560,734
	\$ 37,070,000	\$ 60,614,725	\$ 4,758,547	\$ 102,443,272

NOTE 9. – 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. Certain employees and retirees of the City contribute, through payroll deductions or deductions from pension payments, to the cost of group benefits.

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 (IBNR). The process used in computing claims liability is based on actuary and legal calculations and 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 re-evaluated 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 officials’ 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% of the total values at the time of loss at each location involved in the loss, subject to a minimum of \$250,000 deductible for any one occurrence.

At September 30, 2008, the total estimated liability of \$142,592,170 is discounted at an interest rate of 5% and recorded in the government-wide financial statements. Changes in the claims liability amount in 2007 and 2008 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
2007	\$ 122,676,113	\$ 48,177,991	\$ 29,250,266	\$ 141,603,838
2008	141,603,838	36,182,885	35,194,553	142,592,170

NOTE 10. – PENSIONS

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

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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 fair market value and mortgages are valued based on current market yield which approximates fair value. 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 employment status in the Police or Fire Department of the City.

At October 1, 2008, the date of the most recent actuarial valuation, membership in the FIPO consisted of 1,870 retirees and beneficiaries currently receiving benefits and terminated employees entitled to benefits but not yet receiving them; current employees equaled 1,634 as of that date.

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

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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 other than 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 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.

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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, 2008 was approximately \$133.2 million; the City's total payroll was approximately \$319.7 Million.

Annual Pension Cost

The City's current year contribution was determined through an actuarial valuation performed as of October 1, 2007. Significant actuarial assumptions used to compute the annual contribution requirement are as follows:

Valuation date:	October 1, 2007
Actuarial cost method:	Aggregate Cost Method
Amortization method:	Not Applicable
Remaining amortization period:	Not Applicable
Asset valuation method:	20% Write-Up Method: Expected value is based on the Interest Discount/Investment Return rate applied to the actuarial asset value as of previous valuation date and cash flow during the year. 20% of the difference between Expected Value and the Market Value (net of pending transfers to the COLA Fund) is added to the Expected Value. The result cannot be greater than 120% of market value or less than 80% of market value (net of pending COLA transfers).

Actuarial assumptions

Investment rate of return:	7.75%
Projected salary increases due to inflation:	4.00%
Seniority/merit	5.00% to 0% reducing by attained age
Promotion/other	1.00%
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 September 30	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
2006	\$ 50,635,213	100%	-
2007	40,542,078	100%	-
2008	36,040,251	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: 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, 2008, the date of the most recent actuarial valuation, membership in the GESE Trust consisted of 1,992 retirees and beneficiaries currently receiving benefits and terminated employees entitled to benefits but not yet receiving them; current employees equaled 1,703 as of that date.

Pension Benefits

The minimum normal retirement age is 55. A member who has completed a combination of at least 10 or more years of creditable service plus attained age equaling 70 points may elect a rule of 70 retirement. 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.

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.

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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 the return of contribution option to receive a minimum COLA benefit of \$27 per year and a maximum COLA benefit of \$200 added to the previous COLA benefit, provided the retiree's first anniversary of retirement has been reached.

Deferred Retirement Option Plan (DROP)

The City of Miami General Employees and Sanitation Employees 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 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 they receive 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.

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, 2008 was approximately \$90.5 million; the City's total payroll was approximately \$319.7 Million.

Annual Pension Cost

The City's current year contribution was determined through an actuarial valuation performed as of October 1, 2008. Significant actuarial assumptions used to compute the annual contribution requirement are as follows:

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Valuation date: October 1, 2008
 Actuarial cost method: Modified entry age normal
 Amortization method: Level dollar amount, closed
 Remaining amortization period: 9 - 20 years
 Asset valuation method: 3-Year Smoothed Market
Actuarial assumptions
 Investment rate of return: 8.10%
 Projected salary increases: 5.25%
 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 September 30	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
2006	\$ 22,018,443	100%	-
2007	24,229,028	100%	-
2008	22,762,902	100%	-

City of Miami General Employees and Sanitation Employees 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 contribute to the Excess Benefit Plan. Members of the GESE Trust participate in this Plan.

At October 1, 2008, the date of the most recent actuarial valuation, membership in the Excess Benefit Plan, consisted of 40 retirees and beneficiaries currently receiving benefits and terminated employees entitled to benefits but not yet receiving them and there are no current employees in the plan.

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.

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The payroll for employees covered by the Excess Benefit Plan for the year ended September 30, 2008 was approximately \$90.5 million; the City's total payroll was approximately \$319.7 Million.

Annual Pension Cost and Net Pension Obligation

The City's current year contribution was determined through an actuarial valuation performed as of October 1, 2008. Significant actuarial assumptions used to compute the annual contribution requirement are as follows:

Valuation date:	October 1, 2008
Actuarial cost method:	Modified entry age normal
Amortization method:	Level dollar amount, closed
Remaining amortization period:	22 years
Asset valuation method:	Not Applicable
<u>Actuarial assumptions</u>	
Investment rate of return:	8.10%
Projected salary increases	5.25%
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 September 30	Annual Required Contribution (ARC)	Percentage of ARC Contributed	Net Pension Obligation
2006	\$ 824,766	56%	\$ 3,583,015
2007	823,371	58%	3,877,208
2008	898,149	50%	4,265,603

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	\$ 898,149
Interest on net pension obligation	314,054
Adjustment to annual required contribution	<u>(376,892)</u>
Annual pension cost	835,311
Contributions made	<u>(446,916)</u>
Increase in net pension obligation	388,395
Net pension obligation, beginning of year	<u>3,877,208</u>
Net pension obligation, end of year	<u><u>\$ 4,265,603</u></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, 2008, 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 12 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 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, 2008 was approximately \$632,000; the City's total payroll was approximately \$319.7 Million.

Annual Pension Cost

The City's current year contribution was determined through an actuarial valuation performed as of October 1, 2008. Significant actuarial assumptions used to compute the contribution requirements are as follows:

Valuation date:	October 1, 2008
Actuarial cost method:	Modified entry age normal
Amortization method:	Level dollar amount, closed
Remaining amortization period:	8 - 22 years
Asset valuation method:	3-year smoothed market
<u>Actuarial assumptions</u>	
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 September 30	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
2008	\$ 109,163	100%	\$ -
2007	57,995	100%	-
2006	72,380	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 December 31, 2007, 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 financial 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 100% at 17 or more years of service. An active participant will be fully vested upon death and a single sum death benefit is payable.

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, 2008 was approximately \$718,000; the City's total payroll was approximately \$319.7 Million.

CITY OF MIAMI, FLORIDA
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Annual Pension Cost

The City’s current year contribution was determined through an actuarial valuation determined as of December 31, 2007. Significant actuarial assumptions used to compute the annual contribution requirement are as follows:

Valuation date:	December 31, 2007
Actuarial cost method:	Individual Aggregate Cost Method
Amortization method:	Not Applicable
Remaining amortization period:	Not Applicable
Asset valuation method:	December 31 market values
<u>Actuarial assumptions</u>	
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 seven year required supplementary information as follows:

Year Ended	Annual Pension Cost	Percentage	Net Pension
September 30	(APC) and Annual	Contributed	Obligation
	Required Contribution		
2008	\$ 711,209	100%	
2007	285,408	100%	\$ -
2006	1,043,209	100%	-
2005	300,000	100%	-
2004	300,000	100%	-
2003	265,287	100%	-
2002	220,837	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, 2008:

Statement of Fiduciary Net Assets

Assets	
Cash and Short-Term Investments	\$ -
Investments, at fair value	
U.S. Government Obligations	552,321
U.S. Agency Obligations	2,985,990
Money Market Funds	148,229
Total Investments	<u>3,686,540</u>
Total Assets	<u>3,686,540</u>
Net Assets	
Held in Trust for Pension Benefits	<u>\$ 3,686,540</u>

Statement of Changes in Fiduciary Net Assets

Additions	
Contributions:	
Employer	\$ 711,209
Investment Earnings:	
Interest	106,771
Total Additions	<u>817,980</u>
Deductions	
Benefits	683,101
Total Deductions	<u>683,101</u>
Change in Net Assets	134,879
Net Assets - Beginning of Year	<u>3,551,661</u>
Net Assets - End of Year	<u>\$ 3,686,540</u>

The following table presents the Pension Trust Funds schedule of funding progress:

Pension Trust Fund	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	10/1/2007	\$ 664,145,175	\$ 770,218,984	\$ 106,073,809	86.23%	\$ 82,052,702	129.28%
GESE Staff Plan	10/1/2007	1,138,655	1,622,719	484,064	70.17%	734,116	65.94%
GESE Excess Plan	10/1/2007	-	8,600,801	8,600,801	0.00%	82,052,702	10.48%
FIPO	10/1/2007	1,268,900,000	1,318,400,000	49,500,000	0.00%	103,600,000	47.78%

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

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NOTES TO FINANCIAL STATEMENTS

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	\$ 319,684,592
Current year's payroll for participating employees	7,105,918
Current year employer contributions	694,308

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 does not have any fiduciary responsibility relating to the plans and 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 \$11,588,823 for the year ended September 30, 2008. 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 11. – POST-EMPLOYMENT HEALTH CARE BENEFITS

Pursuant to Section 112.0801 of the Florida Statutes, the City is required to permit participation in the health insurance program by retirees and their eligible dependents at a cost to the retiree that is no greater than the cost at which coverage is available for active employees. Retired Police Officers are offered coverage at a discounted premium. For Non-Police retirees (Fire Fighters, General Employees, Sanitation Employees, and Elected Officials) and their dependents, the City has a stated policy of providing health coverage and life insurance at a discounted premium equal to 75% of the blended group rate.

Based on GASB approval of Statements 43 and 45 which set forth the guidelines and a future implementation timetable for reporting and disclosure of Other Post-Employment Benefits ("OPEB"), the City had an actuary calculate future funding requirements during fiscal year 2008. The valuation was performed as of October 1, 2006 and covers the subsidies for medical and life insurance benefits. GASB Statement No. 45 allows flexibility to governmental employers in the use of various actuarial cost methods. Several such acceptable actuarial cost methods were investigated, including the Entry Age Normal Cost Method, the Frozen Entry Age Normal Cost Method, the Aggregate Cost Method, and the Projected Unit Credit Normal Cost Method. The goal was to recommend to the City an Actuarial cost method which is acceptable, appropriate, and commonly used. The City has elected to implement the provisions of GASB 45 prospectively. The OPEB liability was calculated using the Entry Age Normal Cost Method.

Plan Description

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

The City offers to its' retirees comprehensive medical coverage and life insurance benefits through its 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, sanitation employees, police, and firefighters may become eligible for these benefits when they reach normal retirement age while working for the City (approximately 1,816 of the 5,047 covered participants are retirees).

Funding Policy

The City Commission is authorized to establish benefit levels and approve the actuarial assumptions used in the determination of contributions levels. The City Commission establishes the contributions requirements of plan members and the City. These contributions are neither mandated nor guaranteed. The retiree contributes the premium cost each month. Spouses and other dependents are also eligible for coverage, although the retiree pays the premium cost.

The 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 contributed \$4,031,723 in the current year under the terms of the agreement.

Currently, the City's subsidy to OPEB benefits is unfunded. There are no separate Trust Funds or equivalent arrangements into which the City makes contributions to advance-fund the OPEB obligations, as it does for its retiree pension plans. The City's cost of the OPEB benefits, funded on a pay-as-you-go basis, was \$4,542,598 for the year ended September 30, 2008.

The ultimate implicit subsidies which are provided over time are financed directly by general assets of the City, which are invested in short-term fixed income instruments according to its current investment policy. The City selected an interest discount rate of 4.25%, which is the long-range expected return on such short-term fixed income instruments, to calculate the present values and costs of the OPEB. This is consistent with GASB Statement 45 guidance.

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Significant Actuarial Assumptions and methods used to estimate the OPEB liability are as follows:

Valuation date	October 1, 2006
Actuarial cost method	Entry Age Normal Cost Method
Amortization method	Level Percent of Payroll
Amortization Period	30 years
Actuarial assumptions:	
Assumed rate of return on investments	4.25%
Assumed health care cost trend rates:	
2006 -	11.5%
2007 -	11.0%
2008 -	10.5%
2009 -	10.0%
2010 -	9.5%
2011 - Thereafter -	9.0% - 5.0%

The following table is the Other Post Employment Benefits schedule of Funding Progress:

	Actuarial Valuation Date	Actuarial Value of Assets* (a)	Actuarial Accrued Liability (AAL) - Entry Age (b)	Unfunded AAL (UAAL) (b - a)	Funded Ratio (a / b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ([b - a] / c)
Non-Police	10/1/2006	\$ -	\$ 146,802,156	\$ 146,802,156	0.00%	\$ 129,892,623	113.02%
Police	10/1/2006	-	333,517,656	333,517,656	0.00%	57,596,525	579.06%
Total		\$ -	\$ 480,319,812	\$ 480,319,812	0.00%	\$ 187,489,148	256.19%

* Amounts based on actuarial valuation. No assets existed in the plan at September 30, 2008

Actuarial Methods

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. Although the valuation results are based on values the actuarial consultant believes are reasonable assumptions, the valuation result is only an estimate of what future costs may actually be and reflect a long-term perspective. Deviations in any of the several factors, such as future interest rates discounts, medical cost inflation, Medicare coverage risk, and changes in marital status, could result in actual costs being greater or less than estimated.

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

Annual OPEB Cost and Net OPEB Obligation

The City’s annual OPEB cost (expense) is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to

CITY OF MIAMI, FLORIDA
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cover normal cost each year and amortize the actuarial liabilities (or funding excess) over a period not to exceed thirty years. The City’s annual OPEB cost for the fiscal year was \$26,578,385 for Police retirees and \$10,786,386 for the Non-Police retirees. The City’s annual OPEB cost and the net OPEB obligation for the fiscal year ended September 30, 2008 for both Non-Police and Police retirees are as follows:

	Non-Police Retirees	Police Retirees	Total
Annual required contribution (ARC)	\$ 10,786,386	\$ 26,578,385	\$ 37,364,771
Interest on net OPEB obligation	-	-	-
Adjustment to annual required contribution	-	-	-
Annual OPEB cost (expense)	10,786,386	26,578,385	37,364,771
Contributions made	(5,261,988)	(4,910,046)	(10,172,034)
Increase in net OPEB obligation	5,524,398	21,668,339	27,192,737
Net OPEB obligation - beginning of year	-	-	-
Net OPEB obligation - end of year	<u>\$ 5,524,398</u>	<u>\$ 21,668,339</u>	<u>\$ 27,192,737</u>

The City’s percentage of annual OPEB cost contributed to the plans, and the net OPEB obligations for the fiscal year ended September 30, 2008 are as follows:

	Fiscal Year Ending	Annual OPEB Cost	Amount Contributed	Percentage of of Annual OPEB Cost Contributed	Net OPEB Obligation
Police	9/30/2008	\$ 26,578,385	\$ 4,910,046	18.47%	\$ 21,668,339
Non-Police	9/30/2008	10,786,386	5,261,988	48.78%	5,524,398
Total		<u>\$ 37,364,771</u>	<u>\$ 10,172,034</u>	<u>27.22%</u>	<u>\$ 27,192,737</u>

The 2008 contribution for the Police retirees plan represented 18.47% of the annual required contribution, and 48.78% of the annual contribution for the Non-Police retirees plan. The actuarial valuation for the plans was done as of October 1, 2006. Thereafter, valuations will be done bi-annually.

NOTE 12. – SUMMARY DISCLOSURE OF SIGNIFICANT CONTINGENCIES

Commitments and Contingencies

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

Subsequent to September 30, 2008 there have been significant negative economic developments surrounding the overall market liquidity, credit availability, and market collateral levels which have resulted in declines in the value of the investment securities held by the GESE, FIPO and EORT plans, collectively the Plans. Consequently, the City’s required contribution amount to the Plans, which are necessary to maintain the actuarial soundness and to provide the level of assets sufficient to meet participant benefits, could significantly increase in future periods. It is management’s opinion that future contribution to the Plans will not have a material adverse effect on the City’s financial position.

Global Agreement: In December 2007, the City, the County, the OMNI CRA, and the SEOPW CRA, entered into an inter-local agreement that establishes the funding framework for the several major facilities and infrastructure improvement projects. Those projects include the Arsht Performing Arts Center, Miami Port Tunnel, Museum Park improvements, and a Major League Baseball Stadium.

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The agreement specifically calls for the OMNI CRA to increase its contribution to the County to service debt and other loans on the Arsht Performing Art Center. Further, the agreement established parameters by which the City, County, and CRAs would move forward with the legal process of extending the lives and expanding the geographic boundaries of both CRAs, and utilizing the additional tax increment revenues to finance affordable housing, infrastructure, and redevelopment projects consistent with the CRAs' redevelopment plans. The additional OMNI CRA tax increment revenues could also be used to finance the City's contributions to the Miami Port Tunnel project and the Museum Park improvements. Finally, the agreement documents the City's and County's intentions to move forward with the development of a binding baseball stadium agreement, for a stadium to be built on the former Orange Bowl location site. To date, the total contributions required to be made by the City for the Miami Port Tunnel and Museum Park Improvement projects have not been determined. Commitments related to the baseball stadium project are detailed below.

Miami Marlins Baseball Stadium Agreement: On March 19, 2009, the City Commission passed a resolution authorizing the City Manager to execute agreements related to the development, construction, and operation of a baseball stadium. The agreement requires the City to make the following contributions: (1) donate the Orange Bowl site to the County, (2) fund infrastructure improvements at the site which is expected to approximate \$12.5 million, (3) contribute \$13 million towards the construction of the baseball stadium, and (4) construct a parking facility which is expected to approximate \$94 million. The City's contributions will be funded by proceeds provided by Miami Sports & Exhibition Authority (a discreetly presented component unit of the City), Sanitary Sewer Bond funds, Street Improvement Bond funds, and Convention Development Tax revenues.

International Police Training Facility and Law Enforcement High School: On November 9, 2007, the City Commission adopted Resolution No. R-07-0650 to authorize the design, construction, funding and contingencies of a co-located International Police Training Facility and Law Enforcement High School on City-owned property located at 405 Northwest 3rd Avenue (known as the "College of Policing and Forensic High School") with The School Board of Miami-Dade County (the "School Board") in an amount not to exceed \$37,470,000, and authorized the City Manager to execute an Interlocal Agreement with the School Board and all other necessary agreements. On December 19, 2007, the School Board approved a contribution cost for the School Board of an amount not to exceed \$14,300,000 and authorized a Guaranteed Maximum Price Agreement for construction of the College of Policing and Forensic High School in the total amount of \$35,400,000.

As of April 14th, 2008, the City and the School Board executed the Inter-local Agreement, which provides that if either party requests any change order(s) that increase the price of the construction of the College of Policing and Forensic High School, that the party requesting the change is responsible for covering the increased costs. As of April 14th, 2008, the City, the School Board, and SunTrust Bank as Escrow Agent, and as acknowledged and agreed by Pirtle Construction Company entered into an Escrow Deposit Agreement whereby the City deposited \$23,510,000 and the School Board deposited \$11,890,000 into the construction escrow sub-accounts for the construction costs of the College of Policing and Forensic High School. The City's contributions were funded with Homeland Defense General Obligation Refunding Bonds Series 2007B (Limited). The construction of the College of Policing and Forensic High School is ongoing; opening of the facility is anticipated for fiscal year 2010. The facility will be wholly owned by the City upon completion.

Port of Miami Tunnel and Access Improvement Project/Wachovia Bank, National Association \$50,000,000 Letter of Credit: By Resolution 07-0697, adopted by the City Commission on December 13, 2007, the City of Miami executed a Master Agreement ("Master Agreement") for the construction of

CITY OF MIAMI, FLORIDA
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the Port of Miami Tunnel and Access Improvement Project ("Project") with the Florida Department of Transportation ("FDOT") and Miami-Dade County, which provided for a financial contribution from the City of \$55 million, consisting of a \$5 million contribution in land rights-of-way and a cash contribution in the principal sum of \$50 million.

Under the Master Agreement, the City has the option to make its cash contribution in annual installments during the 35 year term of the agreement between FDOT and the firm that will design, construct and finance the Project, or in a lump sum. To secure the City's payment obligations, the Master Agreement requires the City to provide an irrevocable letter of credit in the amount of \$50,000,000 to FDOT.

The City obtained an irrevocable standby letter of credit in the face amount of \$50,000,000 (the "Letter of Credit") from Wachovia Bank, National Association ("Wachovia") to satisfy this requirement. Wachovia's issuance of the Letter of Credit calls for the payment of fees and costs in connection with the issuance and maintenance of the Letter of Credit, and reimbursement to Wachovia in the event of a draw(s) by FDOT upon the Letter of Credit.

Wagner Square Agreement: On September 19, 2008, the City obtained a \$3,999,000 loan under the Department of Housing and Urban Development (HUD) Section 108 Loan Program. The loan, the \$3,999,000 was received by the City and was deposited in an escrow account on September 19, 2008. The loan proceeds will be used to fund the Wagner Square Project. The Wagner Square Project is an arrangement between the City of Miami, (the "City"), and Wagner Square LLC ("developer"), to build a mixed-use development. Proceeds will be provided to the developer as construction on the Wagner Square Project progresses. The City is responsible for making principal and interest payments directly to HUD starting in January 2009. The City entered into a loan agreement with the developer whereby the developer will repay the City principal and interest amounts as the payments are due. This loan has a final maturity of August 1, 2024, and bears an interest rate which is based on the one month LIBOR + .20% (20 basis points).

Litigation

The City has been notified that it, along with several other municipalities and several other parties, has been named as a Potential Responsible Party by the Environmental Protection Agency (EPA). Such notification states that the City may be jointly and severally liable for certain environmental cleanup costs, to date of approximately \$51.5 million, related to underground water and soil contamination in Broward County, Florida. As of the date of these financial statements, the City has not completed an assessment of its exposure to loss as a result of this action. However; should the EPA prevail in this matter and the other potentially responsible parties are unable to bear their proportionate cost of cleanup, management believes such action could have a material adverse effect on the City's financial statements.

The City is also involved in other various lawsuits arising in the ordinary course of operations. Although the outcome of these matters is not presently determinable, it is the opinion of management of the City based upon consultation with legal counsel, that the outcome of these matters will not have an adverse material affect on the financial position of the City.

NOTE 13. – SUBSEQUENT EVENTS

\$20,000,000 Sunshine State Governmental Financing Commission Loan – The City was approved for a \$20,000,000 loan from the Sunshine State Governmental Financing Commission under Loan Program Series 1986 for the purpose of financing various capital projects. On March 25, 2009, the City closed this loan. This is a variable rate loan maturing in 2016. The Sunshine State Governmental Financing

Commission is a legal entity through inter-local agreements among the State of Florida, counties, and local municipalities. The City has covenanted to budget and appropriate in its annual budget non-ad valorem revenues sufficient to satisfy the required annual debt service payments.

NOTE 14. – PRONOUNCEMENTS ISSUED, BUT NOT YET ADOPTED

GASB Statement No. 49, *Accounting and Financial Reporting for Pollution Remediation Obligations* issued November 2006, is effective for the City beginning with its fiscal year ending September 30, 2009. This Statement addresses accounting and financial reporting standards for pollution (including contamination) remediation obligations, which are obligations to address the current or potential detrimental effects of existing pollution by participating in pollution remediation activities such as site assessments and clean-ups.

GASB Statement No. 51, *Accounting and Financial Reporting for Intangible Assets*, was issued June 2007. This Statement establishes accounting and financial reporting requirements for intangible assets to reduce these inconsistencies, thereby enhancing the comparability of the accounting and financial reporting of such assets among state and local governments. The provisions of this Statement will be effective for the City beginning with its year ending September 30, 2010.

GASB Statement No. 52, *Land and Other Real Estate Held as Investments by Endowments*, was issued November 2007. This Statement establishes consistent standards for the reporting of land and other real estate held as investments by essentially similar entities. It requires endowments to report their land and other real estate investments at fair value. Governments also are required to report the changes in fair value as investment income and to disclose the methods and significant assumptions employed to determine fair value, and other information that they currently present for other investments reported at fair value. The provisions of this Statement will be effective for the City beginning with its year ending September 30, 2010.

GASB Statement No. 53, *Accounting and Financial Reporting for Derivative Instruments*, was issued in June 2008. This Statement addresses the recognition, measurement, and disclosure of information regarding derivative instruments entered into by state and local governments. The provisions of this Statement will be effective for the City beginning with its year ending September 30, 2010.

GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, was issued in March 2009. The objective of this Statement is to enhance the usefulness of fund balance information by providing clearer fund balance classifications that can be more consistently applied and by clarifying the existing governmental fund type definitions. This Statement establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds. The provisions of this Statement will be effective for the City beginning with its year ending September 30, 2011.

The City's management has not yet determined the effect these Statements will have on the City's financial statements.

City of Miami, Florida
Schedule of Revenues, Expenditures and Changes In Fund Balance
Budget and Actual - General Fund
For The Year Ended September 30, 2008

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final		Final Budget
				Positive (Negative)
Revenues:				
Property Taxes	\$ 261,026,148	\$ 258,294,391	\$ 258,294,391	\$ -
Franchise and Other Taxes	37,005,000	35,414,428	35,319,051	(95,377)
Licenses and Permits	29,658,555	29,558,555	29,788,818	230,263
Fines and Forfeitures	5,208,555	5,208,555	6,031,799	823,244
Intergovernmental Revenues	41,151,996	51,245,788	51,320,942	75,154
Charges for Services	82,850,712	74,826,773	74,998,172	171,399
Interest	8,115,000	9,691,044	10,086,415	395,371
Other	19,205,100	14,841,421	6,594,312	(8,247,109)
Total Revenues	484,221,066	479,080,955	472,433,900	(6,647,055)
Expenditures:				
General Government				
Mayor	891,232	838,278	838,278	-
Board of Commissioners	2,000,000	1,829,564	1,829,564	-
Office of City Manager	2,599,315	3,611,620	3,611,620	-
Office of City Clerk	2,530,585	1,867,540	1,867,540	-
Office of Civil Service	318,405	336,915	336,915	-
Office of Auditor General	914,842	829,318	829,318	-
Office of Communications	1,381,366	1,201,678	1,201,678	-
Employee Relations	5,454,914	5,013,806	5,013,806	-
Information Technology	13,071,500	12,930,235	12,930,235	-
Office of the City Attorney	6,650,725	6,070,137	6,070,137	-
Office of Strategic Planning & Budgeting	1,578,379	1,433,690	1,433,690	-
Purchasing	1,486,020	1,417,151	1,417,151	-
Office of Hearing Boards	1,014,601	964,875	964,875	-
Finance	5,678,592	5,724,175	5,724,175	-
Capital Improvement Administration	3,294,574	3,700,758	3,700,758	-
Non-Departmental	19,502,355	9,755,731	9,755,731	-
Total General Government	68,367,405	57,525,471	57,525,471	-
Planning and Development				
Building	7,774,638	7,389,609	7,389,608	1
Department of Planning	2,782,950	2,560,700	2,560,700	-
Office of Zoning	1,214,283	837,916	837,916	-
Total Planning and Development	11,771,871	10,788,225	10,788,224	1
Public Works				
Solid Waste	21,695,336	20,500,638	20,500,638	-
General Service Administration	17,985,430	19,527,937	19,527,937	-
Public Works	16,399,722	14,830,194	14,830,194	-
Total Public Works	56,080,488	54,858,769	54,858,769	-
Public Safety				
Fire- Rescue	80,087,399	99,597,506	99,597,506	-
Police	135,605,175	150,283,974	150,283,974	-
Total Public Safety	215,692,574	249,881,480	249,881,480	-
Pensions				
G.E.S.E. Pension	28,809,917	28,393,690	28,393,690	-
F.I.P.O. Pension	36,445,993	36,040,261	36,040,261	-
Elected Officials & Administrators Pension	689,122	682,526	682,526	-
Total Pension	65,945,032	65,116,477	65,116,477	-
Public Facilities				
Parks and Recreation	7,478,665	6,248,557	6,248,557	-
Parks and Recreation	21,732,908	24,276,993	24,276,993	-
Risk Management	26,528,527	28,796,859	28,796,859	-
Organizational Support	25,892,082	27,751,691	27,751,691	-
Total Expenditures	499,489,552	525,244,522	525,244,521	1
Excess (Deficiency) of Revenues Over Expenditures	(15,268,486)	(46,163,567)	(52,810,621)	(6,647,056)
Other Financing Sources (Uses):				
Transfers In	39,492,737	77,043,493	76,817,851	225,642
Transfers Out	(24,224,251)	(30,879,926)	(30,879,926)	-
Total Other Financing Sources (Uses)	15,268,486	46,163,567	45,937,925	225,642
Net Change in Fund Balance	-	-	(6,872,696)	(6,421,414)
Fund Balance - Beginning of Year	-	-	100,450,144	100,450,144
Fund Balance - End of Year	\$ -	\$ -	\$ 93,577,448	\$ 94,028,730

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

City of Miami, Florida
Schedule of Revenues, Expenditures, and Changes In Fund Balance
Budget and Actual - Fire Rescue Services Fund
For The Year Ended September 30, 2008

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget</u>
				<u>Positive (Negative)</u>
Revenues:				
Intergovernmental Revenues	\$ 7,585,387	\$ 13,438,289	\$ 6,806,528	(6,631,761)
Charges for Services	-	-	39,366	39,366
Interest	-	-	7,425	7,425
Other	407,240	-	102,564	102,564
Total Revenues	<u>7,992,627</u>	<u>13,438,289</u>	<u>6,955,883</u>	<u>(6,482,406)</u>
Expenditures:				
Current Operating:				
Public Safety	3,818,549	10,252,298	10,208,998	43,300
Capital Outlay	4,174,078	3,185,991	3,185,991	-
Total Expenditures	<u>7,992,627</u>	<u>13,438,289</u>	<u>13,394,989</u>	<u>43,300</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>-</u>	<u>-</u>	<u>(6,439,106)</u>	<u>(6,439,106)</u>
Other Financing Sources (Uses):				
Transfers In	-	-	16,901,691	16,901,691
Transfers Out	-	-	(43,300)	43,300
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>16,858,391</u>	<u>16,944,991</u>
Net Change in Fund Balance	<u>-</u>	<u>-</u>	<u>10,419,285</u>	<u>10,505,885</u>
Fund Balance - Beginning of Year	<u>-</u>	<u>-</u>	<u>(17,545,192)</u>	<u>(17,545,192)</u>
Fund Balance - End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (7,125,907)</u>	<u>\$ (7,039,307)</u>

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

City of Miami, Florida
Schedule of Revenues, Expenditures, and Changes In Fund Balance
Budget and Actual - Emergency Services
For The Year Ended September 30, 2008

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Intergovernmental Revenues	-	3,710,887	\$ 2,484,442	(1,226,445)
Other	-	-	-	-
Total Revenues	<u>-</u>	<u>3,710,887</u>	<u>2,484,442</u>	<u>(1,226,445)</u>
Expenditures:				
Current Operating:				
Public Safety	-	3,662,491	923,299	2,739,192
Capital Outlay	-	48,396	6,058	42,338
Total Expenditures	<u>-</u>	<u>3,710,887</u>	<u>929,357</u>	<u>2,781,530</u>
Excess of Revenues Over Expenditures	<u>-</u>	<u>-</u>	<u>1,555,085</u>	<u>1,555,085</u>
Other Financing Sources (Uses):				
Transfers Out	-	-	(16,561,808)	(16,561,808)
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>(16,561,808)</u>	<u>(16,561,808)</u>
Net Change in Fund Balance	<u>-</u>	<u>-</u>	<u>(15,006,723)</u>	<u>(15,006,723)</u>
Fund Balance - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance - End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (15,006,723)</u>	<u>\$ (15,006,723)</u>

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, 2008
(UNAUDITED)

NOTE 1. - BUDGETARY POLICY

A. BUDGET POLICY

The City Commission annually adopts an operating budget or 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 2008, supplemental appropriations totaling \$32,410,645 in the General Fund, \$5,445,662 in the Fire Rescue Services Fund, \$3,710,887 in the Emergency Services (Disaster Recovery), and \$70,268,545 in Other Non-Major Funds was required to fund expenditures for unanticipated program requirements.

City of Miami, Florida
Pension Trust Funds and Other Post Employment Benefits

Schedule of Funding Progress (a)
(Unaudited)

Actuarial Valuation Date	(1) Actuarial Value of Assets	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)						
10/1/2007	\$ 664,145,175	\$ 770,218,984	\$ 106,073,809	86.23%	\$ 82,052,702	129.28%
10/1/2006	618,482,563	732,016,189	113,533,626	84.49%	75,609,062	150.16%
10/1/2005	588,495,706	746,324,834	157,829,128	78.85%	71,485,284	220.79%
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%
GESE Staff Plan (b)						
10/1/2007	\$ 1,138,655	\$ 1,622,719	\$ 484,064	70.17%	\$ 734,116	65.94%
10/1/2006	939,698	1,129,276	189,578	83.21%	643,770	29.45%
10/1/2005	768,336	1,084,275	315,939	70.86%	455,220	69.40%
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%
GESE Excess Plan (b)						
10/1/2007	\$ -	\$ 8,600,801	\$ 8,600,801	0.00%	\$ 82,052,702	10.48%
10/1/2006	-	7,999,872	7,999,872	0.00%	75,609,062	10.58%
10/1/2005	-	8,402,351	8,402,351	0.00%	71,485,284	11.75%
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%
FIPO (c)						
10/1/2007	\$ 1,268,900,000	\$ 1,318,400,000	\$ 49,500,000	96.25%	\$ 103,600,000	47.78%
10/1/2006	1,147,900,000	1,260,500,000	112,600,000	91.07%	90,400,000	124.56%
10/1/2005	1,091,900,000	1,221,600,000	129,700,000	89.38%	91,500,000	141.75%
10/1/2004	957,900,000	1,152,800,000	194,900,000	83.09%	89,200,000	218.50%
10/1/2003	844,900,000	1,067,900,000	223,000,000	79.12%	98,900,000	225.48%
10/1/2002	753,200,000	999,800,000	246,600,000	75.34%	96,900,000	254.49%
City of Miami Other Post Employment Benefits (d)						
10/1/2006	\$ -	\$ 480,319,812	\$ 480,319,812	0.00%	\$ 187,489,148	256.19%

- a. For information regarding pension contribution percentage rates, assumptions, amortization method, see Note 10.
b. Calculated using Entry Age Normal Actuarial Accrued Liability
c. Calculated using the Aggregate Cost Method.
d. Amounts based on actuarial valuation. No assets existed in the plan at September 30, 2008
e. EORT is not reflected on this schedule since it uses the aggregate method which does not separately identify an actuarial accrued liability.

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Non-major 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 (OMNI CRA) – To account for revenues and expenditures to be used for general operations in the defined OMNI Community Redevelopment Area.

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

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

Homeless Program – To account for the activities of the City’s homeless program.

Community Development – To account for the proceeds from the Federal government under the U.S. Department of Housing and Urban Development.

Choice Housing Vouchers – To account for the monies received for administration and assistance to be provided in accordance with Section 8 of the U.S. Housing Act of 1937, as amended, under the Choice Housing Voucher Program.

State Housing Initiatives Program (SHIP) – To account for the monies received from the State of Florida Housing Finance Corporation to used to provide home ownership and rental housing programs at the local level.

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



Non-major Governmental Funds

SPECIAL REVENUE FUNDS

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

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

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

Police Services – To account for the proceeds of various grants from Local, State, and Federal Agencies that are expended for police activities.

Law Enforcement Trust – To account for confiscated monies awarded to the City for law enforcement related expenditures as stipulated by State Statutes.

Public Works Services – To account for the proceeds granted from Local and State Agencies to be used for maintenance of streets, highways, sidewalks and infrastructure.

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

Local Option Gas Tax (LOGT) – To account for the Local Option Gas Tax levied on the purchases of gasoline to be used for street improvements.

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.



Non-major Governmental Funds

SPECIAL REVENUE FUNDS

General Special Revenue– To account for activities that are designated as special revenue which do not fall into one of the previous special revenue categories.

Departmental Improvement Initiatives – To account for the funds designated for the City of Miami initiatives related to quality of life and technology.

Transportation and Transit – To account for the operations of the City’s transit and transportation projects.

Public Services Tax – To accounts for the utility service tax levied on purchases of communication and other utility services.

Liberty City Revitalization Trust – To account for the revitalization efforts for the redevelopment of the Liberty 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.



Non-major 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.

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



Non-major Governmental Funds

CAPITAL PROJECTS FUNDS

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

General Government – To account for expenditures for capital expenditures made for general government operations.

SEOPW 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 (FEMA), insurance and other agencies as reimbursement for city-wide disasters in the areas of debris removal, roads and bridges, buildings and equipment, parks, marinas, stadiums and other measures of relief.

Mass Transit – To account for the expenditures related to mass transit.

City of Miami, Florida
Combining Balance Sheet
Non-major Governmental Funds
September 30, 2008

	Special Revenue Funds				
	Omni CRA	Midtown CRA	SEOPW CRA	Homeless	Community Development
Assets					
Cash, Cash Equivalents and Investments	\$ 26,149,946	\$ 1,114,409	\$ 14,725,226	\$ -	\$ 8,059,441
Restricted Cash and Investments	-	-	-	-	3,999,860
Receivables (Net of Allowances for Uncollectibles):					
Accounts	-	-	221,684	140,457	844,315
Taxes	-	-	-	-	-
Due from Other Governments	-	-	-	44,546	6,160,807
Accrued Interest	87,220	-	48,471	-	5,320
Prepays	-	-	-	-	-
Total Assets	\$ 26,237,166	\$ 1,114,409	\$ 14,995,381	\$ 185,003	\$ 19,069,743
Liabilities and Fund Balances					
Liabilities:					
Accounts Payable and Accrued Liabilities	\$ 10,017	\$ 1,114,409	\$ 1,980,740	\$ 86,122	\$ 5,455,251
Due to Other Funds	-	-	-	347,104	-
Due to Other Governments	446,331	-	215,813	-	123,369
Deferred Revenue or Unearned Revenue	-	-	-	41,747	1,036,458
Deposits	-	-	-	-	205,782
Total Liabilities	456,348	1,114,409	2,196,553	474,973	6,820,860
Fund Balances (Deficits):					
Reserved for:					
Encumbrances	-	-	-	-	-
Debt Service	-	-	-	-	-
Prepaid Items	-	-	-	-	-
Future Settlements	-	-	-	-	-
Unreserved, Undesignated	25,780,818	-	12,798,828	(289,970)	12,248,883
Total Fund Balances	25,780,818	-	12,798,828	(289,970)	12,248,883
Total Liabilities and Fund Balances	\$ 26,237,166	\$ 1,114,409	\$ 14,995,381	\$ 185,003	\$ 19,069,743

Special Revenue Funds

Choice Housing Vouchers	SHIP	Convention Center	Economic Development & Planning Services	Net Offices	Parks & Recreation Services	Police Services	Law Enforcement Trust
\$ 1,964,283	\$ 4,518,668	\$ 172,024	\$ 5,571,590	\$ 1,502,237	\$ 2,125,350	\$ 6,318,971	\$ 4,123,216
-	-	176,805	-	-	-	-	-
-	-	212,021	-	21,087	-	814,493	-
-	-	-	-	-	-	-	-
-	-	-	18,993	637	653,314	610,377	-
5,000	14,826	-	3,125	-	306	19,633	13,770
-	-	-	-	-	-	-	-
<u>\$ 1,969,283</u>	<u>\$ 4,533,494</u>	<u>\$ 560,850</u>	<u>\$ 5,593,708</u>	<u>\$ 1,523,961</u>	<u>\$ 2,778,970</u>	<u>\$ 7,763,474</u>	<u>\$ 4,136,986</u>
\$ 273,289	\$ 64,442	\$ 104,526	\$ 156,087	\$ 573,597	\$ 845,264	\$ 458,339	\$ 39,315
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
1,497,027	4,469,052	-	17,579	20,637	277,377	950,274	21,155
-	-	6,250	-	6,415	-	-	112,413
<u>1,770,316</u>	<u>4,533,494</u>	<u>110,776</u>	<u>173,666</u>	<u>600,649</u>	<u>1,122,641</u>	<u>1,408,613</u>	<u>172,883</u>
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
198,967	-	450,074	5,420,042	923,312	1,656,329	6,354,861	3,964,103
198,967	-	450,074	5,420,042	923,312	1,656,329	6,354,861	3,964,103
<u>\$ 1,969,283</u>	<u>\$ 4,533,494</u>	<u>\$ 560,850</u>	<u>\$ 5,593,708</u>	<u>\$ 1,523,961</u>	<u>\$ 2,778,970</u>	<u>\$ 7,763,474</u>	<u>\$ 4,136,986</u>

City of Miami, Florida
Combining Balance Sheet
Non-major Governmental Funds
September 30, 2008

	Special Revenue Funds					
	Public Works Services	City Clerk Services	Local Option Gas Tax	Stormwater Utility	General Special Revenues	Departmental Improvement Initiatives
Assets						
Cash, Cash Equivalents and Investments	\$ 3,380,465	\$ 400,058	\$ -	\$ 163,280	\$ 4,992,163	\$ 3,092,480
Restricted Cash and Investments	-	-	-	-	-	-
Receivables (Net of Allowances for Uncollectibles):						
Accounts	-	600	1,239	98,842	-	249,495
Taxes	-	-	-	-	-	-
Due from Other Governments	-	-	618,496	-	-	87,232
Accrued Interest	4,049	-	-	-	-	-
Prepays	-	-	-	-	-	-
Total Assets	\$ 3,384,514	\$ 400,658	\$ 619,735	\$ 262,122	\$ 4,992,163	\$ 3,429,207
Liabilities and Fund Balances						
Liabilities:						
Accounts Payable and Accrued Liabilities	\$ 60,869	\$ 9,356	\$ -	\$ -	\$ -	\$ 536,962
Due to Other Funds	-	-	619,735	-	-	-
Due to Other Governments	-	-	-	-	-	-
Deferred Revenue or Unearned Revenue	-	-	-	-	-	538,047
Deposits	-	-	-	-	-	-
Total Liabilities	60,869	9,356	619,735	-	-	1,075,009
Fund Balances (Deficits):						
Reserved for:						
Encumbrances	-	-	-	-	-	-
Debt Service	-	-	-	-	-	-
Prepaid Items	-	-	-	-	-	-
Future Settlements	-	-	-	-	-	-
Unreserved, Undesignated	3,323,645	391,302	-	262,122	4,992,163	2,354,198
Total Fund Balances	3,323,645	391,302	-	262,122	4,992,163	2,354,198
Total Liabilities and Fund Balances	\$ 3,384,514	\$ 400,658	\$ 619,735	\$ 262,122	\$ 4,992,163	\$ 3,429,207

(continued)

Special Revenue Funds						Debt Service Funds	
Transportation & Transit	Public Services Tax	Liberty City	Virginia Key Beach Trust	Gusman and Olympia	Total Special Revenue	General Obligation Bonds	Other Special Obligation Bonds
\$ -	\$ -	\$ 932,412	\$ 655,852	\$ 1,935,078	\$ 91,897,149	\$ 1,281,452	\$ -
-	-	-	98,978	-	4,275,643	303,481	15,974,590
-	2,554,766	1,298	-	442,024	5,602,321	-	-
-	-	-	-	-	-	1,368,967	-
2,816,935	6,162,219	4,869	-	-	17,178,425	37,654	-
-	-	-	1,606	-	203,326	-	94,187
-	-	-	-	11,842	11,842	-	-
<u>\$ 2,816,935</u>	<u>\$ 8,716,985</u>	<u>\$ 938,579</u>	<u>\$ 756,436</u>	<u>\$ 2,388,944</u>	<u>\$ 119,168,706</u>	<u>\$ 2,991,554</u>	<u>\$ 16,068,777</u>
\$ 37,362	\$ -	\$ 83,292	\$ 63,197	\$ 40,672	\$ 11,993,108	\$ 5,184	\$ -
1,779,573	4,601,999	-	-	-	7,348,411	-	9,299,617
-	-	-	-	676,899	1,462,412	-	-
1,000,000	-	-	-	1,519,707	11,389,060	847,858	-
-	-	-	3,500	26,498	360,858	-	-
<u>2,816,935</u>	<u>4,601,999</u>	<u>83,292</u>	<u>66,697</u>	<u>2,263,776</u>	<u>32,553,849</u>	<u>853,042</u>	<u>9,299,617</u>
-	-	-	-	-	-	-	-
-	-	-	-	-	-	2,138,512	4,907,886
-	-	-	-	11,842	11,842	-	-
-	4,027,253	-	-	-	4,027,253	-	-
-	87,733	855,287	689,739	113,326	82,575,762	-	1,861,274
-	4,114,986	855,287	689,739	125,168	86,614,857	2,138,512	6,769,160
<u>\$ 2,816,935</u>	<u>\$ 8,716,985</u>	<u>\$ 938,579</u>	<u>\$ 756,436</u>	<u>\$ 2,388,944</u>	<u>\$ 119,168,706</u>	<u>\$ 2,991,554</u>	<u>\$ 16,068,777</u>

(continued)

City of Miami, Florida
Combining Balance Sheet
Non-major Governmental Funds
September 30, 2008

	Debt Service Funds		Capital Projects Funds			
	SEOPW CRA Other Special Obligation	Total Debt Service	General Government	SEOPW Community Redevelopment Agency	Public Safety	Sanitary Sewers
Assets						
Cash, Cash Equivalents and Investments	\$ 1,551,306	\$ 2,832,758	\$ 44,866,617	\$ 3,087,663	\$ 12,898,612	\$ 27,105,547
Restricted Cash and Investments	630,469	16,908,540	-	-	19,775,914	-
Receivables (Net of Allowances for Uncollectibles):						
Accounts	-	-	-	-	-	-
Taxes	-	1,368,967	-	-	-	-
Due From Other Governments	-	37,654	-	-	-	-
Accrued Interest	-	94,187	44,458	10,262	-	81,558
Prepays	-	-	-	-	-	-
Total Assets	\$ 2,181,775	\$ 21,242,106	\$ 44,911,075	\$ 3,097,925	\$ 32,674,526	\$ 27,187,105
Liabilities and Fund Balances						
Liabilities:						
Accounts Payable and Accrued Liabilities	\$ -	\$ 5,184	\$ 2,461,541	\$ -	\$ 255,641	\$ -
Due to Other Funds	-	9,299,617	-	-	-	-
Due to Other Governments	-	-	-	-	-	-
Deferred Revenue or Unearned Revenue	-	847,858	10,908	-	1,888,485	-
Deposits	-	-	-	-	-	-
Total Liabilities	-	10,152,659	2,472,449	-	2,144,126	-
Fund Balances (Deficits):						
Reserved for:						
Encumbrances	-	-	584,406	-	926,757	-
Debt Service	2,181,775	9,228,173	-	-	-	-
Prepaid Items	-	-	-	-	-	-
Future Settlements	-	-	-	-	-	-
Unreserved, Undesignated	-	1,861,274	41,854,220	3,097,925	29,603,643	27,187,105
Total Fund Balances	2,181,775	11,089,447	42,438,626	3,097,925	30,530,400	27,187,105
Total Liabilities and Fund Balances	\$ 2,181,775	\$ 21,242,106	\$ 44,911,075	\$ 3,097,925	\$ 32,674,526	\$ 27,187,105

Capital Projects Funds

Storm Sewers	Solid Waste	Public Facilities	Parks & Recreation	Disaster Recovery	Mass Transit	Total Capital Projects	Total Non-major Governmental Funds
\$ 14,290,277	\$ 613,894	\$ 16,932,024	\$ 35,252,679	\$ 217,491	\$ 3,383,794	\$ 158,648,598	\$ 253,378,505
-	-	-	-	-	-	19,775,914	40,960,097
34,358	1,867	-	117,597	-	172,291	326,113	5,928,434
-	-	-	-	-	-	-	1,368,967
3,684,991	-	210,620	3,784,912	30,877	1,293,135	9,004,535	26,220,614
-	-	-	10,521	-	-	146,799	444,312
-	-	-	-	-	-	-	11,842
<u>\$ 18,009,626</u>	<u>\$ 615,761</u>	<u>\$ 17,142,644</u>	<u>\$ 39,165,709</u>	<u>\$ 248,368</u>	<u>\$ 4,849,220</u>	<u>\$ 187,901,959</u>	<u>\$ 328,312,771</u>
\$ 4,348,920	\$ 65,793	\$ 1,042,483	\$ 5,001,223	\$ 35,596	\$ 845,154	\$ 14,056,351	\$ 26,054,643
-	-	-	-	-	-	-	16,648,028
-	-	-	-	-	-	-	1,462,412
3,330,610	-	210,619	3,562,712	30,877	415,471	9,449,682	21,686,600
-	-	-	-	-	-	-	360,858
<u>7,679,530</u>	<u>65,793</u>	<u>1,253,102</u>	<u>8,563,935</u>	<u>66,473</u>	<u>1,260,625</u>	<u>23,506,033</u>	<u>66,212,541</u>
5,268,879	4,609	3,034,786	12,028,102	70,853	1,499,613	23,418,005	23,418,005
-	-	-	-	-	-	-	9,228,173
-	-	-	-	-	-	-	11,842
-	-	-	-	-	-	-	4,027,253
5,061,217	545,359	12,854,756	18,573,672	111,042	2,088,982	140,977,921	225,414,957
10,330,096	549,968	15,889,542	30,601,774	181,895	3,588,595	164,395,926	262,100,230
<u>\$ 18,009,626</u>	<u>\$ 615,761</u>	<u>\$ 17,142,644</u>	<u>\$ 39,165,709</u>	<u>\$ 248,368</u>	<u>\$ 4,849,220</u>	<u>\$ 187,901,959</u>	<u>\$ 328,312,771</u>

City of Miami, Florida
Combining Statement of Revenues, Expenditures, and Changes In Fund Balances
Non-major Governmental Funds
For The Year Ended September 30, 2008

	Special Revenue Funds					
	Omni CRA	Midtown CRA	SEOPW CRA	Homeless	Community Development	Choice Housing Vouchers
Revenues						
Property Taxes	\$ 7,444,383	\$ 478,364	\$ 3,568,308	\$ -	\$ -	\$ -
Franchise Fees and Other Taxes	-	-	-	-	-	-
Licenses and Permits	-	-	-	-	-	-
Fines and Forfeitures	-	-	-	-	-	-
Intergovernmental Revenues	5,098,682	300,103	2,228,137	511,757	35,731,853	1,705,879
Charges for Services	-	-	221,684	-	-	-
Interest	831,309	-	528,989	-	27,426	47,344
Impact Fees	-	-	-	-	-	-
Other	-	-	919,238	-	688,315	11,672
Total Revenues	13,374,374	778,467	7,466,356	511,757	36,447,594	1,764,895
Expenditures						
Current Operating:						
General Government	-	-	-	-	-	-
Planning and Development	-	-	-	-	-	-
Community Development	-	-	-	1,187,738	37,024,389	1,614,321
Community Redevelopment Areas	6,102,800	1,119,084	8,196,799	-	-	-
Public Works	-	-	-	-	-	-
Public Safety	-	-	-	-	-	-
Public Facilities	-	-	-	-	-	-
Parks and Recreation	-	-	-	-	-	-
Debt Service:						
Principal	-	-	-	-	-	-
Interest and Other Charges	-	-	-	-	-	-
Capital Outlay	10,871	-	-	-	5,502	-
Total Expenditures	6,113,671	1,119,084	8,196,799	1,187,738	37,029,891	1,614,321
Excess (Deficiency) of Revenues						
Over Expenditures	7,260,703	(340,617)	(730,443)	(675,981)	(582,297)	150,574
Other Financing Sources (Uses)						
Transfers In	-	-	223,757	854,512	8,097,654	-
Transfers Out	(330,000)	(27,354)	-	-	(1,113,112)	-
Proceeds Received From Long-Term Debt	-	-	-	-	3,998,930	-
Premium Long-Term Debt	-	-	-	-	-	-
Total Other Financing Sources (Uses)	(330,000)	(27,354)	223,757	854,512	10,983,472	-
Net Changes in Fund Balances	6,930,703	(367,971)	(506,686)	178,531	10,401,175	150,574
Fund Balances - Beginning	18,850,115	367,971	13,305,514	(468,501)	1,847,708	48,393
Fund Balances - Ending	\$ 25,780,818	\$ -	\$ 12,798,828	\$ (289,970)	\$ 12,248,883	\$ 198,967

Special Revenue Funds

SHIP	Convention Center	Economic Development & Planning Services	Net Offices	Parks & Recreation Services	Police Services	Law Enforcement Trust
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-
-	-	56,050	-	-	-	-
-	33,198	-	-	-	-	912,791
1,142,746	2,000,000	281,345	-	1,294,678	3,702,331	-
-	5,573,739	731,621	537,281	828,762	601,527	-
-	561	33,760	2,540	4,848	197,006	133,359
-	-	-	-	-	-	-
-	416,940	73,478	3,391	-	3,074	73,361
<u>1,142,746</u>	<u>8,024,438</u>	<u>1,176,254</u>	<u>543,212</u>	<u>2,128,288</u>	<u>4,503,938</u>	<u>1,119,511</u>
-	-	-	8,620,987	-	-	-
-	-	447,912	-	-	-	-
1,210,249	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	2,869,396	604,217
-	3,556,347	-	-	-	-	-
-	-	-	-	1,909,736	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	117,388	1,224,644	888,493	25,211
<u>1,210,249</u>	<u>3,556,347</u>	<u>447,912</u>	<u>8,738,375</u>	<u>3,134,380</u>	<u>3,757,889</u>	<u>629,428</u>
<u>(67,503)</u>	<u>4,468,091</u>	<u>728,342</u>	<u>(8,195,163)</u>	<u>(1,006,092)</u>	<u>746,049</u>	<u>490,083</u>
-	1,856,174	76,000	7,479,053	25,727	63,987	-
-	(6,622,441)	(4,000,000)	-	(4,968)	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	(4,766,267)	(3,924,000)	7,479,053	20,759	63,987	-
(67,503)	(298,176)	(3,195,658)	(716,110)	(985,333)	810,036	490,083
<u>67,503</u>	<u>748,250</u>	<u>8,615,700</u>	<u>1,639,422</u>	<u>2,641,662</u>	<u>5,544,825</u>	<u>3,474,020</u>
<u>\$ -</u>	<u>\$ 450,074</u>	<u>\$ 5,420,042</u>	<u>\$ 923,312</u>	<u>\$ 1,656,329</u>	<u>\$ 6,354,861</u>	<u>\$ 3,964,103</u>

(continued)

City of Miami, Florida
Combining Statement of Revenues, Expenditures, and Changes In Fund Balances
Non-major Governmental Funds
For The Year Ended September 30, 2008

	Special Revenue Funds					
	Public Works Services	City Clerk Services	Local Option Gas Tax	Stormwater Utility	General Special Revenue	Departmental Improvement Initiatives
Revenues						
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Franchise Fees and Other Taxes	-	-	6,979,401	-	-	-
Licenses and Permits	-	-	-	-	-	-
Fines and Forfeitures	-	-	-	-	-	-
Intergovernmental Revenues	102,304	-	-	-	210,125	1,622,203
Charges for Services	1,561,767	126,024	-	156,184	-	-
Interest	43,630	-	-	-	-	-
Impact Fees	-	-	-	-	-	-
Other	6,360	1,713	-	-	-	30,800
Total Revenues	<u>1,714,061</u>	<u>127,737</u>	<u>6,979,401</u>	<u>156,184</u>	<u>210,125</u>	<u>1,653,003</u>
Expenditures						
Current Operating:						
General Government	-	61,567	-	-	37,198	4,416,487
Planning and Development	-	-	-	-	-	-
Community Development	-	-	-	-	-	-
Community Redevelopment Areas	-	-	-	-	-	-
Public Works	196,378	-	-	-	-	-
Public Safety	-	-	-	-	-	-
Public Facilities	-	-	-	-	-	-
Parks and Recreation	-	-	-	-	-	-
Debt Service:						
Principal	-	-	-	-	-	-
Interest and Other Charges	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	1,166,761
Total Expenditures	<u>196,378</u>	<u>61,567</u>	<u>-</u>	<u>-</u>	<u>37,198</u>	<u>5,583,248</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>1,517,683</u>	<u>66,170</u>	<u>6,979,401</u>	<u>156,184</u>	<u>172,927</u>	<u>(3,930,245)</u>
Other Financing Sources (Uses)						
Transfers In	33,335	35,000	362,956	-	7,337,535	883,166
Transfers Out	-	(340,000)	(7,343,596)	-	(2,590,852)	(453,304)
Proceeds Received From Long-Term Debt	-	-	-	-	-	-
Premium Long-Term Debt	-	-	-	-	-	-
Total Other Financing Sources (Uses)	<u>33,335</u>	<u>(305,000)</u>	<u>(6,980,640)</u>	<u>-</u>	<u>4,746,683</u>	<u>429,862</u>
Net Changes in Fund Balances	1,551,018	(238,830)	(1,239)	156,184	4,919,610	(3,500,383)
Fund Balances - Beginning	<u>1,772,627</u>	<u>630,132</u>	<u>1,239</u>	<u>105,938</u>	<u>72,553</u>	<u>5,854,581</u>
Fund Balances - Ending	<u>\$ 3,323,645</u>	<u>\$ 391,302</u>	<u>\$ -</u>	<u>\$ 262,122</u>	<u>\$ 4,992,163</u>	<u>\$ 2,354,198</u>

Special Revenue Funds						Debt Service Funds	
Transportation & Transit	Public Services Tax	Liberty City	Virginia Key Beach Trust	Gusman and Olympia	Total Special Revenue	General Obligation Bonds	Other Special Obligation Bonds
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 11,491,055	\$ 21,327,853	\$ -
-	62,257,072	-	-	-	69,236,473	-	-
-	-	-	-	-	56,050	-	-
-	-	-	-	-	945,989	-	-
12,654,850	-	308,994	21,636	473,484	69,391,107	-	-
-	-	-	66,375	794,323	11,199,287	-	-
-	-	3,840	23,384	-	1,877,996	-	332,991
-	-	-	-	-	-	-	-
-	-	-	127,010	881,334	3,236,686	-	-
12,654,850	62,257,072	312,834	238,405	2,149,141	167,434,643	21,327,853	332,991
442,367	-	-	-	-	13,578,606	-	-
-	-	-	-	-	447,912	-	-
-	-	-	-	-	41,036,697	-	-
-	-	528,258	-	-	15,946,941	-	-
-	-	-	-	-	196,378	-	-
-	-	-	-	-	3,473,613	-	-
-	-	-	-	1,887,739	5,444,086	-	-
-	-	-	1,798,687	-	3,708,423	-	-
-	-	-	-	-	-	10,295,644	10,877,499
-	-	-	-	-	-	11,197,914	17,540,886
-	-	-	80,126	-	3,518,996	-	-
442,367	-	528,258	1,878,813	1,887,739	87,351,652	21,493,558	28,418,385
12,212,483	62,257,072	(215,424)	(1,640,408)	261,402	80,082,991	(165,705)	(28,085,394)
925,363	-	550,000	1,316,156	-	30,120,375	-	30,042,198
(13,130,919)	(63,469,633)	-	-	-	(99,426,179)	-	-
-	-	-	-	-	3,998,930	-	24,251
-	-	-	-	-	-	-	1,344,956
(12,205,556)	(63,469,633)	550,000	1,316,156	-	(65,306,874)	-	31,411,405
6,927	(1,212,561)	334,576	(324,252)	261,402	14,776,117	(165,705)	3,326,011
(6,927)	5,327,547	520,711	1,013,991	(136,234)	71,838,740	2,304,217	3,443,149
\$ -	\$ 4,114,986	\$ 855,287	\$ 689,739	\$ 125,168	\$ 86,614,857	\$ 2,138,512	\$ 6,769,160

(continued)

City of Miami, Florida
Combining Statement of Revenues, Expenditures, and Changes In Fund Balances
Non-major Governmental Funds
For The Year Ended September 30, 2008

	Debt Service Funds		Capital Projects Funds		
	SEOPW CRA Other Special Obligation	Total Debt Service	General Government	SEOPW Community Redevelopment Agency	Public Safety
Revenues					
Property Taxes	\$ -	\$ 21,327,853	\$ -	\$ -	\$ -
Franchise Fees and Other Taxes	-	-	-	-	-
Licenses and Permits	-	-	-	-	-
Fines and Forfeitures	-	-	-	-	-
Intergovernmental Revenues	300,000	300,000	131,224	-	710,011
Charges for Services	-	-	-	-	1,462
Interest	9,590	342,581	1,805,203	108,509	-
Impact Fees	-	-	4,674,385	-	-
Other	-	-	81,933	-	-
Total Revenues	309,590	21,970,434	6,692,745	108,509	711,473
Expenditures					
Current Operating:					
General Government	-	-	5,180,755	-	-
Planning and Development	-	-	-	-	-
Community Development	-	-	-	-	-
Community Redevelopment Areas	-	-	-	-	-
Public Works	-	-	-	-	-
Public Safety	-	-	-	-	1,010,269
Public Facilities	-	-	-	-	-
Parks and Recreation	-	-	-	-	-
Debt Service:					
Principal	170,000	21,343,143	-	-	-
Interest and Other Charges	181,935	28,920,735	-	-	-
Capital Outlay	-	-	10,196,052	-	11,642,654
Total Expenditures	351,935	50,263,878	15,376,807	-	12,652,923
Excess (Deficiency) of Revenues Over Expenditures	(42,345)	(28,293,444)	(8,684,062)	108,509	(11,941,450)
Other Financing Sources (Uses)					
Transfers In	51,935	30,094,133	6,521,985	-	25,954,120
Transfers Out	-	-	(60,418,917)	-	(398,193)
Proceeds Received From Long-Term Debt	-	24,251	750,000	-	5,829,969
Premium Long-Term Debt	-	1,344,956	-	-	-
Total Other Financing Sources (Uses)	51,935	31,463,340	(53,146,932)	-	31,385,896
Net Changes in Fund Balances	9,590	3,169,896	(61,830,994)	108,509	19,444,446
Fund Balances - Beginning	2,172,185	7,919,551	104,269,620	2,989,416	11,085,954
Fund Balances - Ending	\$ 2,181,775	\$ 11,089,447	\$ 42,438,626	\$ 3,097,925	\$ 30,530,400

Capital Projects Funds

							Total Capital Projects	Total Non-major Governmental Funds
Sanitary Sewers	Storm Sewers	Solid Waste	Public Facilities	Parks & Recreation	Disaster Recovery	Mass Transit		
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 32,818,908
-	-	-	-	-	-	-	-	69,236,473
-	-	-	-	-	-	-	-	56,050
-	-	-	-	-	-	-	-	945,989
-	4,908,223	-	253,757	17,806,212	-	877,664	24,687,091	94,378,198
-	-	-	148,434	-	-	-	149,896	11,349,183
885,826	-	-	-	174,233	-	-	2,973,771	5,194,348
-	-	-	-	-	-	-	4,674,385	4,674,385
-	-	314	-	87,000	-	-	169,247	3,405,933
<u>885,826</u>	<u>4,908,223</u>	<u>314</u>	<u>402,191</u>	<u>18,067,445</u>	<u>-</u>	<u>877,664</u>	<u>32,654,390</u>	<u>222,059,467</u>
-	178,820	-	-	-	-	2,772	5,362,347	18,940,953
-	-	-	-	-	-	-	-	447,912
-	-	-	-	-	-	-	-	41,036,697
-	-	-	-	-	-	-	-	15,946,941
-	-	13,232	-	-	-	-	13,232	209,610
-	-	-	-	-	-	-	1,010,269	4,483,882
-	-	-	1,327,075	-	-	-	1,327,075	6,771,161
-	-	-	-	1,070,721	-	-	1,070,721	4,779,144
-	-	-	-	-	-	-	-	21,343,143
-	-	-	-	-	-	-	-	28,920,735
-	12,611,523	2,006,503	6,404,053	31,162,781	108,720	1,182,366	75,314,652	78,833,648
-	12,790,343	2,019,735	7,731,128	32,233,502	108,720	1,185,138	84,098,296	221,713,826
<u>885,826</u>	<u>(7,882,120)</u>	<u>(2,019,421)</u>	<u>(7,328,937)</u>	<u>(14,166,057)</u>	<u>(108,720)</u>	<u>(307,474)</u>	<u>(51,443,906)</u>	<u>345,641</u>
-	9,990,189	2,054,329	2,562,828	13,868,882	-	-	60,952,333	121,166,841
-	(5,727,664)	(32,900)	(7,795,025)	(1,169,466)	-	(602,190)	(76,144,355)	(175,570,534)
-	475,000	-	8,411,550	33,445,420	-	-	48,911,939	52,935,120
-	-	-	-	-	-	-	-	1,344,956
-	4,737,525	2,021,429	3,179,353	46,144,836	-	(602,190)	33,719,917	(123,617)
885,826	(3,144,595)	2,008	(4,149,584)	31,978,779	(108,720)	(909,664)	(17,723,989)	222,024
<u>26,301,279</u>	<u>13,474,691</u>	<u>547,960</u>	<u>20,039,126</u>	<u>(1,377,005)</u>	<u>290,615</u>	<u>4,498,259</u>	<u>182,119,915</u>	<u>261,878,206</u>
<u>\$ 27,187,105</u>	<u>\$ 10,330,096</u>	<u>\$ 549,968</u>	<u>\$ 15,889,542</u>	<u>\$ 30,601,774</u>	<u>\$ 181,895</u>	<u>\$ 3,588,595</u>	<u>\$ 164,395,926</u>	<u>\$ 262,100,230</u>

City of Miami, Florida
Schedule of Revenues, Expenditures and Changes In Fund Balance
Budget and Actual - OMNI CRA
For The Year Ended September 30, 2008

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget</u>
				<u>Positive (Negative)</u>
Revenues:				
Property Taxes	\$ 11,701,516	\$ 12,096,734	\$ 12,543,065	\$ 446,331
Interest	21,500	21,500	831,309	809,809
Other			-	-
Total Revenues	<u>11,723,016</u>	<u>12,118,234</u>	<u>13,374,374</u>	<u>1,256,140</u>
Expenditures:				
Current Operating:				
Community Redevelopment Areas	26,293,185	29,838,113	6,113,671	23,724,442
Total Expenditures	<u>26,293,185</u>	<u>29,838,113</u>	<u>6,113,671</u>	<u>23,724,442</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(14,570,169)</u>	<u>(17,719,879)</u>	<u>7,260,703</u>	<u>24,980,582</u>
Other Financing Uses:				
Transfers Out	(712,500)	(700,000)	(330,000)	370,000
Total Other Financing Uses	<u>(712,500)</u>	<u>(700,000)</u>	<u>(330,000)</u>	<u>370,000</u>
Net Change in Fund Balance	(15,282,669)	(18,419,879)	6,930,703	25,350,582
Fund Balance - Beginning of Year	-	-	18,850,115	18,850,115
Fund Balance - End of Year	<u>\$ (15,282,669)</u>	<u>\$ (18,419,879)</u>	<u>\$ 25,780,818</u>	<u>\$ 44,200,697</u>

City of Miami, Florida
Schedule of Revenues, Expenditures and Changes In Fund Balance
Budget and Actual - Midtown CRA
For The Year Ended September 30, 2008

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Property Taxes	\$ 735,406	\$ 778,467	\$ 778,467	\$ -
Other	20,000	20,000	-	(20,000)
Total Revenues	<u>755,406</u>	<u>798,467</u>	<u>778,467</u>	<u>(20,000)</u>
Expenditures:				
Current Operating:				
Community Redevelopment Areas	7,000	7,000	1,119,084	(1,112,084)
Total Expenditures	<u>7,000</u>	<u>7,000</u>	<u>1,119,084</u>	<u>(1,112,084)</u>
Excess of Revenues Over Expenditures	<u>748,406</u>	<u>791,467</u>	<u>(340,617)</u>	<u>(1,132,084)</u>
Other Financing Uses:				
Transfers Out	(27,354)	(27,354)	(27,354)	-
Total Other Financing Uses	<u>(27,354)</u>	<u>(27,354)</u>	<u>(27,354)</u>	<u>-</u>
Net Change in Fund Balance	721,052	764,113	(367,971)	(1,132,084)
Fund Balance - Beginning of Year	-	-	367,971	367,971
Fund Balance - End of Year	<u>\$ 721,052</u>	<u>\$ 764,113</u>	<u>\$ -</u>	<u>\$ (764,113)</u>

City of Miami, Florida
Schedule of Revenues, Expenditures and Changes In Fund Balance
Budget and Actual - SEOPW CRA
For The Year Ended September 30, 2008

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget</u>
				<u>Positive (Negative)</u>
Revenues:				
Property Taxes	\$ 3,407,794	\$ 6,496,444	\$ 3,568,308	\$ (2,928,136)
Intergovernmental Revenues	2,228,086	727,354	2,228,137	1,500,783
Charges for Services	-	-	221,684	221,684
Interest	11,500	11,500	528,989	517,489
Other	10,941,547	511,473	919,238	407,765
Total Revenues	<u>16,588,927</u>	<u>7,746,771</u>	<u>7,466,356</u>	<u>(280,415)</u>
Expenditures:				
Current Operating:				
Community Redevelopment Areas	6,174,365	18,903,845	8,196,799	10,707,046
Capital Outlay	10,346,916	-	2,432,802	(2,432,802)
Total Expenditures	<u>16,521,281</u>	<u>18,903,845</u>	<u>10,629,601</u>	<u>8,274,244</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>67,646</u>	<u>(11,157,074)</u>	<u>(3,163,245)</u>	<u>7,993,829</u>
Other Financing Sources (Uses):				
Transfers In	1,427,354	-	223,757	223,757
Transfers Out	(1,495,000)	(410,000)	-	410,000
Total Other Financing Sources (Uses)	<u>(67,646)</u>	<u>(410,000)</u>	<u>223,757</u>	<u>633,757</u>
Net Change in Fund Balance	-	(11,567,074)	(2,939,488)	8,627,586
Fund Balance - Beginning of Year	-	11,567,074	13,305,514	1,738,440
Fund Balance - End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 10,366,026</u>	<u>\$ 10,366,026</u>

City of Miami, Florida
Schedule of Revenues, Expenditures and Changes In Fund Balance
Budget and Actual - Homeless Program
For The Year Ended September 30, 2008

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget</u>
				<u>Positive (Negative)</u>
Revenues:				
Intergovernmental Revenues	\$ -	\$ 511,757	\$ 511,757	\$ -
Total Revenues	<u>-</u>	<u>511,757</u>	<u>511,757</u>	<u>-</u>
Expenditures:				
Current Operating:				
Community Development	846,223	1,366,269	1,187,738	178,531
Capital Outlay	15,000	-	-	-
Total Expenditures	<u>861,223</u>	<u>1,366,269</u>	<u>1,187,738</u>	<u>178,531</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(861,223)</u>	<u>(854,512)</u>	<u>(675,981)</u>	<u>(178,531)</u>
Other Financing Sources:				
Transfers In	861,223	854,512	854,512	-
Total Other Financing Sources	<u>861,223</u>	<u>854,512</u>	<u>854,512</u>	<u>-</u>
Net Change in Fund Balance	-	-	178,531	178,531
Fund Balance - Beginning of Year	-	-	(468,501)	(468,501)
Fund Balance - End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (289,970)</u>	<u>\$ (289,970)</u>

City of Miami, Florida
Schedule of Revenues, Expenditures, and Changes In Fund Balance
Budget and Actual - Community Development Fund
For The Year Ended September 30, 2008

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final		Final Budget
				Positive (Negative)
Revenues:				
Intergovernmental Revenues	\$ 25,253,770	\$ 54,579,680	\$ 35,731,853	(18,847,827)
Interest		10,000	27,426	17,426
Other	2,000,000	10,704,181	688,315	(10,015,866)
Total Revenues	<u>27,253,770</u>	<u>65,293,861</u>	<u>36,447,594</u>	<u>(28,846,267)</u>
Expenditures:				
Current Operating:				
Community Development	26,153,770	64,956,630	37,024,389	27,932,241
Capital Outlay	-	224,950	5,502	219,448
Total Expenditures	<u>26,153,770</u>	<u>65,181,580</u>	<u>37,029,891</u>	<u>28,151,689</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>1,100,000</u>	<u>112,281</u>	<u>(582,297)</u>	<u>(694,578)</u>
Other Financing Sources (Uses):				
Transfers In	200,000	1,220,412	8,097,654	6,877,242
Transfers Out	(1,300,000)	(1,332,693)	(1,113,112)	219,581
Proceeds Received From Long-Term Debt	-	-	3,998,930	3,998,930
Total Other Financing Sources (Uses)	<u>(1,100,000)</u>	<u>(112,281)</u>	<u>10,983,472</u>	<u>11,095,753</u>
Net Change in Fund Balance	-	-	10,401,175	10,401,175
Fund Balance - Beginning of Year	-	-	1,847,708	1,847,708
Fund Balance - End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 12,248,883</u>	<u>\$ 12,248,883</u>

City of Miami, Florida
Schedule of Revenues, Expenditures and Changes In Fund Balance
Budget and Actual - Choice Housing Vouchers Program
For The Year Ended September 30, 2008

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final		Final Budget
				Positive (Negative)
Revenues:				
Intergovernmental Revenues	\$ 5,356,579	\$ 2,461,179	\$ 1,705,879	(755,300)
Interest	-	65,000	47,344	(17,656)
Other	-	12,000	11,672	(328)
Total Revenues	<u>5,356,579</u>	<u>2,538,179</u>	<u>1,764,895</u>	<u>(773,284)</u>
Expenditures:				
Current Operating:				
Community Development	<u>5,356,579</u>	<u>2,538,179</u>	<u>1,614,321</u>	<u>923,858</u>
Total Expenditures	<u>5,356,579</u>	<u>2,538,179</u>	<u>1,614,321</u>	<u>923,858</u>
Excess of Revenues Over Expenditures	<u>-</u>	<u>-</u>	<u>150,574</u>	<u>150,574</u>
Net Change in Fund Balance	-	-	150,574	150,574
Fund Balance - Beginning of Year	-	-	48,393	48,393
Fund Balance - End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 198,967</u>	<u>\$ 198,967</u>

City of Miami, Florida
Schedule of Revenues, Expenditures and Changes In Fund Balance
Budget and Actual - SHIP
For The Year Ended September 30, 2008

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final		Final Budget
				Positive (Negative)
Revenues:				
Intergovernmental Revenues	\$ 2,232,704	\$ 2,685,282	\$ 1,142,746	(1,542,536)
Total Revenues	<u>2,232,704</u>	<u>2,685,282</u>	<u>1,142,746</u>	<u>(1,542,536)</u>
Expenditures:				
Current Operating:				
Community Development	2,232,704	2,685,282	1,210,249	1,475,033
Capital Outlay	-	-	-	-
Total Expenditures	<u>2,232,704</u>	<u>2,685,282</u>	<u>1,210,249</u>	<u>1,475,033</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>-</u>	<u>-</u>	<u>(67,503)</u>	<u>(67,503)</u>
Net Change in Fund Balance	-	-	(67,503)	(67,503)
Fund Balance - Beginning of Year	-	-	67,503	67,503
Fund Balance - End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

City of Miami, Florida
Schedule of Revenues, Expenditures and Changes In Fund Balance
Budget and Actual - Convention Center
For The Year Ended September 30, 2008

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget</u>
				<u>Positive (Negative)</u>
Revenues:				
Fines and Forfeitures	\$ -	\$ 33,198	\$ 33,198	\$ -
Intergovernmental Revenues	1,300,000	2,000,000	2,000,000	-
Charges for Services	5,889,780	5,573,739	5,573,739	-
Interest	6,000	561	561	-
Other	3,504,958	715,118	416,940	(298,178)
Total Revenues	<u>10,700,738</u>	<u>8,322,616</u>	<u>8,024,438</u>	<u>(298,178)</u>
Expenditures:				
Current Operating:				
Public Facilities	<u>7,086,805</u>	<u>3,556,347</u>	<u>3,556,347</u>	<u>-</u>
Total Expenditures	<u>7,086,805</u>	<u>3,556,347</u>	<u>3,556,347</u>	<u>-</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>3,613,933</u>	<u>4,766,269</u>	<u>4,468,091</u>	<u>(298,178)</u>
Other Financing Sources (Uses):				
Transfers In	-	1,856,172	1,856,174	2
Transfers Out	<u>(3,613,933)</u>	<u>(6,622,441)</u>	<u>(6,622,441)</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>(3,613,933)</u>	<u>(4,766,269)</u>	<u>(4,766,267)</u>	<u>2</u>
Net Change in Fund Balance	-	-	(298,176)	(298,176)
Fund Balance - Beginning of Year	-	-	748,250	748,250
Fund Balance - End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 450,074</u>	<u>\$ 450,074</u>

City of Miami, Florida
Schedule of Revenues, Expenditures and Changes In Fund Balance
Budget and Actual - Economic Development & Planning Services
For The Year Ended September 30, 2008

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final		Final Budget
				Positive (Negative)
Revenues:				
Licenses and Permits	\$ 165,000	\$ 56,050	\$ 56,050	\$ -
Intergovernmental Revenues	-	281,345	281,345	-
Charges for Services	60,000	731,621	731,621	-
Interest	-	33,760	33,760	-
Other	3,969,666	3,269,136	73,478	(3,195,658)
Total Revenues	<u>4,194,666</u>	<u>4,371,912</u>	<u>1,176,254</u>	<u>(3,195,658)</u>
Expenditures:				
Current Operating:				
Planning and Development	4,268,666	447,912	447,912	-
Total Expenditures	<u>4,268,666</u>	<u>447,912</u>	<u>447,912</u>	<u>-</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(74,000)</u>	<u>3,924,000</u>	<u>728,342</u>	<u>(3,195,658)</u>
Other Financing Sources (Uses):				
Transfers In	74,000	76,000	76,000	-
Transfers Out	-	(4,000,000)	(4,000,000)	-
Total Other Financing Sources (Uses)	<u>74,000</u>	<u>(3,924,000)</u>	<u>(3,924,000)</u>	<u>-</u>
Net Change in Fund Balance	-	-	(3,195,658)	(3,195,658)
Fund Balance - Beginning of Year	-	-	8,615,700	8,615,700
Fund Balance - End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,420,042</u>	<u>\$ 5,420,042</u>

City of Miami, Florida
Schedule of Revenues, Expenditures and Changes In Fund Balance
Budget and Actual - NET Offices Fund
For The Year Ended September 30, 2008

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget</u>
				<u>Positive (Negative)</u>
Revenues:				
Intergovernmental Revenues	\$ -	\$ -	-	-
Charges for Services	-	548,723	\$ 537,281	(11,442)
Interest	-	2,540	2,540	-
Other	502,348	739,490	3,391	(736,099)
Total Revenues	<u>502,348</u>	<u>1,290,753</u>	<u>543,212</u>	<u>(747,541)</u>
Expenditures:				
Current Operating:				
General Government	7,901,320	8,628,590	8,620,987	7,603
Capital Outlay	59,958	141,216	117,388	23,828
Total Expenditures	<u>7,961,278</u>	<u>8,769,806</u>	<u>8,738,375</u>	<u>31,431</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(7,458,930)</u>	<u>(7,479,053)</u>	<u>(8,195,163)</u>	<u>(716,110)</u>
Other Financing Sources:				
Transfers In	7,458,930	7,479,053	7,479,053	-
Total Other Financing Sources	<u>7,458,930</u>	<u>7,479,053</u>	<u>7,479,053</u>	<u>-</u>
Net Change in Fund Balance	-	-	(716,110)	(716,110)
Fund Balance - Beginning of Year	-	-	1,639,422	1,639,422
Fund Balance - End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 923,312</u>	<u>\$ 923,312</u>

City of Miami, Florida
Schedule of Revenues, Expenditures and Changes In Fund Balance
Budget and Actual - Parks & Recreation Services Fund
For The Year Ended September 30, 2008

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget</u>
				<u>Positive (Negative)</u>
Revenue:				
Intergovernmental Revenues	\$ 212,695	\$ 1,294,678	\$ 1,294,678	-
Charges for Services	-	828,762	828,762	-
Interest	-	4,848	4,848	-
Other	1,167,469	985,342	-	(985,342)
Total Revenues	<u>1,380,164</u>	<u>3,113,630</u>	<u>2,128,288</u>	<u>(985,342)</u>
Expenditures:				
Current Operating:				
Parks and Recreation	1,093,553	1,909,745	1,909,736	9
Capital Outlay	286,611	1,224,644	1,224,644	-
Total Expenditures	<u>1,380,164</u>	<u>3,134,389</u>	<u>3,134,380</u>	<u>9</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>-</u>	<u>(20,759)</u>	<u>(1,006,092)</u>	<u>(985,333)</u>
Other Financing Sources (Uses):				
Transfers In	-	25,727	25,727	-
Transfers Out	-	(4,968)	(4,968)	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>20,759</u>	<u>20,759</u>	<u>-</u>
Net Change in Fund Balance	-	-	(985,333)	(985,333)
Fund Balance - Beginning of Year	-	-	2,641,662	2,641,662
Fund Balance - End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,656,329</u>	<u>\$ 1,656,329</u>

City of Miami, Florida
Schedule of Revenues, Expenditures and Changes In Fund Balance
Budget and Actual - Police Services Fund
For The Year Ended September 30, 2008

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Intergovernmental Revenues	3,789,500	3,702,331	\$ 3,702,331	-
Charges for Services	450,000	601,527	601,527	-
Interest	-	197,006	197,006	-
Other	1,807,226	3,074	3,074	-
Total Revenues	<u>6,046,726</u>	<u>4,503,938</u>	<u>4,503,938</u>	<u>-</u>
Expenditures:				
Current Operating:				
Public Safety	4,268,943	3,679,432	2,869,396	810,036
Capital Outlay	1,777,783	888,493	888,493	-
Total Expenditures	<u>6,046,726</u>	<u>4,567,925</u>	<u>3,757,889</u>	<u>810,036</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>-</u>	<u>(63,987)</u>	<u>746,049</u>	<u>810,036</u>
Other Financing Sources:				
Transfers In	-	63,987	63,987	-
Total Other Financing Sources	<u>-</u>	<u>63,987</u>	<u>63,987</u>	<u>-</u>
Net Change in Fund Balance	-	-	810,036	810,036
Fund Balance - Beginning of Year	-	-	5,544,825	5,544,825
Fund Balance - End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,354,861</u>	<u>\$ 6,354,861</u>

City of Miami, Florida
Schedule of Revenues, Expenditures and Changes In Fund Balance
Budget and Actual - Law Enforcement Trust Fund
For The Year Ended September 30, 2008

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget</u>
				<u>Positive (Negative)</u>
Revenues:				
Fines and Forfeitures	\$ -	\$ 912,791	\$ 912,791	-
Interest	-	133,359	133,359	-
Other	641,233	73,361	73,361	-
Total Revenues	<u>641,233</u>	<u>1,119,511</u>	<u>1,119,511</u>	<u>-</u>
Expenditures:				
Current Operating:				
Public Safety	641,233	1,094,300	604,217	490,083
Capital Outlay	-	25,211	25,211	-
Total Expenditures	<u>641,233</u>	<u>1,119,511</u>	<u>629,428</u>	<u>490,083</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>-</u>	<u>-</u>	<u>490,083</u>	<u>490,083</u>
Net Change in Fund Balance	-	-	490,083	490,083
Fund Balance - Beginning of Year	-	-	3,474,020	3,474,020
Fund Balance - End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,964,103</u>	<u>\$ 3,964,103</u>

City of Miami, Florida
Schedule of Revenues, Expenditures and Changes In Fund Balance
Budget and Actual - Public Works Services Fund
For The Year Ended September 30, 2008

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final		Final Budget
				Positive (Negative)
Revenues:				
Intergovernmental Revenues	\$ -	\$ 102,304	\$ 102,304	-
Charges for Services	-	1,561,767	1,561,767	-
Interest	36,000	43,630	43,630	-
Other	908,611	6,360	6,360	-
Total Revenues	<u>944,611</u>	<u>1,714,061</u>	<u>1,714,061</u>	<u>-</u>
Expenditures:				
Current Operating:				
Public Works	944,611	1,694,276	196,378	1,497,898
Capital Outlay	-	53,120	-	53,120
Total Expenditures	<u>944,611</u>	<u>1,747,396</u>	<u>196,378</u>	<u>1,551,018</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>-</u>	<u>(33,335)</u>	<u>1,517,683</u>	<u>1,551,018</u>
Other Financing Sources:				
Transfers In	-	33,335	33,335	-
Total Other Financing Sources	<u>-</u>	<u>33,335</u>	<u>33,335</u>	<u>-</u>
Net Change in Fund Balance	<u>-</u>	<u>-</u>	<u>1,551,018</u>	<u>1,551,018</u>
Fund Balance - Beginning of Year	<u>-</u>	<u>-</u>	<u>1,772,627</u>	<u>1,772,627</u>
Fund Balance - End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,323,645</u>	<u>\$ 3,323,645</u>

City of Miami, Florida
Schedule of Revenues, Expenditures and Changes In Fund Balance
Budget and Actual - City Clerk Services Fund
For The Year Ended September 30, 2008

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget</u>
				<u>Positive (Negative)</u>
Revenues:				
Charges for Services	\$ -	\$ 126,024	\$ 126,024	-
Other	223,401	240,543	1,713	(238,830)
Total Revenues	<u>223,401</u>	<u>366,567</u>	<u>127,737</u>	<u>(238,830)</u>
Expenditures:				
Current Operating:				
General Government	35,000	61,567	61,567	-
Total Expenditures	<u>35,000</u>	<u>61,567</u>	<u>61,567</u>	<u>-</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>188,401</u>	<u>305,000</u>	<u>66,170</u>	<u>(238,830)</u>
Other Financing Sources (Uses):				
Transfers In	35,000	35,000	35,000	-
Transfers Out	(223,401)	(340,000)	(340,000)	-
Total Other Financing Sources (Uses)	<u>(188,401)</u>	<u>(305,000)</u>	<u>(305,000)</u>	<u>-</u>
Net Change in Fund Balance	-	-	(238,830)	(238,830)
Fund Balance - Beginning of Year	-	-	630,132	630,132
Fund Balance - End of Year	<u>-</u>	<u>-</u>	<u>\$ 391,302</u>	<u>\$ 391,302</u>

City of Miami, Florida
Schedule of Revenues, Expenditures and Changes In Fund Balance
Budget and Actual - Local Option Gas Tax
For The Year Ended September 30, 2008

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget</u>
				<u>Positive (Negative)</u>
Revenues:				
Franchise Fees and Other Taxes	7,343,596	6,980,640	\$ 6,979,401	(1,239)
Total Revenues	<u>7,343,596</u>	<u>6,980,640</u>	<u>6,979,401</u>	<u>(1,239)</u>
Other Financing Sources (Uses):				
Transfers In	-	362,956	362,956	-
Transfers Out	<u>(7,343,596)</u>	<u>(7,343,596)</u>	<u>(7,343,596)</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>(7,343,596)</u>	<u>(6,980,640)</u>	<u>(6,980,640)</u>	<u>-</u>
Net Change in Fund Balance	-	-	(1,239)	(1,239)
Fund Balance - Beginning of Year	-	-	1,239	1,239
Fund Balance - End of Year	<u>-</u>	<u>-</u>	<u>\$ -</u>	<u>\$ -</u>

City of Miami, Florida
Schedule of Revenues, Expenditures and Changes In Fund Balance
Budget and Actual - Stormwater Utility Fund
For The Year Ended September 30, 2008

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Charges for Services	\$ -	\$ 156,184	\$ 156,184	-
Total Revenues	<u>-</u>	<u>156,184</u>	<u>156,184</u>	<u>-</u>
Expenditures				
Current Operating:	-	156,184	-	156,184
Total Expenditures	<u>-</u>	<u>156,184</u>	<u>-</u>	<u>156,184</u>
Excess of Revenues Over Expenditures	<u>-</u>	<u>-</u>	<u>156,184</u>	<u>156,184</u>
Net Change in Fund Balance	-	-	156,184	156,184
Fund Balance - Beginning of Year	-	-	105,938	105,938
Fund Balance - End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 262,122</u>	<u>\$ 262,122</u>

City of Miami, Florida
Schedule of Revenues, Expenditures and Changes In Fund Balance
Budget and Actual - General Special Revenue
For The Year Ended September 30, 2008

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Intergovernmental Revenues	\$ -	\$ 210,125	\$ 210,125	-
Total Revenues	<u>-</u>	<u>210,125</u>	<u>210,125</u>	<u>-</u>
Expenditures:				
Current Operating:				
General Government	-	4,956,808	37,198	4,919,610
Total Expenditures	<u>-</u>	<u>4,956,808</u>	<u>37,198</u>	<u>4,919,610</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>-</u>	<u>(4,746,683)</u>	<u>172,927</u>	<u>4,919,610</u>
Other Financing Sources (Uses):				
Transfers In	-	7,337,535	7,337,535	-
Transfers Out	-	(2,590,852)	(2,590,852)	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>4,746,683</u>	<u>4,746,683</u>	<u>-</u>
Net Change in Fund Balance	-	-	4,919,610	4,919,610
Fund Balance - Beginning of Year	-	-	72,553	72,553
Fund Balance - End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,992,163</u>	<u>\$ 4,992,163</u>

City of Miami, Florida
Schedule of Revenues, Expenditures and Changes In Fund Balance
Budget and Actual - Departmental Improvement Initiatives Fund
For The Year Ended September 30, 2008

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental Revenues	\$ 224,894	\$ 1,622,203	\$ 1,622,203	-
Other	589,878	3,531,211	30,800	(3,500,411)
Total Revenues	<u>814,772</u>	<u>5,153,414</u>	<u>1,653,003</u>	<u>(3,500,411)</u>
Expenditures:				
Current Operating:				
General Government	1,552,649	4,416,514	4,416,487	27
Capital Outlay	127,523	1,166,761	1,166,761	-
Total Expenditures	<u>1,680,172</u>	<u>5,583,275</u>	<u>5,583,248</u>	<u>27</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(865,400)</u>	<u>(429,861)</u>	<u>(3,930,245)</u>	<u>(3,500,384)</u>
Other Financing Sources (Uses):				
Transfers In	865,400	883,166	883,166	-
Transfers Out	-	(453,305)	(453,304)	1
Total Other Financing Sources (Uses)	<u>865,400</u>	<u>429,861</u>	<u>429,862</u>	<u>1</u>
Net Change in Fund Balance	-	-	(3,500,383)	(3,500,383)
Fund Balance - Beginning of Year	-	-	5,854,581	5,854,581
Fund Balance - End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,354,198</u>	<u>\$ 2,354,198</u>

City of Miami, Florida
Schedule of Revenues, Expenditures and Changes In Fund Balance
Budget and Actual - Transportation & Transit Fund
For The Year Ended September 30, 2008

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Intergovernmental Revenues	\$ 13,822,020	\$ 12,647,923	\$ 12,654,850	6,927
Total Revenues	<u>13,822,020</u>	<u>12,647,923</u>	<u>12,654,850</u>	<u>6,927</u>
Expenditures:				
Current Operating:				
General Government	628,050	442,367	442,367	-
Capital Outlay	4,000	-	-	-
Total Expenditures	<u>632,050</u>	<u>442,367</u>	<u>442,367</u>	<u>-</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>13,189,970</u>	<u>12,205,556</u>	<u>12,212,483</u>	<u>6,927</u>
Other Financing Sources (Uses):				
Transfers In	-	925,363	925,363	-
Transfers Out	(13,189,970)	(13,130,919)	(13,130,919)	-
Total Other Financing Sources (Uses)	<u>(13,189,970)</u>	<u>(12,205,556)</u>	<u>(12,205,556)</u>	<u>-</u>
Net Change in Fund Balance	-	-	6,927	6,927
Fund Balance - Beginning of Year	-	-	(6,927)	(6,927)
Fund Balance - End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

City of Miami, Florida
Schedule of Revenues, Expenditures, and Changes In Fund Balance
Budget and Actual - Public Services Tax Fund
For The Year Ended September 30, 2008

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Franchise and Other Taxes	\$ 56,725,656	\$ 63,469,633	\$ 62,257,072	(1,212,561)
Total Revenues	<u>56,725,656</u>	<u>63,469,633</u>	<u>62,257,072</u>	<u>(1,212,561)</u>
Other Financing Uses:				
Transfers Out	(56,725,656)	(63,469,633)	(63,469,633)	-
Total Other Financing Uses	<u>(56,725,656)</u>	<u>(63,469,633)</u>	<u>(63,469,633)</u>	<u>-</u>
Net Change in Fund Balance	-	-	(1,212,561)	(1,212,561)
Fund Balance - Beginning of Year	-	-	5,327,547	5,327,547
Fund Balance - End of Year	<u>-</u>	<u>-</u>	<u>\$ 4,114,986</u>	<u>\$ 4,114,986</u>

City of Miami, Florida
Schedule of Revenues, Expenditures and Changes In Fund Balance
Budget and Actual - Liberty City Revitalization Trust
For The Year Ended September 30, 2008

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final		Final Budget
				Positive (Negative)
Revenues:				
Intergovernmental Revenues	\$ 260,168	\$ 260,168	\$ 308,994	48,826
Interest	-	-	3,840	3,840
Other	951,500	951,500	-	(951,500)
Total Revenues	<u>1,211,668</u>	<u>1,211,668</u>	<u>312,834</u>	<u>(898,834)</u>
Expenditures:				
Current Operating:				
Community Redevelopment Areas	1,761,668	1,776,570	528,258	1,248,312
Capital Outlay	-	98	-	98
Total Expenditures	<u>1,761,668</u>	<u>1,776,668</u>	<u>528,258</u>	<u>1,248,410</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(550,000)</u>	<u>(565,000)</u>	<u>(215,424)</u>	<u>349,576</u>
Other Financing Sources:				
Transfers In	550,000	565,000	550,000	(15,000)
Total Other Financing Sources	<u>550,000</u>	<u>565,000</u>	<u>550,000</u>	<u>(15,000)</u>
Net Change in Fund Balance	-	-	334,576	334,576
Fund Balance - Beginning of Year	-	-	520,711	520,711
Fund Balance - End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 855,287</u>	<u>\$ 855,287</u>

City of Miami, Florida
Schedule of Revenues, Expenditures and Changes In Fund Balance
Budget and Actual - Virginia Key Beach Trust
For The Year Ended September 30, 2008

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget</u>
				<u>Positive (Negative)</u>
Revenues:				
Intergovernmental Revenues	\$ 17,376	\$ 17,376	\$ 21,636	4,260
Charges for Services	-	-	66,375	66,375
Interest	-	-	23,384	23,384
Other	1,027,241	1,027,241	127,010	(900,231)
Total Revenues	<u>1,044,617</u>	<u>1,044,617</u>	<u>238,405</u>	<u>(806,212)</u>
Expenditures:				
Current Operating:				
Parks and Recreation	2,304,273	2,304,273	1,798,687	505,586
Capital Outlay	56,500	56,500	80,126	(23,626)
Total Expenditures	<u>2,360,773</u>	<u>2,360,773</u>	<u>1,878,813</u>	<u>481,960</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(1,316,156)</u>	<u>(1,316,156)</u>	<u>(1,640,408)</u>	<u>(324,252)</u>
Other Financing Sources:				
Transfers In	1,316,156	1,316,156	1,316,156	-
Total Other Financing Sources	<u>1,316,156</u>	<u>1,316,156</u>	<u>1,316,156</u>	<u>-</u>
Net Change in Fund Balance	-	-	(324,252)	(324,252)
Fund Balance - Beginning of Year	-	-	1,013,991	1,013,991
Fund Balance - End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 689,739</u>	<u>\$ 689,739</u>

City of Miami, Florida
Schedule of Revenues, Expenditures and Changes In Fund Balance
Budget and Actual - Gusman and Olympia Fund
For The Year Ended September 30, 2008

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget</u>
				<u>Positive (Negative)</u>
Revenues:				
Intergovernmental Revenues	\$ 1,982,216	\$ 1,982,216	\$ 473,484	(1,508,732)
Charges for Services	529,000	529,000	794,323	265,323
Other	238,400	238,400	881,334	642,934
Total Revenues	<u>2,749,616</u>	<u>2,749,616</u>	<u>2,149,141</u>	<u>(600,475)</u>
Expenditures:				
Current Operating:				
Public Facilities	3,130,385	3,130,385	1,887,739	1,242,646
Total Expenditures	<u>3,130,385</u>	<u>3,130,385</u>	<u>1,887,739</u>	<u>1,242,646</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(380,769)</u>	<u>(380,769)</u>	<u>261,402</u>	<u>642,171</u>
Other Financing Sources:				
Transfers In	380,769	380,769	-	(380,769)
Total Other Financing Sources	<u>380,769</u>	<u>380,769</u>	<u>-</u>	<u>(380,769)</u>
Net Change in Fund Balance	-	-	261,402	261,402
Fund Balance - Beginning of Year	-	-	(136,234)	(136,234)
Fund Balance - End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 125,168</u>	<u>\$ 125,168</u>

City of Miami, Florida
Schedule of Revenues, Expenditures and Changes In Fund Balance
Budget and Actual - General Obligation Bonds Fund
For The Year Ended September 30, 2008

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget</u>
				<u>Positive (Negative)</u>
Revenues:				
Property Taxes	\$ 21,426,659	\$ 21,506,659	\$ 21,327,853	\$ (178,806)
Total Revenues	<u>21,426,659</u>	<u>21,506,659</u>	<u>21,327,853</u>	<u>(178,806)</u>
Expenditures:				
Debt Service:				
Principal	10,295,644	10,295,644	10,295,644	-
Interest and Other Charges	11,131,015	11,211,015	11,197,914	13,101
Total Expenditures	<u>21,426,659</u>	<u>21,506,659</u>	<u>21,493,558</u>	<u>13,101</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>-</u>	<u>-</u>	<u>(165,705)</u>	<u>(165,705)</u>
Net Change in Fund Balance	-	-	(165,705)	(165,705)
Fund Balance - Beginning of Year	-	-	2,304,217	2,304,217
Fund Balance - End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,138,512</u>	<u>\$ 2,138,512</u>

City of Miami, Florida
Schedule of Revenues, Expenditures and Changes In Fund Balance
Budget and Actual - Other Special Obligation Bonds Fund
For The Year Ended September 30, 2008

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Interest	\$ 305,475	\$ 332,991	\$ 332,991	\$ -
Total Revenues	<u>607,950</u>	<u>332,991</u>	<u>332,991</u>	<u>-</u>
Expenditures:				
Debt Service:				
Principal	10,047,499	10,877,499	10,877,499	-
Interest and Other Charges	14,709,086	17,874,434	17,540,886	333,548
Total Expenditures	<u>24,756,585</u>	<u>28,751,933</u>	<u>28,418,385</u>	<u>333,548</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(24,148,635)</u>	<u>(28,418,942)</u>	<u>(28,085,394)</u>	<u>333,548</u>
Other Financing Sources (Uses):				
Transfers In	24,454,110	27,049,735	30,042,198	2,992,463
Proceeds Received From Long-Term Debt	-	24,251	24,251	-
Premium on Long-Term Debt	-	1,344,956	1,344,956	-
Total Other Financing Sources (Uses):	<u>24,454,110</u>	<u>28,418,942</u>	<u>31,411,405</u>	<u>2,992,463</u>
Net Change in Fund Balance	305,475	-	3,326,011	3,326,011
Fund Balance - Beginning of Year	-	-	3,443,149	3,443,149
Fund Balance - End of Year	<u>\$ 305,475</u>	<u>\$ -</u>	<u>\$ 6,769,160</u>	<u>\$ 6,769,160</u>

City of Miami, Florida
Schedule of Revenues, Expenditures and Changes In Fund Balance
Budget and Actual - SEOPW CRA Other Special Obligation Bonds Fund
For The Year Ended September 30, 2008

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Intergovernmental Revenues	\$ -	302,475	\$ 300,000	(2,475)
Interest	-	-	9,590	9,590
Total Revenues	<u>-</u>	<u>302,475</u>	<u>309,590</u>	<u>7,115</u>
Expenditures:				
Debt Service:				
Principal	-	170,000	170,000	-
Interest and Other Charges	-	184,410	181,935	2,475
Total Expenditures	<u>-</u>	<u>354,410</u>	<u>351,935</u>	<u>2,475</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>-</u>	<u>(51,935)</u>	<u>(42,345)</u>	<u>9,590</u>
Other Financing Sources:				
Transfers In	-	51,935	51,935	-
Total Other Financing Sources:	<u>-</u>	<u>51,935</u>	<u>51,935</u>	<u>-</u>
Net Change in Fund Balance	-	-	9,590	9,590
Fund Balance - Beginning of Year	-	-	2,172,185	2,172,185
Fund Balance - End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,181,775</u>	<u>\$ 2,181,775</u>



FIDUCIARY FUNDS

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

Firefighters and Police Officers (FIPO) – This Pension Trust Fund is used to account for the accumulation of resources to be used for retirement benefits to Police and Firefighters. Resources are contributed by employees at rates fixed by law and by the City at amounts determined by annual actuarial valuations.

General Employees and Sanitation Employees (GESE) – These Pension Trust Funds are used to account for the three separate GESE Plans (GESE Members, Excess Plan and Staff Plan). The funds are used to account for the accumulation of resources to be used for 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, 2008

	Employee Retirement Funds				Totals	
	Firefighters and Police (FIPO)	General and Sanitation (GESE) (Members)	General and Sanitation (GESE) (Excess Plan)	General and Sanitation (GESE) (Staff Plan)	Elected Officers' Retirement Trust (EORT)	Employee Retirement Funds
Assets						
Cash and Short-Term Investments	\$ 61,310,600	\$ 591,413	\$ 39,202	\$ 52,275	\$ -	\$ 61,993,490
Accounts Receivable	11,195,273	4,624,005	16,763	-	-	15,836,041
Capital Assets	2,170,816	2,627,230	-	-	-	4,798,046
Prepaid Assets	-	49,166	-	-	-	49,166
	<u>74,676,689</u>	<u>7,891,814</u>	<u>55,965</u>	<u>52,275</u>	<u>-</u>	<u>82,676,743</u>
Investments						
U.S. Government Obligations	223,403,484	65,451,840	-	-	3,538,311	292,393,635
Corporate Bonds	197,919,208	77,503,821	-	459,926	-	275,882,955
Corporate Stocks	646,768,909	362,740,216	-	627,831	-	1,010,136,956
Money Market Funds and Commercial Paper	-	24,547,609	-	-	148,229	24,695,838
International Equity	73,933,123	-	-	-	-	73,933,123
Mutual Funds	44,479,142	-	-	-	-	44,479,142
Real Estate	114,841,336	45,012,487	-	-	-	159,853,823
Private Equity	19,747,148	-	-	-	-	19,747,148
Total Investments	<u>1,321,092,350</u>	<u>575,255,973</u>	<u>-</u>	<u>1,087,757</u>	<u>3,686,540</u>	<u>1,901,122,620</u>
Securities Lending Collateral	187,540,846	-	-	-	-	187,540,846
Total Assets	<u>1,583,309,885</u>	<u>583,147,787</u>	<u>55,965</u>	<u>1,140,032</u>	<u>3,686,540</u>	<u>2,171,340,209</u>
Liabilities						
Obligations Under Security Lending	190,141,047	-	-	-	-	190,141,047
Accounts Payable	254,839	700,626	55,965	-	-	1,011,430
Accrued Liabilities	44,479,142	-	-	-	-	44,479,142
Payable for Securities Purchased	23,684,613	5,954,915	-	-	-	29,639,528
Total Liabilities	<u>258,559,641</u>	<u>6,655,541</u>	<u>55,965</u>	<u>-</u>	<u>-</u>	<u>265,271,147</u>
Net Assets						
Held in Trust for Pension Benefits	<u>\$ 1,324,750,244</u>	<u>\$ 576,492,246</u>	<u>\$ -</u>	<u>\$ 1,140,032</u>	<u>\$ 3,686,540</u>	<u>\$ 1,906,069,062</u>

City of Miami, Florida
Combining Statement of Changes in Fiduciary Net Assets
Fiduciary Funds
For the Year Ended September 30, 2008

	Employee Retirement Funds					Totals
	Firefighters and Police (FIPO)	General and Sanitation (GESE) (Members)	General and Sanitation (GESE) (Excess Plan)	General and Sanitation (GESE) (Staff Plan)	Elected Officers' Retirement Trust (EORT)	Employee Retirement Funds
Additions						
Contributions:						
Employer	\$ 36,040,251	\$ 22,762,902	\$ 446,916	\$ 109,163	\$ 711,209	\$ 60,070,441
Plan Members	9,719,896	9,517,052	-	66,728	-	19,303,676
Total Contributions	<u>45,760,147</u>	<u>32,279,954</u>	<u>446,916</u>	<u>175,891</u>	<u>711,209</u>	<u>79,374,117</u>
Investment Earnings (Loss):						
Net Increase (Decrease) in Fair Value of Investments	(258,874,205)	(110,490,891)	-	(215,347)	-	(369,580,443)
Interest	24,208,623	9,027,894	2,700	1,834	106,771	33,347,822
Dividends	13,590,006	6,437,482	-	36,375	-	20,063,863
Other	(528,232)	273,768	-	-	-	(254,464)
Total Investment Earnings (Loss)	<u>(221,603,808)</u>	<u>(94,751,747)</u>	<u>2,700</u>	<u>(177,138)</u>	<u>106,771</u>	<u>(316,423,222)</u>
Less Investment Expenses	6,034,419	2,541,778	-	-	-	8,576,197
Net Investment Earnings (Loss)	<u>(227,638,227)</u>	<u>(97,293,525)</u>	<u>2,700</u>	<u>(177,138)</u>	<u>106,771</u>	<u>(324,999,419)</u>
Reimbursement Income from City	-	2,510,921	32,212	-	-	2,543,133
Total	<u>(181,878,080)</u>	<u>(62,502,650)</u>	<u>481,828</u>	<u>(1,247)</u>	<u>817,980</u>	<u>(243,082,169)</u>
Deductions						
Benefits	77,794,816	51,631,847	449,370	-	683,101	130,559,134
Refunds upon Resignation, Death, etc.	678,388	1,021,711	-	-	-	1,700,099
Distribution to Retirees	15,666,175	-	-	-	-	15,666,175
Administrative and Other Expenses	42,726	2,653,879	32,458	-	-	2,729,063
Total	<u>94,182,105</u>	<u>55,307,437</u>	<u>481,828</u>	<u>-</u>	<u>683,101</u>	<u>150,654,471</u>
Change in Net Assets	<u>(276,060,185)</u>	<u>(117,810,087)</u>	<u>-</u>	<u>(1,247)</u>	<u>134,879</u>	<u>(393,736,640)</u>
Net Assets - Beginning of Year	<u>1,600,810,429</u>	<u>694,302,333</u>	<u>-</u>	<u>1,141,279</u>	<u>3,551,661</u>	<u>2,299,805,702</u>
Net Assets - End of Year	<u>\$ 1,324,750,244</u>	<u>\$ 576,492,246</u>	<u>\$ -</u>	<u>\$ 1,140,032</u>	<u>\$ 3,686,540</u>	<u>\$ 1,906,069,062</u>

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STATISTICAL SECTION

FINANCIAL TRENDS

REVENUE CAPACITY

DEBT CAPACITY

**DEMOGRAPHIC AND
ECONOMIC INFORMATION**

OPERATING INFORMATION

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>	134
Revenue Capacity <i>These schedules contain information to help the reader assess the City's most significant local revenue source, the property tax.</i>	140
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>	144
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>	149
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>	150

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 FIVE FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)**

	2004	2005	2006	2007	2008
Primary Government					
Invested in Capital Assets, Net of Related Debt	\$ 588,953,408	\$ 640,931,069	\$ 730,272,844	\$ 773,959,639	\$
Restricted	149,143,544	153,641,905	188,895,278	102,602,464	147,706,831
Unrestricted	(64,134,990)	(82,047,220)	(98,069,477)	(93,712,582)	(211,485,639)
Total Primary Government Net Assets	<u>\$ 680,561,092</u>	<u>\$ 731,756,870</u>	<u>\$ 739,162,726</u>	<u>\$ 710,180,831</u>	<u>\$</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 FIVE FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)**

	2004	2005	2006	2007	2008
Expenses					
Governmental Activities:					
General Government	\$ 85,252,892	\$ 78,336,822	\$ 85,315,437	\$ 121,694,219	\$ 140,680,932
Planning and Development	13,148,696	16,259,651	16,911,621	16,923,477	16,217,858
Community Development	40,349,703	55,264,647	41,054,245	35,486,773	42,029,139
Community Redevelopment Areas	4,618,714	4,968,422	6,331,328	7,011,132	13,904,297
Public Works	49,498,193	70,987,541	65,958,181	75,073,321	72,572,813
Public Safety	282,427,868	325,533,600	347,976,631	343,470,082	370,007,019
Public Facilities	17,458,726	12,949,751	14,917,431	16,691,365	15,354,423
Parks and Recreation	44,275,606	24,293,055	25,718,056	39,893,208	39,550,244
Interest on Long-Term Debt	23,235,705	22,201,669	21,560,094	23,859,254	27,206,895
Unallocated Depreciation	26,147,570	26,147,088	26,690,642	29,548,332	-
Total Primary Government Expenses	586,413,673	636,942,246	652,433,666	709,651,163	737,523,620
Program Revenues					
Governmental Activities:					
Charges for Services:					
General Government	48,955,278	41,775,235	51,161,759	33,403,595	40,062,337
Planning and Development	14,352,919	23,964,447	22,799,725	24,558,217	13,076,692
Community Development	2,069,068	777,291	4,053,520	2,301,538	702,888
Community Redevelopment Areas	220,517	45,163	214,142	1,414,979	1,140,923
Public Works	42,608,182	47,278,720	51,888,525	46,587,956	48,488,699
Public Safety	48,507,121	47,488,375	39,193,653	22,952,364	16,577,772
Public Facilities	16,736,649	22,792,948	25,137,318	6,558,800	16,660,099
Parks and Recreation	3,308,314	1,901,403	2,406,099	3,488,492	4,106,702
Operating Grants and Contributions	42,967,708	59,414,862	34,889,443	71,070,882	63,179,016
Capital Grants and Contributions	19,952,074	38,161,382	72,067,622	69,140,730	54,174,136
Total Primary Government Program Revenues	239,677,830	283,599,826	303,811,806	281,477,553	258,169,264
Net (Expense)/Revenue					
Total Primary Government Net Expense	\$ (346,735,843)	\$ (353,342,420)	\$ (348,621,860)	\$ (428,173,610)	\$ (479,354,356)
General Revenues and Other Changes in Net Assets					
Governmental Activities:					
Taxes					
Property Taxes, Levied for General Purposes	\$ 163,056,413	\$ 191,640,650	\$ 226,508,118	\$ 275,012,727	\$ 269,785,445
Property Taxes, Levied for Debt Service	19,932,162	20,368,722	19,966,467	19,886,776	21,327,853
Franchise Taxes	35,024,215	35,918,724	41,342,214	42,257,282	42,298,452
State Revenue Sharing - Unrestricted	10,351,506	12,581,352	12,947,019	13,073,886	12,187,197
Sales and Other Use Tax	22,279,656	23,422,160	25,800,341	25,505,412	24,860,795
Public Service Taxes	60,024,832	61,114,292	57,991,178	58,099,069	62,257,072
Investment Earnings - Unrestricted	5,618,813	5,866,114	14,477,950	23,837,450	17,655,647
Gain (Loss) on Disposal of Capital Assets	-	(3,387,124)	-	1,502,044	-
Other	4,072,796	1,891,124	768,767	-	-
Special Item - Impairment Loss on Capital Assets	-	-	-	(23,595,180)	-
Total Primary Government	320,360,393	349,416,014	399,802,054	435,579,466	450,372,461
Change in Net Assets					
Total Primary Government	\$ (26,375,450)	\$ (3,926,406)	\$ 51,180,194	\$ 7,405,856	\$ (28,981,895)

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
GOVERNMENTAL ACTIVITIES TAX REVENUES BY SOURCE
LAST FIVE FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)

Fiscal Year	Ad Valorem Taxes General Purpose	Ad Valorem Taxes Debt Service	Franchise Taxes	Sales and Other Use Taxes	Communication Service Taxes	Total
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
2006	226,508,118	19,966,467	41,342,214	25,800,341	57,991,178	371,608,318
2007	275,012,727	19,886,776	42,257,282	25,505,412	58,099,069	420,761,266
2008	269,785,445	21,327,853	42,298,452	24,860,795	62,257,072	420,529,617

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 FIVE FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

	2004	2005	2006	2007	2008
General Fund					
Reserved	\$ 3,439,120	\$ 3,224,542	\$ 894,059	\$ 3,768,826	\$ 4,616,080
Unreserved	133,413,642	113,880,513	125,362,454	96,681,318	88,961,368
Total General Fund	<u>\$ 136,852,762</u>	<u>\$ 117,105,055</u>	<u>\$ 126,256,513</u>	<u>\$ 100,450,144</u>	<u>\$ 93,577,448</u>
All Other Governmental Funds					
Reserved	\$ 59,142,160	\$ 78,343,670	\$ 96,569,917	\$ 110,160,478	\$ 46,825,466
Unreserved designated	-	-	-	12,859,516	4,027,253
Unreserved, reported in:					
Special Revenue Funds	47,901,687	49,180,840	43,934,094	7,995,266	60,443,132
Debt Service Funds	1,150,000	2,691,656	-	3,443,149	1,861,274
Capital Projects Funds	241,854,585	175,505,411	131,018,373	123,498,283	200,205,983
Total All Other Governmental Funds	<u>\$ 350,048,432</u>	<u>\$ 305,721,577</u>	<u>\$ 271,522,384</u>	<u>\$ 257,956,692</u>	<u>\$ 313,363,108</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 FIVE FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

	2004	2005	2006	2007	2008
Revenues					
Property Taxes	\$ 186,501,954	\$ 208,091,814	\$ 246,337,333	\$ 294,251,152	\$ 291,113,299
Franchise and Other Taxes	102,811,047	92,714,383	98,243,722	100,356,351	104,555,524
Licenses and Permits	23,011,688	27,394,427	28,468,593	32,848,055	29,844,868
Fines and Forfeitures	5,649,452	5,777,697	5,912,300	7,541,812	6,977,788
Intergovernmental Revenues	124,153,113	161,745,250	174,074,303	150,040,391	157,268,610
Charges for Services	102,172,563	110,483,424	106,682,451	89,589,154	86,386,721
Interest	9,054,422	8,715,234	18,979,204	23,837,450	17,655,770
Impact Fees	3,743,183	9,256,637	9,388,192	4,017,110	4,679,000
Other	15,370,429	5,721,312	15,376,683	9,369,810	10,102,809
Total Revenues	572,467,851	629,900,178	703,462,781	711,851,285	708,584,389
Expenditures					
General Government	71,744,631	44,713,551	49,995,402	57,669,544	77,127,072
Planning and Development	12,420,765	12,858,675	12,740,678	11,862,685	11,236,136
Community Development	39,073,478	57,803,782	40,978,910	35,325,497	41,036,697
Community Redevelopment Areas	4,610,070	4,608,027	5,982,541	5,314,468	15,946,941
Public Works	56,926,608	48,266,766	50,579,908	56,484,364	55,068,379
Public Safety	265,574,068	222,377,919	251,914,610	256,691,572	265,497,659
Public Facilities	10,243,873	11,426,487	11,795,688	13,455,945	13,019,718
Parks and Recreation	16,682,057	17,261,022	17,896,247	30,637,506	29,056,137
Risk Management (2)	-	29,162,254	25,546,486	18,115,929	28,796,859
Pensions (2)	-	73,862,309	78,864,757	70,708,285	65,116,477
Organizational Support (2)	-	23,917,033	25,161,646	35,122,459	27,751,691
Non-Departmental (2)	-	12,926,933	13,204,324	28,490,230	-
Debt Service:					
Principal	19,839,464	18,770,229	19,218,795	20,887,276	21,343,143
Interest and Other Charges	22,694,233	21,822,857	21,650,889	24,346,064	28,920,735
Debt Issuance Costs	-	-	-	6,988,908	-
Capital Outlay	54,707,004	94,680,930	103,894,188	124,264,229	114,576,911
Total Expenditures	574,516,251	694,458,774	729,425,069	796,364,961	794,494,555
Excess (Deficiency) of Revenues Over Expenditures	(2,048,400)	(64,558,596)	(25,962,288)	(84,513,676)	(85,910,166)
Other Financing Sources (Uses)					
Transfers In	224,948,344	204,247,939	229,700,739	278,006,434	227,562,830
Transfers Out	(224,948,344)	(204,247,939)	(229,700,739)	(278,006,434)	(227,562,830)
Sale of Property	-	-	-	1,502,044	-
Proceeds Received From Refunding	4,180,000	-	-	138,841,992	133,098,930
Payment To Escrow Agent For Refunding	(4,062,502)	-	-	(131,775,000)	-
Proceeds Received For Long-Term capital	-	-	-	50,969,202	-
Premium (Discount) Long-Term Debt	-	-	-	-	1,344,956
Loan	-	-	1,000	-	-
Capital Leases	3,204,349	-	-	-	-
Sale of Capital Assets	-	500,000	889,969	-	-
Total Other Financing Sources	3,321,847	500,000	890,969	59,538,238	134,443,886
Net Change In Fund Balances	\$ 1,273,447	\$ (64,058,596)	\$ (25,071,319)	\$ (24,975,438)	\$ 48,533,720

Debt Service as a Percentage
of Non-Capital Expenditures

8.18%	6.76%	6.53%	6.91%	7.71%
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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.
- (3) Expenditures for capital assets on page 18 is \$142,176,246 instead of \$124,264,229 above because \$17,912,017 of capital assets were charged to the various functions as expenditures instead of through the Capital Project Funds. These amounts are included in the reconciliation of capital assets on page 49.

CITY OF MIAMI, FLORIDA
GENERAL GOVERNMENTAL TAX REVENUES BY SOURCE
LAST FIVE FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

Fiscal Year	Ad Valorem Taxes General Purpose	Ad Valorem Taxes Debt Service	Franchise Taxes	Sales and Other Use Taxes	Communication Services Taxes	Total
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
2006	226,304,681	20,032,652	41,342,214	25,800,341	56,900,497	370,380,385
2007	275,012,727	19,886,776	42,257,282	25,505,412	58,099,069	420,761,266
2008	269,785,445	21,327,853	42,298,452	24,860,795	62,257,072	420,529,617

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			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	Personal Property				
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%
2006	12,959,276,770	12,341,927,389	1,676,173,129	26,977,377,288	9.26	39,120,899,711	68.96%
2007	20,320,801,612	11,038,460,135	1,673,647,599	33,032,909,346	9.00	47,925,276,742	68.93%
2008	24,279,025,389	11,727,240,945	1,749,572,760	37,755,839,094	7.88	55,249,891,635	68.34%

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

County		City of Miami, Florida			Overlapping Rates (1)							Total Direct and Overlapping Rates
		General Operations	Debt Service	Total City	Miami-Dade		Miami-Dade South Florida			Florida Inland	Navigation District	
Fiscal Year	Tax Roll Year				School Board	Miami-Dade County	Children's Trust	Library System	Water Management District	Environmental Projects		
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
2006	2005	8.49950	0.7650	9.2645	8.4380	6.1200	0.4288	0.4860	0.5970	0.1000	0.0385	25.47280
2007	2006	8.37450	0.6210	8.9955	8.1050	5.9000	0.4223	0.4860	0.5970	0.1000	0.0385	24.64430
2008	2007	7.29990	0.5776	7.8775	7.9480	4.8646	0.4223	0.3842	0.5346	0.0894	0.0345	22.15510

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**

2008				1999			
Taxpayer	Net Assessed Value	Rank	Percent of Total City Net Assessed Value	Taxpayer	Net Assessed Value	Rank	Percent of Total City Net Assessed Value
Florida Power & Light	\$ 374,704,167	1	1.13%	Florida Power & Light	157,173,374	3	1.27%
SRI Miami Ventures, LP	281,063,160	2	0.85%				
Teachers Ins & Annuity Assoc	274,800,000	3	0.83%				
Bellsouth Telecommunications	235,219,075	4	0.71%	Bellsouth	185,411,205	1	1.50%
Crescent Miami Center	178,000,000	5	0.54%				
1111 Brickell Office LLC	138,566,380	6	0.42%				
Knight-Ridder Newspapers	121,709,457	7	0.37%				
Terremark Brickell 11	103,758,786	8	0.31%				
Trustees of L&B	103,191,113	9	0.31%				
Blue Capital US East	96,296,304	10	0.29%				
				SRI Aetna Life Insurance	178,100,000	2	1.44%
				Metropolitan Life Ins. Co.	136,400,000	4	1.10%
				Prudential Insurance Co.	115,500,000	5	0.93%
				Swire Properties	102,802,770	6	0.83%
				Brickell Associates	81,000,000	7	0.65%
				Brickell Square	62,000,000	8	0.50%
				Rouse-Miami Inc	61,239,384	9	0.49%
				Inter-Continental	58,100,000	10	0.47%
					<u>\$ 1,137,726,733</u>		<u>9.18%</u>
	<u>\$ 1,907,308,442</u>		<u>5.77%</u>				

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

Fiscal Year Ended September 30,	Total Taxes Levied for Fiscal Percent Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Year's	Total Collections to Date	
		Amount	of Levy		Amount	Percent of Levy
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%	2,379,977	201,452,958	96.81%
2006	242,077,783	234,361,909	96.82%	3,801,414	238,163,323	98.38%
2007	285,049,684	278,643,733	97.76%	7,111,337	285,755,070	100.25%
2008	304,540,649	292,307,274	95.98%	-	292,307,274	95.98%

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				Capital Personal Leases	Total	Percent of Income (1)	Per Capita (1)
	General Obligation Bonds	Revenue Bonds	Loans Payable					
1999	130,205,000	149,331,325	67,923,364	1,515,833	348,975,522	2.60%	955	
2000	119,150,000	142,061,325	65,357,964	593,800	327,163,089	2.92%	895	
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	2.40%	1,149	
2004	225,944,956	145,130,260	25,567,364	2,525,936	399,168,516	2.64%	1,101	
2005	215,729,956	138,676,431	23,465,964	1,921,177	379,793,528	2.99%	1,048	
2006	205,306,932	132,131,060	21,216,564	1,298,941	359,953,497	3.39%	993	
2007	245,689,409	125,969,708	24,120,164	658,722	396,438,003	N/A	1,094	
2008	235,393,765	198,484,539	73,656,764	-	507,535,068	N/A	1,400	

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

(1) See the Schedule of Demographic and Economic Statistics on page 147 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)
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
2006	205,306,932	1,994,991	203,311,941	0.520%	560.91
2007	245,689,409	2,304,217	243,385,192	0.508%	671.46
2008	235,393,765	2,138,512	233,255,253	0.422%	643.52

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 138 for property value data.
- (2) See the Schedule of Demographic and Economic Statistics on page 147 for population data.

CITY OF MIAMI, FLORIDA
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF SEPTEMBER 30, 2008

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	\$ 504,371,173	19.00%	\$ 95,830,523
Miami-Dade County School Board	408,745,000	19.00%	<u>77,661,550</u>
Subtotal, Overlapping Debt			<u>173,492,073</u>
City of Miami, Florida Direct Debt (excludes special obligation, revenue bonds, loans and capital leases)			<u>235,393,765</u>
Total Direct and Overlapping Debt			<u><u>\$ 408,885,838</u></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**

	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Debt Limit	\$ 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	\$ 4,046,606,593	\$ 4,954,936,402	\$ 5,400,939,950
Total Net Debt Applicable to Limit	127,927,234	114,914,079	103,824,851	249,711,407	236,549,956	224,978,830	214,217,365	203,311,941	243,385,192	233,255,253
Legal Debt Margin	\$ 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	\$ 3,843,294,652	\$ 4,711,551,210	\$ 5,167,684,697
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	6.89%	5.84%	5.03%	11.02%	9.31%	7.95%	6.51%	5.02%	4.91%	4.32%

Legal Debt Margin Calculation for Fiscal Year 2008

Assessed value	\$ 37,755,839,094
Less: Homestead Exempt Valuation	(1,749,572,760)
Total Assessed Value	<u>36,006,266,334</u>
Debt Limit for Bonds (15% of Total Assessed Value)	<u>5,400,939,950</u>
Present Debt Application to Debt Limitation	
General Obligation Debt	235,393,765
Less: Amount Available in Debt Service Fund	(2,138,512)
Total Net Debt Applicable to Limit	<u>233,255,253</u>
Legal Debt Margin	<u>\$ 5,167,684,697</u>

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

Fiscal Year Ended September 30,	Ad-Valorem Revenues (1)	Debt Service		2x Annual Debt Service	Coverage (2)
		Principal	Interest		
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
2006	289,038,101	8,795,771	12,519,779	42,631,100	6.78
2007	294,252,080	10,514,753	14,627,989	50,285,484	5.85
2008	291,113,298	10,465,644	11,379,849	43,690,986	6.80

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)
1999	365,548	9,087,523	24,860	35.00	352,595	5.80
2000	365,548	9,538,244	26,093	35.60	360,202	5.30
2001	362,470	9,639,527	26,594	35.90	368,453	6.90
2002	362,470	9,706,947	26,780	36.90	374,725	7.70
2003	362,470	10,001,635	27,593	37.00	371,482	7.50
2004	362,470	10,539,177	29,076	36.60	369,578	5.70
2005	362,470	11,362,347	31,437	37.40	365,784	4.70
2006	362,470	12,219,589	33,712	37.00	361,550	3.40
2007	362,470	N/A	N/A	38.00	353,283	4.10
2008	362,470	N/A	N/A	N/A	347,774	6.10

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**

<u>Employer</u>	2008			1999		
	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total County Employment</u>	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total County Employment</u>
Miami-Dade County Public Schools	50,000	1	4.19%	44,329	1	4.02%
Miami-Dade County	32,000	2	2.68%	28,000	2	2.54%
U.S. Federal Government	20,400	3	1.71%	18,700	3	1.70%
State of Florida	17,000	4	1.43%	18,400	4	1.67%
Publix Supermarkets	11,000	5	0.92%			
Baptist Health Systems of South Florida	10,826	6	0.91%	5,285	8	0.48%
Public Health Trust/Jackson Memorial Hospit	10,500	7	0.88%	8,209	6	0.74%
University of Miami	9,874	8	0.83%	7,517	7	0.68%
American Airlines	9,000	9	0.75%	9,304	5	0.84%
Miami-Dade College	6,500	10	0.55%			
Precision Response Corp				5,000	9	0.45%
BellSouth/AT&T	-		-	3,792	10	0.34%
Total	177,100		14.85%	148,536		13.46%

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

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

	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Number of Employees:										
General Government	460	488	511	523	587	594	617	641	644	641
Planning and Development	109	109	127	141	140	138	147	141	142	128
Community Development	140	140	172	170	91	77	73	61	52	61
Public Works	477	479	500	507	498	497	505	542	526	525
Public Safety	2,345	2,388	2,346	2,275	2,248	2,140	2,138	2,222	2,288	2,310
Public Facilities	34	34	37	37	33	43	45	55	56	54
Culture and Recreation	128	129	136	136	141	148	188	190	191	207
Total Number of Employees	<u>3,693</u>	<u>3,767</u>	<u>3,829</u>	<u>3,789</u>	<u>3,738</u>	<u>3,637</u>	<u>3,713</u>	<u>3,852</u>	<u>3,899</u>	<u>3,926</u>

Source: City of Miami, Budget Department

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

Function/Program	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Community Development:										
Entitlements/Grants Received	\$ 44,278,455	\$ 35,755,804	\$ 53,634,346	\$ 38,337,736	\$ 35,569,042	\$ 32,351,101	\$ 37,191,063	\$ 30,816,293	\$ 29,943,482	\$ 30,267,482
Public Safety:										
Police:										
Part 1 Crimes - (1)	40,048	39,759	35,291	33,952	33,527	30,966	29,455	26,219	27,302	27,907
Part 1 Arrests - (1)	8,320	7,521	8,812	8,368	6,729	6,662	5,728	4,359	4,635	4,741
Part 2 Arrests - (2)	42,198	42,236	41,089	31,077	26,786	38,467	33,385	33,408	32,738	31,211
Fire:										
Number of Fire Calls	11,897	13,310	12,945	12,228	15,571	17,889	19,017	12,694	14,472	18,191
Number of EMS Calls	58,507	60,166	63,104	63,041	62,784	64,500	67,300	70,423	72,757	69,870
Number of Alarms	70,404	73,476	76,049	75,269	78,355	82,389	86,318	83,117	87,227	88,061
Planning and Development:										
Certificate of Use Permits Issued	19,394	19,682	19,483	20,366	20,625	20,422	21,123	21,142	22,000	21,482
Occupational Licenses Issued	36,250	36,867	38,207	37,524	39,040	39,422	40,371	34,197	42,000	22,498
Culture and Recreation:										
Summer Food Program - Meals Served (Lunches)	68,603	67,589	83,515	96,249	124,701	122,749	89,324	55,126	104,472	N/A
Summer Food Program - Meals Served (Snacks)	92,285	96,128	116,899	132,481	146,786	115,837	100,870	61,000	114,670	N/A
Solid Waste:										
Refuse Collected (Tons/Day)	735	748	725	805	768	793	578	713	629	717
Recyclables Collected (Tons/Day)	N/A	N/A	28	28	24	21	72	10	13	16

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	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
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	3
Fire:										
Fire Stations	12	12	12	12	12	12	14	14	14	14
Solid Waste:										
Collection Trucks	N/A	117	132	153	172	176	152	151	175	181
Public Works:										
Streets (Miles- Paved)	660.8	660.5	659.2	659.0	658.9	658.9	660.0	667.4	662.2	662.2
Streets (Miles - Unpaved)	1.5	1.5	1.4	1.4	1.4	1.4	1.4	3.1	1.2	N/A
Transportation:										
Street Resurfacing (Miles)	N/A	N/A	N/A	N/A	25.0	33.5	33.5	17.9	23.3	21.6
Culture and Recreation:										
Parks Acreage	800	800	800	800	800	800	800	800	894	894
Parks	110	110	110	110	110	111	111	112	112	112
Swimming Pools	10	10	10	10	10	10	10	12	11	11
Tennis Courts	53	53	53	53	53	53	53	53	55	55
Community Centers	25	26	26	30	30	31	30	32	32	32
Basketball Courts	63	63	63	63	63	63	61	63	63	63
Water Playgrounds	-	-	-	-	-	1	1	1	2	2
Soccer Fields	6	6	6	6	6	7	7	7	11	11
Football Fields	12	12	12	12	12	12	12	12	10	10
Baseball Fields	25	25	25	25	25	25	21	25	27	27
Open Practice Fields	-	-	-	-	-	-	-	-	2	2
Cricket Field	-	-	-	-	-	-	-	-	1	1

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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