



COMPREHENSIVE

ANNUAL FINANCE REPORT



FISCAL YEAR ENDED SEPTEMBER 30TH, 2010

COMPREHENSIVE ANNUAL FINANCIAL REPORT



City of Miami, Florida
For the Year Ended September 30, 2010

Prepared by the Finance Department

City of Miami, Florida

Comprehensive Annual Financial Report For the Fiscal Year Ended September 30, 2010

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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, 2010

MAYOR

Tomás P. Regalado

CITY COMMISSION

Wilfredo (Willy) Gort, Chairman

Frank X. Carollo, Vice-Chairman

Marc D. Sarnoff, Commissioner

Francis X. Suarez, Commissioner

Richard P. Dunn II, Commissioner

CITY MANAGER

Tony E. Crapp, Jr.

CITY ATTORNEY

Julie O. Bru

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March 31, 2011

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, 2010 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 and Sharpton, Brunson & Co., PA which are firms of licensed Certified Public Accountants, have 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, 2010 are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditors concluded, based upon the audit, that there was reasonable basis for rendering an unqualified opinion that the City’s basic financial statements for the fiscal year ended September 30, 2010 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 auditors. The remainder of this letter provides an overview of the City government as well as local economic conditions and prospects for the future.

PROFILE OF THE GOVERNMENT

The City of Miami, Florida (the "City"), in the County of Miami-Dade, was incorporated in 1896, and has a population of 399,457, according to the 2010 census. 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 the "mayor-city commissioner plan," with the City Commission consisting of five members elected from single-member districts and an Executive Mayor who is responsible for appointing chief administrative officer, known as the City Manager. The City continues to provide 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
Coconut Grove Business Improvement District

Blended component units, although legally separate entities, are, in substance, part of the City's operations. Specifically, because by definition the City is financially accountable for legally separate organizations if its officials appoint a voting majority of an organization's governing body and either it is able to impose its will on that organization or there is a potential for the organization to provide specific financial benefits to, or to impose specific financial burdens on, the primary government. A primary government may also be financially accountable for governmental organizations that are fiscally dependent on it. 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, 2010.

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 a resolution and adoption of the budget report. Management may not make changes to the adopted budget without the approval of a majority vote of the 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 that include both personnel and operating as appropriation designations; however, budgetary control is legally maintained at the fund level except for the General Fund, which is maintained at the departmental operating level. Budget-to-actual comparisons are provided in this report for each major individual governmental fund for which an appropriated annual budget has been adopted. 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

In fiscal year 2009 the City of Miami began to experience the negative impacts of property tax reform and a slowing housing market being felt statewide. However, unlike other cities throughout the state and nation, continued new investment has helped to stabilize the City's tax base, which was reduced to \$39.684 billion, this fiscal year. This downward trend has continued; as significant improvements in the housing market have yet to be experienced, resulting in an additional decline in the City's tax base of \$2.535 billion; bringing the City's total tax base value in fiscal year 2010 to \$37.149 billion. However, 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 2010, the Miami International Airport (MIA) served nearly 41.6 million passengers, with nearly 50% of those being international passengers. MIA also shipped 1.7 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 that is scheduled for completion in the winter of 2011.

In 2009, the Port of Miami handled over 4.1 million cruise passengers; there was no increase 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 6.8 million tons of cargo during the current year, an 8% 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.

In February of 2008, the City, Miami-Dade County, and the Florida Marlins Major League baseball team entered into an Agreement to build a stadium on the site of the former Orange Bowl Stadium, in Little Havana. The Stadium, currently under construction is expected to cost approximately \$600 million and will seat 37,000 people. The building and operation of the stadium, and City owned parking which includes over 53,000 square feet of adjacent retail and commercial development will have a significant positive economic impact on the City.

Public/Private Development Ventures

The City continues to collaborate with its local partners. In 2009, the City along with the Miami-Dade County School Board opened the College of Policing. Funded with Homeland Defense Bonds and a contribution from Miami-Dade County Public Schools, the facility will house the City's Police Academy Class, the School for Professional Development, and an International Training Institute. In addition, building houses the MDCPS School for Law Studies, Homeland Security, and Forensic Sciences, the first of its kind.

Additionally, the City is assessing the use and management of its public facilities and other assets. It 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 Barack Obama on February 17, 2009. The ARRA provides \$787 Billion in spending and tax relief Projects. 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.

Through April 2010, over \$37 million has been allocated to the City of Miami, and over \$1 billion throughout Miami-Dade County in formulaic and competitive grant funding for projects. In addition to the funds received for projects, the City has leveraged stimulus funding provided through other agencies to provide over 200 temporary jobs to area residents.

LONG-TERM FINANCIAL PLANNING

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

The City's fiscal year 2010-2011, six-year Capital Improvement Plan, covering the period from October 1, 2010 through September 30, 2016, has earmarked funding estimated at \$582 million for 327 projects throughout the City. Streets and sidewalks projects account for the largest portion of the total Capital Plan funding at \$129.5 million or 22.3% Public Facilities projects represent the second largest portion of the plan at \$126.3 million or 21.7%, and the Parks and Recreation projects are the third largest, accounting for \$102.2 million, or 17.6%.

Proceeds from the issuance of City bonds represent the largest share of funding for the Capital Improvement Plan, accounting for 45.6% of the value. Capital project revenues (impact fees, storm water utilities, optional gas tax, etc.) account for 25.4%, and State grants account for 13.6%. The remaining funding comes from a combination of Federal, Miami-Dade County, 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

The City's emphasis continues to be on its plan 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.

While the external improvements are critical to promote further economic development, the City has also made strides to address the technology needs of the City's administration. In October 2006 the City launched a City-wide Enterprise Resource Planning system (ERP) calling the project "iMiAMi". In June of 2009 the City successfully implemented Phase II of the ERP system consisting of modules for payroll, human relations, and group benefits.

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, 2009. 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 2009 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 2010 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, 2009 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 and Sharpton, Brunson & Co., PA 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.



Tony E. Crapp, Jr
City Manager



Larry M. Spring
Chief Financial Officer



Diana M. Gomez
Finance Director

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Miami
Florida

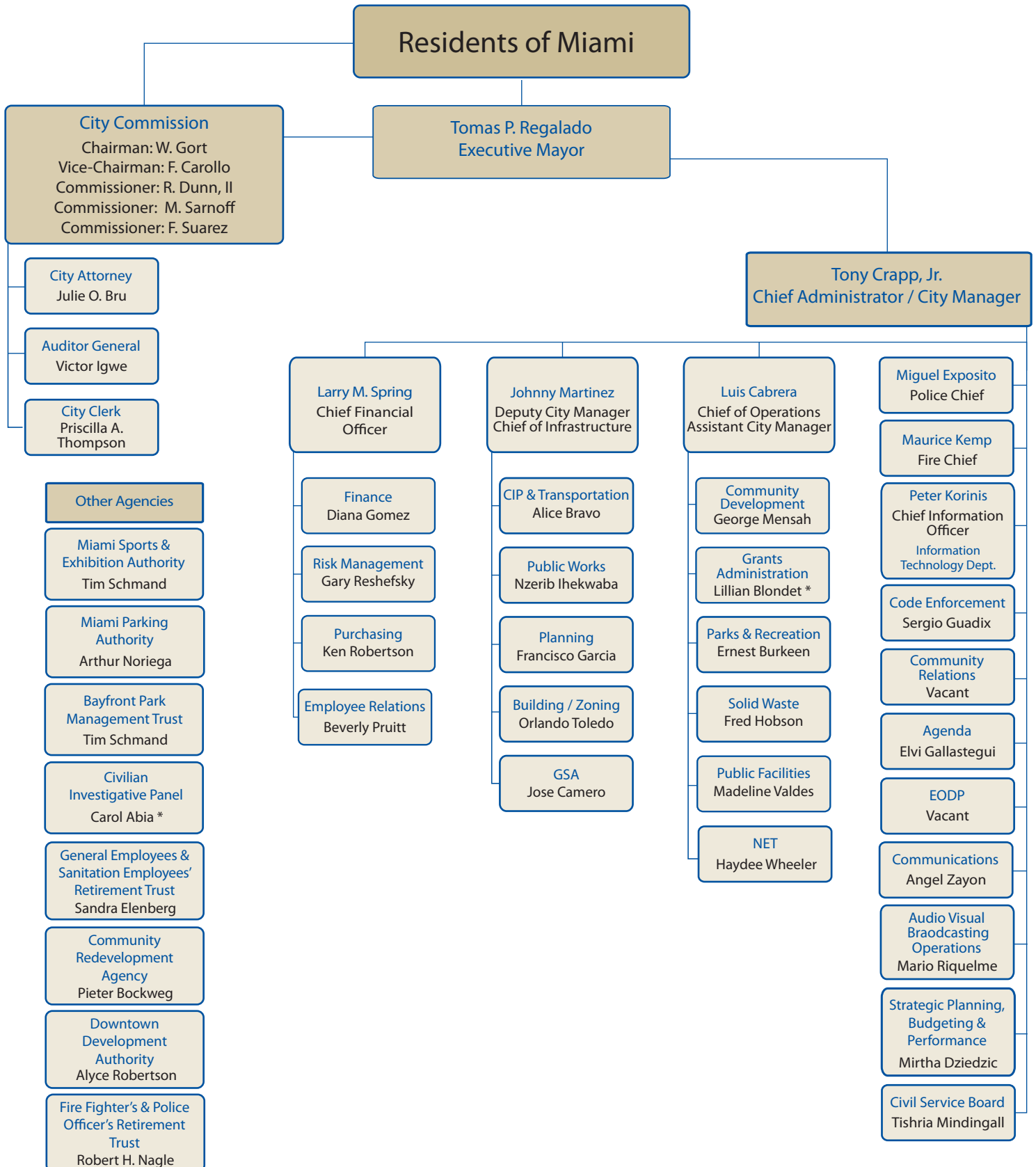
For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
September 30, 2009

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

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, 2010, 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:

<u>Reporting Classification</u>	Percentage of,	
	<u>Total Assets</u>	<u>Total Revenues</u>
• Governmental Activities	4%	5%
• Aggregate Remaining Fund Information	93%	63%
• Discretely Presented Component Units	14%	17%

Those financial statements were audited by other auditors whose reports thereon have been furnished to us, and our opinion, insofar as it relates to the amounts included for the component units and funds indicated above, is 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 considerations of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over financial reporting, accordingly we express no such opinion. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit and the reports of other auditors provide a reasonable basis for our opinions.

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, 2010, 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.

In accordance with *Government Auditing Standards*, we have also issued under separate cover our report dated March 31, 2011 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 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 in the audit of the basic financial statements and, accordingly, we express no opinion on them.

McGladrey & Pullen, LLP

Miami-Dade County, Florida
March 31, 2011

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, 2010. 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.

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.

FINANCIAL HIGHLIGHTS

- The assets of the City exceeded its liabilities at the close of the most recent fiscal year by \$534,779,379.
- The governmental activities revenue decreased by \$15,600,831 (or 2.28%) and the net results from activities increased by \$6,296,242 (or 7.45%). In 2010 and 2009, the results of activities produced a change in net assets of \$(90,848,847) and \$(84,552,605), respectively.
- The General Fund (the primary operating fund) reflected on a current financial resource basis, reflects a decrease in fund balance of \$26,530,217 or (66.37%).
- The City's total debt for bonds and loans had a net increase of \$130,006,433 (or 21.55%) as of the close of the current fiscal year. New debt in the amount of \$166,370,000 was issued in the current fiscal year.

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 primary government of the City does not report 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's fund types:

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 – 80 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 81 – 86 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 92 – 130 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 \$534,779,379 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. infrastructure, 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, 16.51%, represents resources that are subject to restrictions on how they may be used.

The remaining unrestricted net assets deficit of \$306,011,074 is primarily due to outstanding borrowings of approximately \$81.3 million for which there are no off-setting assets along with an increase in claims payable, pension obligation, 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	
	2010	2009
Current and other assets	\$ 610,547,037	\$ 536,292,436
Capital assets	1,118,784,875	1,110,188,318
Total assets	<u>1,729,331,912</u>	<u>1,646,480,754</u>
Other liabilities	192,130,358	157,179,124
Long-term liabilities	1,002,422,175	863,673,404
Total liabilities	<u>1,194,552,533</u>	<u>1,020,852,528</u>
Net assets:		
Invested in capital assets, net of debt	752,506,507	791,005,790
Restricted	88,283,946	77,576,635
Unrestricted (Deficit)	(306,011,074)	(242,954,199)
Total net assets	<u><u>\$ 534,779,379</u></u>	<u><u>\$ 625,628,226</u></u>

The following table provides a summary of the City's changes in net assets for the fiscal years ended September 30, 2010 and 2009.

	Changes in Net Assets	
	Governmental Activities	
	2010	2009
Revenues:		
Program revenues:		
Charges for services	\$ 139,367,469	\$ 132,126,563
Operating grants and contributions	73,139,270	64,645,980
Capital grants and contributions	27,113,487	33,964,265
General revenues:		
Property taxes	287,210,960	304,893,731
Franchise taxes	43,120,713	42,823,572
State revenue sharing - unrestricted	10,516,183	10,791,455
Sales and other use taxes	22,665,743	22,566,791
Public services tax	61,966,455	64,010,537
Investment earnings - unrestricted	3,217,623	7,718,282
Other	-	377,558
Total revenues	<u>668,317,903</u>	<u>683,918,734</u>
Expenses:		
General government	152,726,749	155,197,585
Planning and development	12,019,294	15,465,304
Community development	39,654,938	37,126,171
Community redevelopment areas	29,288,203	20,565,676
Public works	69,969,816	72,003,282
Public safety	371,351,024	375,402,446
Public facilities	16,848,482	13,179,074
Parks and recreation	39,775,607	43,440,769
Interest on long-term debt	27,532,637	36,091,032
Total expenses	<u>759,166,750</u>	<u>768,471,339</u>
Change in net assets	<u>(90,848,847)</u>	<u>(84,552,605)</u>
Net assets - Beginning	<u>625,628,226</u>	<u>710,180,831</u>
Net assets - Ending	<u>\$ 534,779,379</u>	<u>\$ 625,628,226</u>

Governmental Activities – As noted earlier, governmental activities decreased the City's net assets by \$90,848,847. The major changes are as follows:

The increase in charges for services of \$7.2 million is primarily the result of the increase in revenue of \$3 million from General Government, and \$4.2 million from Public Safety.

The increase in operating grants and contributions of \$8.5 million is primarily the result of increases in funding received in the current year relative to the prior year related to an increase of approximately \$5 million to Community Development Department and approximately \$3 million to Community Redevelopment Agency.

The decrease in capital grants and contributions of \$6.9 million is primarily due to a decrease in General Government.

Property taxes revenues decreased by approximately \$17.7million or 5.80% over the prior year. The City's operating millage rate remained the same as the previous year at 7.6740 mills. However, the City's overall property assessed value decreased by approximately \$200 million which resulted in the decrease in property tax revenue.

Public Services Tax decreased by approximately \$2.0 million due to a \$5 million decreased communication taxes, and \$3 million increase in Excise tax charge to electricity services.

Investment income decreased approximately \$4.5 million due to historic low interest rates during fiscal year 2010. Additionally, the City had lower cash balances throughout the year than in the previous year.

General Government expenditures experienced a decrease \$2.5 million from the prior year primarily as a result of personnel and operating costs.

Planning and Development Department expenditures decreased by \$3.4 million due to a reduction in personnel and operating costs.

Community Development expenditures increased by \$2.5million due to increases in Community Development Block Grant program which was made available to spend in the current fiscal year.

Community Redevelopment Agency expenditures increased by \$8.7 million as a result of expenses incurred for new projects started during the current year in the respective redevelopment districts.

Public Works Department expenditure decreased \$2 million due to a reduction in personnel and operating costs.

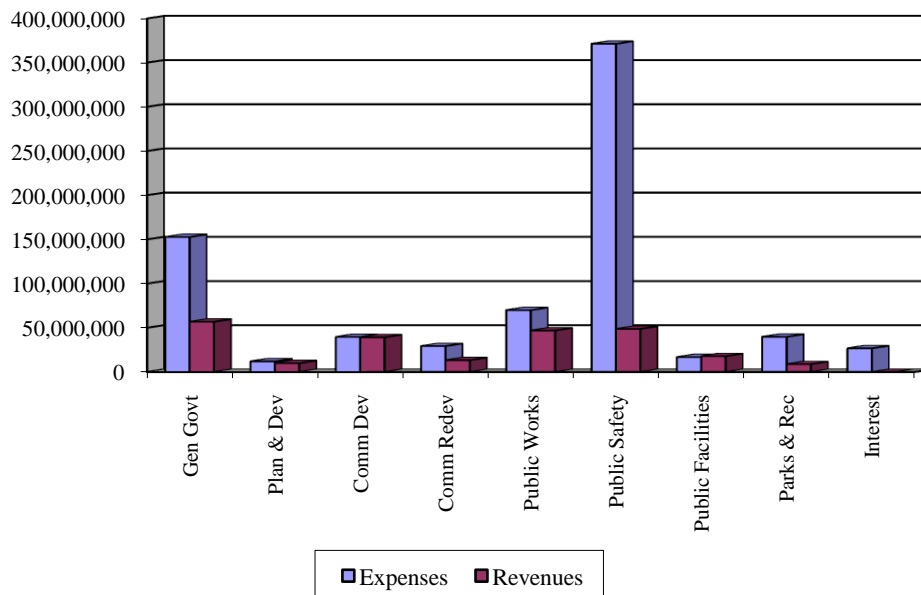
Public Safety experienced a decrease of approximately \$4.1 million in expenditure from the prior year due primarily to decreases in personnel and operating costs.

Public Facilities experienced an increase of \$3.7 million in expenditures from the prior year due primarily to capital expenditures.

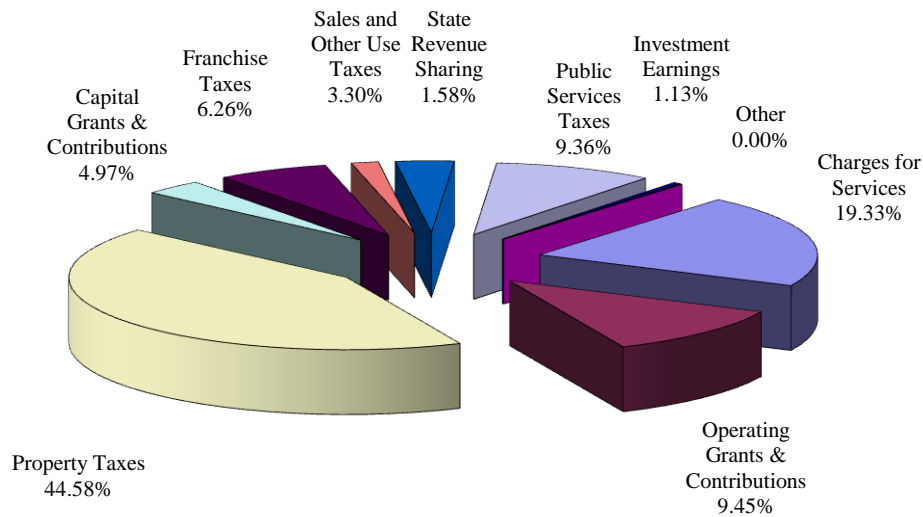
Parks and Recreation expenditures decreased by \$3.7 million due to a decrease in personnel and operating costs.

Interest expense on long-term debt and other related cost decreased by \$8.6 million due to the amortization of accretion throughout the year.

Expenses and Program Revenues - Governmental Activities



REVENUE BY SOURCE – GOVERNMENTAL ACTIVITIES



FINANCIAL ANALYSIS OF THE CITY'S FUNDS

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

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

The General Fund is the chief operating fund of the City. At the end of the current fiscal year, there is no balance in the unreserved un-designated fund balance of the General Fund and \$3,998,971 in the unreserved designated fund balance, while the total fund balance was \$13,442,370. 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 .08% of the total expenditures and transfers-out for recurring operational costs reported in other funds.

General Fund’s fund balance had a net decrease of \$26,530,217 during the current fiscal year. Key factors in the overall decrease are as follows:

- Decrease in interest revenues of \$4.5 million as a result of current market conditions
- Pension cost increased by approximately 26% from the prior year or \$23 Million dollars.

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

The Fire Rescue Services Fund has a negative fund balance of \$6,393,283 This deficit is due primarily to deferred revenues resulting from the timing of receiving grant related reimbursements from the Urban Areas Security Initiatives (UASI) and Urban Search and Rescue (USAR) programs.

The Emergency Services Fund has a deficit fund balance of \$8,101,960 This deficit is due primarily 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 \$115,966,269; an increase of \$60,260,329 in fund balance from the prior year can be attributed to the issuance of \$65 million of new debt for ongoing projects.

GENERAL FUND BUDGETARY HIGHLIGHTS

The General Fund budget increased by \$25,846,999 from the original budget that including transfers (an increase of 5.03%). The major components of this increase can be summarized as follows (please see budget to actual comparison on page 81):

- \$ 13,887,361 increased allocation to the General Government Departments.
- \$ 2,152,493 increased allocation to the Parks and Recreation Department.
- \$4,121,908 increased allocation to the Risk Management Department.
- \$4,514,248 increased allocation to Transfers Out

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.

- General Government Departments were increased primarily to provide additional allocations for non-departmental support that was budgeted in other department in prior year.
- The budget for the Parks and Recreation Department was increased due to additional costs related to part-time employees needed for the summer programs.
- The budget for the Risk Management Department was increased to provide additional amounts necessary to cover outstanding litigated claims and to cover workman’s compensation medical payments over the original allocated budget
- The budget for Transfers Out was increased to allow for contributions to the special revenue funds in the amount of \$5.2 million.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets,

At September 30, 2010, the City had a total of \$1,118,784,875 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 \$8,143,234 or .73% from the end of the prior year.

Capital Assets at Year End (Net of Depreciation)

	Governmental Activities	
	2010	2009
Land	\$ 91,904,132	\$ 88,330,219
Construction-in-Progress	260,003,838	247,027,693
Buildings	70,975,141	72,704,779
Improvements	120,123,295	121,430,472
Machinery and Equipment	63,142,482	63,433,862
Infrastructure	512,635,987	517,261,293
Total	\$ 1,118,784,875	\$ 1,110,188,318

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

- Construction in progress increased approximately \$12.5 million due to the Marlin Stadium Garage and infrastructure project and other ongoing construction project in the City.
- Projects totaling approximately \$46.4 million were closed during the fiscal year and were transitioned out of Construction in Progress.

Additional information on the City’s capital assets can be found in Note 1 on page 33 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 \$704,277,770. Of this amount, \$31,310,000 is backed by the full faith and credit of the City and \$234,494,455 is backed Limited Ad Valorem Tax Revenue; the remainder represents Special Obligation, Revenue bonds and loans secured solely by Non-Ad Valorem revenue sources.

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

	Governmental Activities	
	2010	2009
General Obligation Bonds	\$ 265,804,455	\$ 276,113,503
Special Obligation, Revenue Bonds and Loans	438,473,315	289,055,544
Total	\$ 704,277,770	\$ 565,169,047

The City’s net debt increased during the current fiscal year by \$130,006,433 (or 21.25%) due to the issuance of new debt in the amount of \$166,370,000.

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

Additional information on the City’s long-term liabilities can be found in Note 8 on 54-59 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 2011 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.

In fiscal year 2011, the City adopted its operating millage rate at 7.6740 mills with a two-thirds vote and is anticipated to collect \$226.3 million in property tax revenues. The millage rate recommended in the fiscal year 2011 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 12.1%, which is an increase of 7.44% from the prior year. This rate is higher than the State's average unemployment rate of 11.7% and higher than the national average rate of 9.6%. The region's inflation rate of 1.2% is significantly higher than the national indices of -1.1%.

All of these factors indicate that local economic conditions are not expected to be as favorable for fiscal year 2011 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 Director of the City of Miami's Finance Department, 444 Southwest 2nd Avenue, Suite 618, Miami, Florida 33130, or visit the City's web site at www.miamigov.com.

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City of Miami, Florida
Statement of Net Assets
September 30, 2010

	Governmental Activities	Component Units
Assets		
Cash, Cash Equivalents, and Investments	\$ 248,097,823	\$ 25,102,548
Receivables - Net	47,568,277	942,702
Accrued Interest	302,539	42
Due from Other Governments	30,580,943	35,540
Prepays	3,117,847	621,387
Other Assets	60,270	224,629
Cash, Cash Equivalents, and Investments related to Bond Proceeds	246,631,330	-
Restricted Cash, Cash Equivalents, and Investments	24,511,097	10,751,706
Capital Assets:		
Non-Depreciable	351,907,970	15,357,274
Depreciable - Net	766,876,905	67,191,863
Deferred Charges	9,676,911	2,084,042
Total Assets	1,729,331,912	122,311,733
Liabilities		
Accounts Payable and Accrued Liabilities	49,790,537	3,839,098
Due to Other Governments	12,804,905	4,898,678
Unearned Revenue	32,123,179	639,247
Deposits	5,893,119	175,540
Accrued Interest Payable	6,581,622	1,809,973
Non-Current Liabilities		
Due Within One Year:		
Bonds and Loans Payable	29,565,938	1,025,000
Compensated Absences	13,672,940	500,091
Claims Payable	41,698,118	-
Due In More Than One Year:		
Bonds and Loans Payable	703,835,502	71,583,147
Compensated Absences	70,603,174	218,705
Claims Payable	138,730,140	-
Other Post Employment Benefits	84,760,173	-
Net Pension Obligation	4,493,186	-
Total Liabilities	1,194,552,533	84,689,479
Net Assets		
Invested in Capital Assets - Net of Related Debt	752,506,507	25,653,779
Restricted for:		
Capital Projects	-	530,104
Debt Service	26,731,391	1,275,023
Law Enforcement	3,123,218	-
Community Redevelopment	48,441,001	-
Choice Housing Voucher Program	1,145,430	-
E-911	8,671,478	-
Storm Water	171,428	-
Unrestricted (Deficit)	(306,011,074)	10,163,348
Total Net Assets	\$ 534,779,379	\$ 37,622,254

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

City of Miami, Florida
Statement of Activities
For the Year Ended September 30, 2010

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	\$ 152,726,749	\$ 38,703,437	\$ 2,578,632	\$ 15,557,512	\$ (95,887,168)	\$ -
Planning and Development	12,019,294	9,719,151	257,565	-	(2,042,578)	-
Community Development	39,654,938	154,505	39,084,511	-	(415,922)	-
Community Redevelopment Areas	29,288,203	1,274,758	12,105,277	-	(15,908,168)	-
Public Works	69,969,816	46,479,565	209,582	-	(23,280,669)	-
Public Safety	371,351,024	22,152,448	18,297,159	6,284,981	(324,616,436)	-
Public Facilities	16,848,482	14,636,371	-	3,236,957	1,024,846	-
Parks and Recreation	39,775,607	6,247,234	606,544	2,034,037	(30,887,792)	-
Interest on Long-Term Debt	27,532,637	-	-	-	(27,532,637)	-
Total primary government	\$ 759,166,750	\$ 139,367,469	\$ 73,139,270	\$ 27,113,487	(519,546,524)	-
Component Units:						
Miami Sports Exhibition Authority	\$ 408,781	\$ -	\$ -	\$ -	-	(408,781)
Department of Off-Street Parking	35,564,901	23,916,488	-	-	-	(11,648,413)
Downtown Development Authority	4,569,211	-	-	-	-	(4,569,211)
Bayfront Park	3,028,952	2,879,826	-	-	-	(149,126)
Coconut Grove BID	1,448,487	-	-	-	-	(1,448,487)
Civilian Investigative Panel	461,151	-	464,000	-	-	2,849
Total component units	\$ 45,481,483	\$ 26,796,314	\$ 464,000	\$ -	-	(18,221,169)

General Revenues:

Taxes:		
Property Taxes, levied for general purposes	264,548,387	6,043,005
Property Taxes, levied for debt service	22,662,573	-
Franchise Taxes	43,120,713	-
State Revenue Sharing - Unrestricted	10,516,183	-
Sales and Other Use Taxes	22,665,743	-
Public Service Taxes	61,966,455	-
Investment Earnings - Unrestricted	3,217,623	415,556
Other	-	464,246
Total General Revenues	<u>428,697,677</u>	<u>6,922,807</u>
Change in Net Assets	(90,848,847)	(11,298,362)
Net assets - Beginning	<u>625,628,226</u>	<u>48,920,616</u>
Net assets - Ending	<u>\$ 534,779,379</u>	<u>\$ 37,622,254</u>

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

City of Miami, Florida
Balance Sheet
Governmental Funds
September 30, 2010

	Major Funds					Other Non-Major Governmental Funds	Total Governmental Funds
	General	Fire Rescue Services	Public Facilities	General Government	Street & Sidewalks		
Assets							
Pooled Cash, Cash Equivalents and Investments	\$ 10,724,535	\$ -	\$ 99,326,096	\$ 77,787,167	\$ 118,793,082	\$ 188,098,273	\$ 494,729,153
Restricted Cash, Cash Equivalents, and Investments	-	-	-	-	-	24,511,097	24,511,097
Receivables (Net of Allowances for Uncollectibles):							
Accounts	17,990,106	-	-	2,301,268	-	4,847,822	25,139,196
Loans Receivable	-	-	-	-	-	1,794	1,794
Taxes	20,776,548	-	-	-	-	1,650,739	22,427,287
Due from Other Funds	19,845,844	-	-	-	-	-	19,845,844
Due from Other Governments	1,833,330	9,758,642	33,910	310,168	425,976	18,218,917	30,580,943
Accrued Interest	201,681	215	-	18,823	27,370	54,450	302,539
Prepays	2,807,847	-	-	-	-	310,000	3,117,847
Other Assets	41,858	-	-	-	-	18,412	60,270
Total Assets	\$ 74,221,749	\$ 9,758,857	\$ 99,360,006	\$ 80,417,426	\$ 119,246,428	\$ 237,711,504	\$ 620,715,970
Liabilities and Fund Balances							
Liabilities:							
Accounts Payable and Accrued Liabilities	\$ 30,900,479	\$ 902,546	\$ 3,228,883	\$ 536,147	\$ 2,863,849	\$ 11,358,633	\$ 49,790,537
Due to Other Funds	-	6,082,351	-	-	-	13,763,493	19,845,844
Due to Other Governments	1,385,556	-	-	-	-	11,419,349	12,804,905
Deferred or Unearned Revenues	23,059,918	9,167,243	6,706,774	2,613,144	416,310	24,306,283	66,269,672
Deposits	5,433,426	-	-	-	-	459,693	5,893,119
Total Liabilities	60,779,379	16,152,140	9,935,657	3,149,291	3,280,159	61,307,451	154,604,077
Fund Balances (Deficit):							
Reserved for:							
Encumbrances	-	1,479,726	579,335	-	6,387,323	15,828,130	24,274,514
Debt Service	-	-	-	-	-	29,547,164	29,547,164
Storm Water	171,428	-	-	-	-	-	171,428
Prepaid Items	2,807,847	-	-	-	-	310,000	3,117,847
Long-term Due from Other Funds	6,464,124	-	-	-	-	-	6,464,124
Unreserved, Designated for							
Subsequent Year's Expenditures, Reported in:							
Future Settlements	-	-	-	-	-	2,650,799	2,650,799
Strategic Initiatives	1,648,710	-	-	-	-	-	1,648,710
Management Initiatives	2,350,261	-	-	-	-	-	2,350,261
Unreserved, Undesignated Reported in:							
Special Revenue Funds	-	(7,873,009)	-	-	-	82,225,275	74,352,266
Capital Projects Funds	-	-	88,845,014	77,268,135	109,578,946	45,842,685	321,534,780
Total Fund Balances (Deficit)	13,442,370	(6,393,283)	89,424,349	77,268,135	115,966,269	176,404,053	466,111,893
Total Liabilities and Fund Balances (Deficit)	\$ 74,221,749	\$ 9,758,857	\$ 99,360,006	\$ 80,417,426	\$ 119,246,428	\$ 237,711,504	\$ 620,715,970

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, 2010

Fund Balances - Total Governmental Funds (Page 17) \$ 466,111,893

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	\$ 2,025,896,473	
Less: Accumulated Depreciation	<u>(907,111,598)</u>	1,118,784,875

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.		22,524,654
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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.		11,621,839
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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.		9,676,911
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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	(733,401,440)	
Compensated Absences	(84,276,114)	
Claims Liability	(180,428,258)	
Other Post Employment Benefit	(84,760,173)	
Net Pension Obligation	(4,493,186)	
Accrued Interest Payable	<u>(6,581,622)</u>	<u>(1,093,940,793)</u>

Net Assets of Governmental Activities (Page 14) \$ 534,779,379

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, 2010

	Major Funds					Other Non-Major Governmental Funds	Total Governmental Funds
	General	Fire Rescue Services	Public Facilities	General Government	Street & Sidewalks		
Revenues							
Property Taxes	\$ 247,646,519	\$ -	\$ -	\$ -	\$ -	\$ 39,564,441	\$ 287,210,960
Franchise and Other Taxes	36,448,254	-	-	-	-	68,641,311	105,089,565
Licenses and Permits	25,149,775	-	-	-	-	198,263	25,348,038
Fines and Forfeitures	4,298,283	-	-	-	-	909,452	5,207,735
Intergovernmental Revenues	51,304,064	9,226,903	234,630	148,293	3,776,618	88,725,056	153,415,564
Charges for Services	78,129,829	1,146	60,000	-	-	10,229,250	88,420,225
Interest	2,733,028	436	16,983	126,012	126,421	214,974	3,217,854
Impact Fees	-	-	-	-	12,089	-	12,089
Other	6,332,053	34,068	-	126,474	-	2,613,220	9,105,815
Total Revenues	452,041,805	9,262,553	311,613	400,779	3,915,128	211,095,967	677,027,845
Expenditures							
Current Operating:							
General Government	54,913,599	-	-	4,120,879	85,205	9,158,814	68,278,497
Planning and Development	8,974,853	-	-	-	-	365,339	9,340,192
Community Development	-	-	-	-	-	39,157,777	39,157,777
Community Redevelopment Areas	-	-	-	-	-	29,084,137	29,084,137
Public Works	51,276,106	-	-	-	-	61,114	51,337,220
Public Safety	230,713,543	8,161,190	-	-	-	10,874,142	249,748,875
Public Facilities	4,389,912	-	3,358,556	-	-	4,807,073	12,555,541
Parks and Recreation	23,755,930	-	-	-	-	3,788,807	27,544,737
Risk Management	22,354,729	-	-	-	-	-	22,354,729
Pensions	89,975,265	-	-	-	-	-	89,975,265
Group Benefits	32,218,742	-	-	-	-	-	32,218,742
Debt Service:							
Principal	-	-	-	-	-	27,261,275	27,261,275
Interest and Other Charges	-	-	-	-	-	38,064,683	38,064,683
Capital Outlay	-	-	14,060,327	1,178,353	8,829,753	31,627,414	55,695,847
Total Expenditures	518,572,679	8,161,190	17,418,883	5,299,232	8,914,958	194,250,575	752,617,517
Excess (Deficiency) of Revenues Over Expenditures	(66,530,874)	1,101,363	(17,107,270)	(4,898,453)	(4,999,830)	16,845,392	(75,589,672)
Other Financing Sources (Uses)							
Transfers In	53,493,902	278,024	7,831,500	-	8,243,484	76,710,511	146,557,421
Transfers Out	(13,493,245)	-	(253,501)	(24,177,973)	(617,565)	(108,015,137)	(146,557,421)
Premium (Discount) on Debt	-	-	(637,997)	-	(754,212)	-	(1,392,209)
Issuance of Debt	-	-	88,030,732	-	58,388,452	19,950,816	166,370,000
Total Other Financing Sources (Uses)	40,000,657	278,024	94,970,734	(24,177,973)	65,260,159	(11,353,810)	164,977,791
Net Changes in Fund Balances	(26,530,217)	1,379,387	77,863,464	(29,076,426)	60,260,329	5,491,582	89,388,119
Fund Balances (Deficit) - Beginning	39,972,587	(7,772,670)	11,560,885	106,344,561	55,705,940	170,912,471	376,723,774
Fund Balances (Deficit) - Ending	\$ 13,442,370	\$ (6,393,283)	\$ 89,424,349	\$ 77,268,135	\$ 115,966,269	\$ 176,404,053	\$ 466,111,893

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, 2010

Net Changes in Fund Balances - Total Governmental Funds (Page 17)	\$	89,388,119
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.		12,912,287
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.		(21,622,229)
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	\$ 73,059,587	
Less: Current Year Depreciation	<u>(60,119,300)</u>	12,940,287
The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, donations, etc) that decrease net assets.		(4,343,732)
Repayment of bond and loan, 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	27,261,277	
Net effect of Deferring and Amortizing Issuance Costs, Premiums, Discounts, and Accretion Issuance of Debt	<u>13,113,724</u> <u>(166,370,000)</u>	(125,994,999)
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	3,792,363	
Claims Liability	(25,313,084)	
Other Post Employment Benefits	(31,216,564)	
Net Pension Obligation	(201,826)	
Accrued Interest Payable	<u>(1,189,469)</u>	<u>(54,128,580)</u>
Change in Net Assets of Governmental Activities (Page 14)	\$	<u><u>(90,848,847)</u></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, 2010

	Employee Retirement Funds
Assets	
Cash and Short-Term Investments	\$ 44,172,827
Accounts Receivable	20,393,792
Capital Assets	4,483,186
Prepaid Assets	35,307
	69,085,112
Investments	
U.S. Government Obligations	288,085,058
Corporate Bonds	351,370,737
Corporate Stocks	902,157,976
Money Market Funds and Commercial Paper	23,860,261
International Equity	130,611,436
Mutual Funds	89,767,560
Real Estate	127,481,989
Private Equity	31,255,519
Total Investments	1,944,590,536
Securities Lending Collateral	221,384,265
Total Assets	2,235,059,913
Liabilities	
Obligations Under Security Lending	221,384,265
Accounts Payable	1,103,018
Accrued Liabilities	89,767,560
Payable for Securities Purchased	22,506,043
Total Liabilities	334,760,886
Net Assets	
Held in Trust for Pension Benefits	\$ 1,900,299,027

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, 2010

	<u>Employee Retirement Funds</u>
Additions	
Contributions:	
Employer	\$ 84,809,858
Plan Members	23,291,480
Total Contributions	<u>108,101,338</u>
Investment Earnings (Loss):	
Net Increase (Decrease) in Fair Value of Investments	122,128,548
Interest	32,067,816
Dividends	14,103,128
Other	902,384
Total Investment Gain (Loss)	<u>169,201,876</u>
Security Lending Activities:	
Security Lending Income	497,865
Security Lending Fees and Rebates	(122,526)
Unrealized Gain	2,545,854
Net Income From Security Lending Activities	<u>2,921,193</u>
Less Investment Expenses	7,079,305
Net Investment Gain (Loss)	<u>162,122,571</u>
Reimbursement Income from City	3,000,498
Total	<u>276,145,600</u>
Deductions	
Benefit Payments	164,109,926
Refunds upon Resignation, Death, etc.	2,029,674
Distribution to Retirees	17,236,918
Administrative and Other Expenses	3,109,330
Total	<u>186,485,848</u>
Change in Net Assets	89,659,752
Net Assets - Beginning of Year	1,810,639,275
Net Assets - End of Year	<u><u>\$ 1,900,299,027</u></u>

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

City of Miami, Florida
Statement of Net Assets
Discretely Presented Component Units
September 30, 2010

	Miami Sports and Exhibition Authority	Department of Off-Street Parking	Downtown Development Authority	Bayfront Park	Coconut Grove BID	Civilian Investigative Panel	Total
Assets							
Cash, Cash Equivalents and Investments	\$ 901,958	\$ 9,515,768	\$ 5,320,920	\$ 5,323,063	\$ 3,924,897	\$ 115,942	\$ 25,102,548
Receivables (Net)							
Accounts	-	641,083	-	27,451	202,079	-	870,613
Taxes	-	-	72,089	-	-	-	72,089
Accrued Interest	-	42	-	-	-	-	42
Due From Other Government	-	26,630	-	-	8,910	-	35,540
Prepays	7,124	533,085	52,289	12,308	16,581	-	621,387
Other Assets	-	224,629	-	-	-	-	224,629
Restricted Assets:							
Cash, Cash Equivalents, and Investments		10,751,706	-	-	-	-	10,751,706
Capital Assets:							
Non-Depreciable	-	14,280,022	-	1,077,252	-	-	15,357,274
Depreciable, Net	-	62,663,630	152,717	4,375,516	-	-	67,191,863
Deferred Charges	-	2,084,042	-	-	-	-	2,084,042
Total Assets	909,082	100,720,637	5,598,015	10,815,590	4,152,467	115,942	122,311,733
Liabilities							
Accounts Payable and Accrued Liabilities	-	2,457,697	334,170	883,170	128,765	35,296	3,839,098
Due to Other Governments	-	4,898,678	-	-	-	-	4,898,678
Unearned Revenue	-	467,545	-	171,702	-	-	639,247
Deposits	-	145,355	-	30,185	-	-	175,540
Accrued Interest Payable	-	1,809,973	-	-	-	-	1,809,973
Non-Current Liabilities							
Due Within One Year:							
Bonds and Loans Payable	-	1,025,000	-	-	-	-	1,025,000
Compensated Absences	-	500,091	-	-	-	-	500,091
Due In More Than One Year:							
Bonds and Loans Payable	-	71,540,935	-	-	-	-	71,540,935
Other Post-Employment Benefit Obligation	-	42,212	-	-	-	-	42,212
Compensated Absences	-	130,732	87,973	-	-	-	218,705
Total Liabilities	-	83,018,218	422,143	1,085,057	128,765	35,296	84,689,479
Net Assets							
Invested in Capital Assets, Net of Related Debt	-	20,048,294	152,717	5,452,768	-	-	25,653,779
Restricted for:							
Debt Service	-	1,275,023	-	-	-	-	1,275,023
Capital Projects	107,463	-	-	-	422,641	-	530,104
Unrestricted (Deficit)	801,619	(3,620,898)	5,023,155	4,277,765	3,601,061	80,646	10,163,348
Total Net Assets	\$ 909,082	\$ 17,702,419	\$ 5,175,872	\$ 9,730,533	\$ 4,023,702	\$ 80,646	\$ 37,622,254

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, 2010

	<u>Expenses</u>	<u>Program Revenues</u>	
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>
Miami Sports			
Exhibition Authority			
Culture and Recreation	\$ 408,781	\$ -	\$ -
Total Miami Sports Exhibition Authority	<u>408,781</u>	<u>-</u>	<u>-</u>
Department of Off-Street Parking			
Transportation	35,564,901	23,916,488	-
Total Department of Off-Street Parking	<u>35,564,901</u>	<u>23,916,488</u>	<u>-</u>
Downtown Development Authority			
Economic Development	4,569,211	-	-
Total Downtown Development Authority	<u>4,569,211</u>	<u>-</u>	<u>-</u>
Bayfront Park			
Parks and Recreation	3,028,952	2,879,826	-
Total Bayfront Park	<u>3,028,952</u>	<u>2,879,826</u>	<u>-</u>
Coconut Grove BID			
General Government	1,448,487	-	-
Total Coconut Grove BID	<u>1,448,487</u>	<u>-</u>	<u>-</u>
Civilian Investigative Panel			
General Government	461,151	-	464,000
Total Civilian Investigative Panel	<u>461,151</u>	<u>-</u>	<u>464,000</u>
Total Component Units	<u>\$ 45,481,483</u>	<u>\$ 26,796,314</u>	<u>\$ 464,000</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	Coconut Grove BID	Civilian Investigative Panel	Totals
\$ (408,781)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (408,781)
(408,781)	-	-	-	-	-	(408,781)
-	(11,648,413)	-	-	-	-	(11,648,413)
-	(11,648,413)	-	-	-	-	(11,648,413)
-	-	(4,569,211)	-	-	-	(4,569,211)
-	-	(4,569,211)	-	-	-	(4,569,211)
-	-	-	(149,126)	-	-	(149,126)
-	-	-	(149,126)	-	-	(149,126)
-	-	-	-	(1,448,487)	-	(1,448,487)
-	-	-	-	(1,448,487)	-	(1,448,487)
-	-	-	-	-	2,849	2,849
-	-	-	-	-	2,849	2,849
\$ (408,781)	\$ (11,648,413)	\$ (4,569,211)	\$ (149,126)	\$ (1,448,487)	\$ 2,849	(18,221,169)
-	-	5,073,760	-	969,245	-	6,043,005
2,741	109,989	19,302	17,962	265,562	-	415,556
415	255,369	132,992	75,470	-	-	464,246
3,156	365,358	5,226,054	93,432	1,234,807	-	6,922,807
(405,625)	(11,283,055)	656,843	(55,694)	(213,680)	2,849	(11,298,362)
1,314,707	28,985,474	4,519,029	9,786,227	4,237,382	77,797	48,920,616
\$ 909,082	\$ 17,702,419	\$ 5,175,872	\$ 9,730,533	\$ 4,023,702	\$ 80,646	\$ 37,622,254

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CITY OF MIAMI, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2010

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 principles generally accepted in the United States of America (“GAAP”) as applied to governmental units. The Governmental Accounting Standards Board (“GASB”) is the standard-setting body for governmental accounting and financial reporting. The GASB periodically updates its codification of the existing Governmental Accounting and Financial Reporting Standards which, along with subsequent GASB pronouncements (Statements and Interpretations), constitutes GAAP for governmental units. The more significant of these accounting policies are described below.

A. Reporting Entity

The City, which is located in the county of Miami-Dade, was incorporated in 1896, and has a population of 399,457 according to the 2010 census. 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.

CITY OF MIAMI, FLORIDA
NOTES TO FINANCIAL STATEMENTS

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.

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, 2010.

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 Over-town 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 (Community Redevelopment Agency).

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 Redevelopment Trust Fund. 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 Redevelopment Trust Fund. The MRA is included within the reporting entity as a special revenue fund (Midtown CRA).

CITY OF MIAMI, FLORIDA
NOTES TO FINANCIAL STATEMENTS

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, 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 2010.

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.

CITY OF MIAMI, FLORIDA
NOTES TO 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.

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 \$144,790,000 at September 30, 2010. 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, 2010 is as follows:

	Miami		
	Mercy Hospital	Jewish Home	Total
Series 1998A	\$ 10,025,000	\$ -	\$ 10,025,000
Series 2002	35,000,000	-	35,000,000
Series 2003	14,285,000	-	14,285,000
Series 2008	33,595,000	-	33,595,000
Series 2009	29,635,000	-	29,635,000
Series 2005	-	22,250,000	22,250,000
Total	<u>\$ 122,540,000</u>	<u>\$ 22,250,000</u>	<u>\$ 144,790,000</u>

CITY OF MIAMI, FLORIDA
NOTES TO FINANCIAL STATEMENTS

Proceeds from these bond issues were used to finance construction of buildings and parking facilities; land acquisitions; equipment purchases including beds and other medical apparatus; renovation of existing facilities; and engineering costs.

CIVILIAN INVESTIGATIVE PANEL (“CIP”) – The CIP was established by the City of Miami Commission Ordinance Number 12188 on February 14, 2002 for the purpose of creating an independent citizen’s oversight panel to conduct investigations related to allegations of police misconduct, review polices, 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.

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

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

SEOPW / ORA/ MRA 49 NW 5 th 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 12 th Avenue Miami, Florida 33127-2218	DOSP 40 NW 3 rd Street Suite 1103 Miami, Florida 33128	BID 3390 Mary Street, Suite 130 Coconut Grove, FL 33133

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 legally separate component units. The Statement of Net Assets presents the financial position of the City and its component units at the end of its fiscal year. The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items 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 on the statements or on the page following, which briefly explains the adjustments necessary to transform the fund-based financial statements into the governmental activities column of the government-wide presentation. The City reports the following major governmental funds:

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

Fire Rescue Services – This Special Revenue Fund accounts for the grant revenues and expenditures which supplement the City's emergency Fire Rescue operations.

Public Facilities – This Capital Projects Fund accounts for the acquisition or construction of major capital facilities for public use such as marinas and stadiums.

CITY OF MIAMI, FLORIDA
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General Government – This Capital Project Fund accounts for expenditures for capital made for general government operations.

Streets and Sidewalks – This Capital Project 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 Funds - The pension trust funds account for the City of Miami Fire Fighters’ and Police Officers’ Retirement Trust (“FIPO”), the City of Miami General Employees’ and Sanitation Employees’ Retirement Trust (“GESE”) and Other Managed Trusts (Members, Excess Plan, 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, insurable claims, pensions, pollution remediation obligations, and other post employment benefits are recorded only when payment is due or when City has made a decision to fund these obligations with current available resources.

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.

As a general rule, the effect of inter-fund activity has been eliminated from the government-wide financial statements. Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than program revenues. Likewise, general revenues include all taxes.

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.

CITY OF MIAMI, FLORIDA
NOTES TO FINANCIAL STATEMENTS

E. Assets, Liabilities, and Net Assets or 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 a 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, have 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 advances from grants, are classified as restricted assets because their use is limited by applicable bond indentures, contracts, and agreements.

CITY OF MIAMI, FLORIDA
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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.

CITY OF MIAMI, FLORIDA
NOTES TO FINANCIAL STATEMENTS

At September 30, 2010 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 10 for further information.

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 and Sanitation Employees, Firefighters and Police Officers.

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 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 government-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. Unearned revenues in the government-wide financial statements at September 30, 2010 are as follows:

<u>Source</u>	<u>Balance</u>
College of Policing	\$ 11,462,291
Burgular Alarms and Business Taxes Receipts	7,679,890
SHIP Program	1,579,987
MESA	6,637,416
Deferred Taxes	11,770,392
Grants and Others	29,138,647
Total	<u><u>\$ 68,268,623</u></u>

Long-Term Obligations

In the government-wide financial statements long-term debt and other long-term obligations are reported as liabilities on the statement of net assets. Bonds payable are reported net of the applicable bond premiums or discounts and deferred refunding amounts. Bond premiums, discounts, and issuance costs are amortized over the life of the bonds using the interest method. Deferred amounts on refunding are amortized over the shorter of the remaining life of the old debt or the life of the new debt using the straight-line method, which does not result in a material difference from the effective interest method. Bonds payable are presented net of applicable bond discounts, premiums, and deferred refunding amounts, whereas issuance costs are recorded as deferred charges.

CITY OF MIAMI, FLORIDA
NOTES TO FINANCIAL STATEMENTS

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

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. The City is self-insured for health claims and uses a commercial carrier as the administrator. The discounted 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, and 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 \$88,283,946 of restricted net assets all of which is restricted by enabling legislation.

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 balance 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.

CITY OF MIAMI, FLORIDA
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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 following funds exceeded their budgetary authorization as of September 30, 2010:

Fund	Exceed Budget Authorization
Special Revenue:	
General Special Revenue	\$ 244,147
Virginia Key Beach Trust	243,739
Liberty City Revitalization Trust	138,579

Fund Deficits

The following funds had deficits in the amounts indicated as of September 30, 2010:

Fund	Deficit
Special Revenue:	
Emergency Services	\$ 8,101,960
Fire Services	6,393,283
Convention Center	627,099
Homeless	91,413
Debt Service:	
General Obligation Bonds	41,370
Capital Projects:	
Disaster Recovery	1,054,131

CITY OF MIAMI, FLORIDA
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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 by increasing fees, revisiting user charges, collecting outstanding receivables, identifying other funding sources, using operating transfers, etc. in the near future.

NOTE 2. – DEPOSITS AND INVESTMENTS

Deposits

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

CITY OF MIAMI, FLORIDA
NOTES TO FINANCIAL STATEMENTS

At September 30, 2010, the pooled cash, cash equivalents and investments of the primary government, exclusive of the Pension Trust Funds and discrete component units, consisted of the following:

<u>Investment Type</u>	<u>Fair Value</u>
United States Treasury Notes and Bills	\$ 83,556,216
Federal National Mortgage Association	102,781,287
Federal Home Loan Mortgage Corporation	80,520,190
Federal Farm Credit Bank	56,595,232
Federal Home Loan Bank	56,089,418
Commercial Paper	104,313,314
Money Market Fund	27,093,736
Total Investments	<u>510,949,393</u>
Bank Deposits	8,290,857
Total Pooled Cash, Cash Equivalents and Investments	<u>\$ 519,240,250</u>

As of September 30, 2010, \$246,631,330 of the total balance listed above relates to unspent bond proceeds. Unspent bond proceeds consisted of the following:

<u>Issue</u>	<u>Unspent Proceeds</u>
1986 Sunshine State Revenue Loan	\$ 28,025,702
1986 Sunshine State Revenue Loan	5,031,040
2007 Street & Sidewalks	27,476,325
Special Obligations A	1,825,312
2007BLimited	5,677,771
2009 Limited	44,719,928
2009 Streets and Sidewalks	57,620,113
2010A Marlins Garage	63,098,979
2010B Marlins Retail	13,156,160
	<u>\$ 246,631,330</u>

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 rates. The City’s policy limits the maturity of an investment to a maximum of 5 years. As of September 30, 2010, 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 and Bills	0.15
Federal National Mortgage Association	0.31
Federal Home Loan Mortgage Corporation	0.38
Federal Farm Credit Bank	0.34
Federal Home Loan Bank	0.43
Commercial Paper	0.09
Money Market	Less than 1 year

Credit Risk – Credit Risk is the risk that a security or 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. The City’s investment policy (the Policy), minimizes credit risk by restricting authorized investments to the highest ratings of at least one

CITY OF MIAMI, FLORIDA
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of the nationally recognized statistical rating organizations (NRSROs). Commercial paper and bankers acceptances must have the highest letter and numerical rating as provided for by at least one NRSRO. The credit ratings below were consistent among the three major rating agencies (Moody’s, Standard and Poor’s, and Fitch). Obligation of the U.S. Government or obligations explicitly guaranteed by U. S. Government are not considered to have credit risk.

The table below summarizes the investments by credit rating at September 30, 2010:

<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 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, 2010, the following issuers held 5% or more of the investment portfolio:

<u>Issuer</u>	<u>Percentage</u>
Federal Farm Credit Bank	12%
Federal Home Loan Bank	12%
Federal Home Loan Mortgage Corp.	17%
Federal National Mortgage Association	21%
United States Treasury Notes	17%

The above excludes 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 and diversifies its investments by

CITY OF MIAMI, FLORIDA
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security type and institution, and limits holdings in any one type of investment with any one issuer to control this risk. 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, 2010:

	<u>U.S. Treasuries</u>	<u>U.S. Agencies</u>	<u>Corporate Bonds</u>	<u>Total</u>
Fair Value	\$ 103,560,990	\$ 115,294,517	\$ 261,293,842	\$ 480,149,349
Investment Maturities:				
Less than 1 year	6,978,831	2,249,241	4,670,904	13,898,976
1 to 5 years	41,426,540	5,051,246	77,409,891	123,887,677
6 to 10 years	40,867,112	11,120,547	107,293,143	159,280,802
More than 10 years	14,288,507	96,873,483	71,919,904	183,081,894

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

The following table discloses credit ratings, at September 30, 2010:

<u>Investment Type/Rating</u>	<u>Fair Value</u>	<u>Percentage of Portfolio</u>
U.S. Government guaranteed*	\$ 218,855,507	45.58%
Credit risk debt securities		
AAA	34,015,051	7.08%
AA	24,028,362	5.00%
A	70,559,060	14.70%
BBB	59,444,273	12.38%
BB and lower	70,275,827	14.64%
Bond Funds**	245,347	0.05%
Not Rated	2,725,922	0.57%
Total credit risk debt securities	261,293,842	54.42%
Total fixed income securities	\$ 480,149,349	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, 2010, bond funds are comprised of securities rated AAA per ratings provided by 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 Trust 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, 2010.

CITY OF MIAMI, FLORIDA
NOTES TO FINANCIAL STATEMENTS

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:

<u>Currency</u>	<u>Holdings valued in U.S. Dollars - International Equities</u>
Swiss Franc	\$ 6,991,767
Canadian Dollar	266,767
Euro	9,053,066
British Pound Sterling	8,638,608
Hong Kong Dollar	397,799
Japanese Yen	6,922,128
South Korean Won	1,670,897
Swedish Krona	3,151,404
Norwegian Krona	2,876,210
Danish Krone	360,033
Australian Dollar	2,307,196
Other	2,071,272
	<u>\$ 44,707,147</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 110 days. The custodial bank and its affiliates are prohibited from borrowing the system's securities.

The agent lends the Trust's U.S. government and agency securities and domestic corporate fixed-income and equity securities for securities or cash collateral of 102% 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 21 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.

CITY OF MIAMI, FLORIDA
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The following represents the balances relating to securities lending transactions at September 30, 2010:

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	\$ 79,732,615	\$ 81,475,374	\$ 81,475,374
Domestic corporate stocks	91,606,231	94,012,347	94,012,347
Domestic corporate bonds	44,828,798	45,896,545	45,896,545
Total securities lent	<u>\$ 216,167,644</u>	<u>\$ 221,384,266</u>	<u>\$ 221,384,266</u>

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

In September 2008 when the market experienced a significant decline and there was a general lack of liquidity in the credit market, certain assets held in the custodial agent’s short-term investment cash collateral pool were deemed to be impaired. The custodial agent re-valued many securities held by the securities lending cash collateral pool resulting in a mark down of the assets and causing the value of the pool to fall below the commitments owed to the borrowers. The amount of the collateral deficiency was calculated based on the difference between the book value and vended prices (rather than liquidation) at the time, and a liability was assigned to the Trust based on the Trust’s ratable ownership of the pool. If the Trust should elect to withdraw from the securities lending program, the liability would be realized. The impaired assets have been segregated from the collateral pool into a liquidation account which is valued daily. The Trust owns interest in the liquidation account rather than having a direct ownership in the impaired securities. As of September 30, 2010 the Trust’s liability was \$2,588,832. The deficiency is reported as a securities lending collateral unrealized loss on the Statements of Changes in Plan Net Assets and a reduction to the asset value of securities lending collateral reported on the Statements of Plan Net Assets. In November 2009 the custodial agent determined the improving conditions in the economic and financial markets justified reducing the Trust’s liability (excluding realized losses and related settlement costs) by approximately seventy-seven percent, and in March 2010 the remaining collateral deficiency was reversed, eliminating the liability.

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, 2010, is as follows:

Investment Type	Fair Value	
	GESE Trust	Staff Trust
U.S. Government and Agency Securities	\$ 69,229,551	\$ -
Corporate Stocks	342,646,371	867,477
Corporate Bonds	89,337,931	738,964
	<u>501,213,853</u>	<u>1,606,441</u>
Real Estate Fund	30,440,327	-
Money Market Fund and Commercial Paper	18,686,543	154,175
Total Investments	<u>\$ 550,340,723</u>	<u>\$ 1,760,616</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 universal database, over a rolling three-year period, without undue risk. Compliance with the investment policy is monitored by the GESE Trust's investment consultant. The Board of Trustees for the GESE Trust has engaged outside investment professionals to manage the assets of the 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 its duration at +/- one year of the benchmark duration. The GESE Trust utilizes duration to assess its risk to changes in interest rates.

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The following represents the investment's market value and duration of the securities at September 30, 2010:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Weighted Avg. Maturity Years</u>
Asset-Backed	\$ 9,818,000	1.74
Corporate-Bank	17,910,000	3.91
Corporate-Finance	10,566,000	5.05
Corporate-Industrial	36,770,000	6.04
Corporate-Transportation	630,000	4.47
Corporate-Comm. Utility	6,014,000	5.97
Corporate-Electric Utility	3,465,000	4.95
Corporate-Gas Utility	613,000	5.15
US Treasury	20,334,000	7.09
US Agency	13,258,000	2.70
Yankee-Industrial	122,000	9.84
Yankee-Finance	113,000	7.11
Mortgages	38,536,000	2.63
Cash	3,638,000	0.00
Other	1,789,000	4.59
Total	<u>\$ 163,576,000</u>	<u>4.35</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, 2010, the following table displays Moody's ratings and the market value of the total fixed-income portfolio invested:

	<u>Market Value</u>	<u>Percent</u>
US Treasury*	\$ 20,334,000	12.43%
US Agency*	13,258,000	8.11%
Asset-Backed**	9,818,000	6.00%
Mortgages**	38,536,000	23.56%
Aaa	1,130,000	0.69%
Aa	11,175,000	6.83%
A	41,760,000	25.53%
Baa	21,011,000	12.84%
Ba	1,635,000	1.00%
Not Rated	1,281,000	0.78%
Cash	3,638,000	2.22%
Total	<u>\$ 163,576,000</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 US Government and investments in mutual funds, external investment pools, and other pooled investments are not subject to any concentration of credit risk. The GESE Trust investment policy requires that corporate bond issues must be diversified by industry and in number so that no investment in the securities of a single issue shall exceed 7% (at market) 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, 2010, the GESE Trust did not have any corporate bond investments with issuers greater than 5%.

Foreign Currency Risk - The GESE Trust Investment policy allows a maximum of 10% of each manager's portfolio to be invested in aggregate to Yankee bonds, foreign credits, Eurodollar bonds, and Rule 144A securities. At September 30, 2010, 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 4.67 years.

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

The Board of Trustees for the GESE Trust has elected to hire outside investment professionals to manage the assets for the Staff Pension Plan. As of September 30, 2010, the fixed income assets of the pension plan were invested in a mutual fund managed passively by Vanguard.

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The value of the fixed income portfolio was \$738,964. Vanguard manages the assets in accordance with the investment policy statement approved by the trustees. The table below summarizes the investments by credit rating at September 30, 2010:

<u>Investment Type/Rating</u>	<u>Fair Value</u>	<u>Percent</u>
Government*	\$ 258,000	35%
Aaa	219,000	30%
Aa	63,000	9%
A	106,000	14%
Baa	74,000	10%
Other	19,000	3%
	<u>\$ 739,000</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 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 market) 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, 2010, the Staff Trust did not have any positions with issuers greater than 5%.

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

Elected Official Retirement Trust (EORT)

At September 30, 2010, the investments of EORT consisted of the following:

<u>Investment Type</u>	<u>Fair Value</u>
Money Market Funds	5,173,748

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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, 2010, 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>Weighted Average Maturity In Years</u>
Money Market Funds	Less than 1 year

The investments at September 30, 2010 are in compliance with EORT’s investment policy.

Credit Risk - The Plan’s investment policy minimizes credit risk by restricting authorized investments to the highest ratings of at least one of the nationally recognized statistical rating organizations (NRSROs). Investments in the State Board of Administration, The Local Government Surplus Funds Trust Fund, do not have a rating from the NRSRO. Commercial paper and bankers acceptances must have the highest letter and numerical rating as provided for by at least one NRSRO. At September 30, 2010, all of the Plan’s investments were held in Money Market Funds. Money Market Funds are authorized by the City’s investment policy, but are not rated by the major rating agencies.

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

Concentration of Credit Risk - The Plan’s policy establishes limitations on portfolio composition by investment type and by issuer to limit its exposure to concentration of credit risk. The policy provides that a maximum of 20% 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. At September 30, 2010, the EORT Trust did not have any positions with issuers greater than 5%.

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:

Receivables	General	Fire	Public Facilities	General Government	Streets & Sidewalks	Non-Major Govt Funds	Total
Accounts	\$ 30,454,470	\$ -	\$ 1,344,651	\$ 2,876,268	\$ 103,671	\$ 6,610,343	\$ 41,389,403
Property Taxes	20,776,548	-	-	-	-	1,650,739	22,427,287
Due from Other Govts	1,833,330	9,758,642	33,910	310,168	425,976	20,217,868	32,579,894
Loan to Component Unit	-	-	-	-	-	2,250,000	2,250,000
Loan Receivable	-	-	-	-	-	14,665,630	14,665,630
Gross Receivables	53,064,348	9,758,642	1,378,561	3,186,436	529,647	45,394,580	113,312,214
Less: Allowance for Uncollectable	(12,464,364)	-	(1,344,651)	(575,000)	(103,671)	(18,676,357)	(33,164,043)
Net Total Receivables	\$ 40,599,984	\$ 9,758,642	\$ 33,910	\$ 2,611,436	\$ 425,976	\$ 26,718,223	\$ 80,148,171

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, including interest earned, 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 DOSP in the amount of \$2,250,000, which is fully reserved for as of September 30, 2010 (see Note 8).

Loan receivable amount represents a loan to Parrot Jungle Island authorized under the 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, 2010 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, generally are repaid when the related properties are transferred or sold. If the property is transferred or sold before the end of the “loan” period, the proceeds from the repayment including interest, if any, are then returned to the program to assist additional low-income families. If the homeowners remain in their homes for the full term of the deferred loan, the loan is “forgiven” and becomes a grant. A mortgage or a covenant is placed against the property to ensure the repayment of the loan and interest. Given the nature of these “loans”, collection 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, 2010		
Program	Loans Outstanding	Amount
CDBG	72 loans	\$ 1,606,704
HOME	517 loans	19,483,555
SHIP	313 loans	11,464,945
Other	89 loans	1,614,218
Total	991 loans	\$ 34,169,422

Home Ownership and Rental Multi-Family Loans

As of September 30, 2010, there are 94 projects aggregating to \$50,243,330 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 are not assured, consequently they are not recognized in the financial statements.

Economic Development Commercial Loans

As of September 30, 2010, there are 36 loans aggregating to \$10,211,804 for Special Economic Development projects under the CDBG program. Those projects are collateralized by placing a mortgage against the property of the business or non-profit entity’s assets to ensure repayment of the loan and interest to the City. Some of these “loans” are written with no interest payment or deferred payments and are “forgivable”, if all program conditions are met. Given the nature of these “loans”, collection 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 4%. 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, 2009, upon which the 2009-2010 levy was based, was \$36,949,521,366. The City is permitted by Article 7, Section 8 of the Florida Constitution to levy taxes up to \$10 per \$1,000 of assessed valuation for general governmental services other than the payment of principal and interest on general obligation long-term debt. In addition, unlimited amounts may be levied for the payment of principal and interest on general obligation long-term debt, subject to a limitation on the amount of debt outstanding. The tax rate to finance general governmental services (other than the payment of principal and interest on general obligation long-term debt) for the year ended September 30, 2010, was \$7.6740 per \$1,000. The debt service tax rate for the same period was \$0.9701 per \$1,000.

Property taxes receivable reported in the government-wide Statement of Net Assets and the governmental funds Balance Sheet represent amounts due for unpaid delinquent property taxes at September 30, 2010. Property taxes that are not considered “available” have been reported as deferred revenues in the governmental funds Balance Sheet.

CITY OF MIAMI, FLORIDA
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NOTE 5. – CAPITAL ASSETS

The following is a summary of changes in capital assets during the year ended September 30, 2010:

	Primary Government			
	Beginning Balance	Additions/ Transfers In	Retirements/ Transfers Out	Ending Balance
Governmental Activities:				
Non-Depreciable Assets:				
Land	\$ 88,330,219	\$ 3,622,582	\$ 48,669	\$ 91,904,132
Construction in Progress	247,027,693	62,891,408	49,915,263	260,003,838
Total Capital Assets, not being depreciated	335,357,912	66,513,990	49,963,932	351,907,970
Depreciable Assets:				
Buildings	154,134,818	1,950,646	-	156,085,464
Improvements	166,079,761	9,142,170	1,840	175,220,091
Machinery and Equipment	168,869,142	18,125,983	2,562,110	184,433,015
Infrastructure	1,134,764,166	23,894,272	408,505	1,158,249,933
Total Capital Assets being depreciated	1,623,847,887	53,113,071	2,972,455	1,673,988,503
Less Accumulated Depreciation for:				
Buildings	81,430,039	3,680,284	-	85,110,323
Improvements	44,649,288	10,447,508	-	55,096,796
Machinery and Equipment	105,435,280	17,712,095	1,856,842	121,290,533
Infrastructure	617,502,874	28,279,413	168,341	645,613,946
Total accumulated depreciation	849,017,481	60,119,300	2,025,183	907,111,598
Total Capital Assets being depreciated, net	774,830,406	(7,006,229)	947,272	766,876,905
Governmental activities capital assets, net	\$ 1,110,188,318	\$ 59,507,761	\$ 50,911,204	\$ 1,118,784,875

Depreciation expense was charged to governmental functions as follows:

Function/Program Activities	Depreciation Expense
General Government	\$ 34,919,249
Planning and Development	96,968
Community Development	28,845
Community Redevelopment Areas	204,066
Public Works	7,338,872
Public Safety	8,572,827
Public Facilities	2,878,998
Parks and Recreation	6,079,475
Total depreciation expense	\$ 60,119,300

Construction Commitments

At September 30, 2010, the City had in process various construction projects that were not completed with a remaining balances totaling \$55,205,288. Funding of these projects is to be made primarily through the proceeds of the related bond issues, loans, and future tax revenues.

CITY OF MIAMI, FLORIDA
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Discretely Presented Component Units Capital Assets

The following is a summary of changes in capital assets of the component units during the year ended September 30, 2010:

MSEA and CIP did not have any capital asset balances at September 30, 2010.

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

	DOSP			
	Beginning Balance	Additions/ Transfers In	Retirements/ Transfers Out	Ending Balance
Capital assets, not being depreciated:				
Land	\$ 14,152,054	\$ -	\$ -	\$ 14,152,054
Construction in progress	40,429,163	-	(40,301,195)	127,968
Total capital assets, not being depreciated	54,581,217	-	(40,301,195)	14,280,022
Capital assets, being depreciated:				
Building and structures	27,907,902	44,824,246	(1,143,718)	71,588,430
Leasehold improvements	10,088,760	411,380	-	10,500,140
Furniture and fixtures	323,188	584,876	-	908,064
Equipment	16,722,766	1,186,123	(52,011)	17,856,878
Total capital assets, being depreciated	55,042,616	47,006,625	(1,195,729)	100,853,512
Less accumulated depreciation for:				
Building and structures	15,075,186	1,619,961	-	16,695,147
Leasehold improvements	7,516,443	571,682	-	8,088,125
Furniture and fixtures	242,490	28,185	-	270,675
Equipment	11,988,203	1,199,743	(52,011)	13,135,935
Total accumulated depreciation	34,822,322	3,419,571	(52,011)	38,189,882
Total capital assets, being depreciated, net	20,220,294	43,587,054	(1,143,718)	62,663,630
DOSP capital assets, net	\$ 74,801,511	\$ 43,587,054	\$ (41,444,913)	\$ 76,943,652

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	\$ 522,809	\$ 18,035	\$ -	\$ 540,844
Less accumulated depreciation for:				
Furniture and equipment	(343,571)	(44,556)	-	(388,127)
DDA capital assets, net	\$ 179,238	\$ (26,521)	\$ -	\$ 152,717

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

	BFP			
	Beginning Balance	Additions	Retirements	Ending Balance
Capital assets, not being depreciated:				
Land	\$ 516,129	\$ -	\$ -	\$ 516,129
Construction in progress	561,123	-	-	561,123
Total capital assets, not being depreciated	1,077,252	-	-	1,077,252
Capital assets, being depreciated:				
Buildings	2,637,934	-	-	2,637,934
Public domain and system infrastructure	3,821,498	787,989	-	4,609,487
Machinery and equipment	425,514	12,410	-	437,924
Total capital assets, being depreciated	6,884,946	800,399	-	7,685,345
Less accumulated depreciation for:				
Buildings	(1,124,479)	(52,759)	-	(1,177,238)
Public domain and system infrastructure	(1,665,891)	(140,995)	-	(1,806,886)
Machinery and equipment	(300,114)	(25,591)	-	(325,705)
Total accumulated depreciation	(3,090,484)	(219,345)	-	(3,309,829)
Total capital assets being depreciated, net	3,794,462	581,054	-	4,375,516
BFP capital assets, net	\$ 4,871,714	\$ 581,054	\$ -	\$ 5,452,768

Summary of discretely presented component unit capital assets is as follows:

	DOSP	DDA	BFP	Total
Capital Assets:				
Non-depreciable	\$ 14,280,022	\$ -	\$ 1,077,252	\$ 15,357,274
Depreciable, Net	62,663,630	152,717	4,375,516	67,191,863
	\$ 76,943,652	\$ 152,717	\$ 5,452,768	\$ 82,549,137

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

<u>Entity</u>	<u>Depreciation Expense</u>
DOSP	\$ 3,419,571
DDA	44,556
BFP	219,345
Total depreciation expense	\$ 3,683,472

CITY OF MIAMI, FLORIDA
NOTES TO FINANCIAL STATEMENTS

NOTE 6. – Accounts Payable and Accrued Liabilities

Accounts payable and accrued liabilities at September 30, 2010 consisted of the following:

	General	Fire Rescue Services	Public Facilities	General Government	Street & Sidewalks	Nonmajor Governmental Funds	Total
Vendors	\$ 13,660,675	\$ 868,043	\$ 3,224,556	\$ 536,147	\$ 2,863,849	\$ 10,707,624	\$ 31,860,894
Salaries and Benefits	17,239,804	34,503	4,327	-	-	651,009	17,929,643
Total	\$ 30,900,479	\$ 902,546	\$ 3,228,883	\$ 536,147	\$ 2,863,849	\$ 11,358,633	\$ 49,790,537

NOTE 7. – Interfund Receivables, Payables, and Transfers

The balances reflected as due from/due to other funds as of September 30, 2010 are as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Fire Rescue Services	\$ 6,082,351
General Fund	Other Non-Major Governmental Funds	13,763,493
	Total	\$ 19,845,844

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, 2010:

<u>Transfer Out</u>	<u>Transfer In</u>					
	General	Fire Rescue Services	Public Facilities	Street & Sidewalks	Nonmajor Governmental Funds	Total
General	\$ -	\$ 278,024	\$ 7,200	\$ 553,134	\$ 12,654,887	\$ 13,493,245
General Government	-	-	1,944,354	3,665,063	18,568,556	24,177,973
Public Facilities	-	-	-	-	253,501	253,501
Street & Sidewalks	-	-	-	-	617,565	617,565
Nonmajor Governmental Funds	53,493,902	-	5,879,946	4,025,287	44,616,002	108,015,137
Total	\$ 53,493,902	\$ 278,024	\$ 7,831,500	\$ 8,243,484	\$ 76,710,511	\$ 146,557,421

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.

During the fiscal year, transfers in to the General Fund included \$48,524,103 of public services taxes and \$4,694,799 of Local Option Gas Tax; transfers into the Special Obligation Bond Funds included \$14,462,419 of public services taxes; and transfers from the Homeland Defense Bond Funds to various Capital Project Funds totaled \$12,613,592.

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, 2010:

Primary Government	Beginning Balance	Additions	Reduction	Ending Balance	Due within One Year
General Obligation bonds	\$ 276,113,503	\$ -	\$ (10,309,048)	\$ 265,804,455	\$ 14,237,664
Special obligation and revenue bonds and loans	289,055,544	166,370,000	(16,952,229)	438,473,315	15,328,274
Accretion	37,744,477	-	(8,195,439)	29,549,038	-
Bond Premium (discounts)	7,429,388	-	(2,236,232)	5,193,156	-
Deferred loss on Advance Refunding	(6,947,906)	-	1,329,381	(5,618,525)	-
Total bonds and loans	603,395,006	166,370,000	(36,363,567)	733,401,439	29,565,938
Other liabilities:					
Compensated absences	88,068,477	5,965,713	(9,758,076)	84,276,114	13,672,940
Claims payable	155,115,174	75,952,195	(50,639,111)	180,428,258	41,276,359
Other Post Employment Benefits	53,543,609	44,112,571	(12,896,007)	84,760,173	-
Net pension obligation	4,291,360	201,826	-	4,493,186	-
Total governmental activities long-term liabilities	\$ 904,413,626	\$ 292,602,305	\$ (109,656,761)	\$ 1,087,359,170	\$ 84,515,237

Claims and judgments, compensated absences, and the net pension obligations are generally liquidated by the General Fund.

Claims payable balance of \$180,428,258 includes \$3,100,100 accrual for pollution remediation obligations, which are obligations to address the current or potential detrimental effects of existing pollution.

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, 2010:

<u>DESCRIPTION</u>	<u>Purpose of Issue</u>	<u>Amount Issued</u>	<u>Outstanding Balance</u>	<u>Interest Rate Range</u>
General Obligation Bonds:				
General Obligations Refunding Bonds Series 1992	Refunding	\$ 70,100,000	\$ 1,660,000	6%
Homeland Defense/Neighborhood CIP Series 2002 (Limited)	Homeland Defense	153,186,406	30,644,455	4.17%-4.97%
General Obligation Refunding Bonds Series 2002A	Refunding	32,510,000	23,590,000	5.0%-5.375%
General Obligation Bonds Other Issues	Housing	23,190,000	315,000	0.50%
General Obligation Refunding Bonds Series 2003B	Refunding	4,180,000	4,055,000	2.635%-3.5%
General Obligation Refunding Bonds Series 2003	Refunding	18,680,000	1,690,000	3%-5%
General Obligation Refunding Bonds Series 2007A (Limited)	Refunding	103,060,000	102,795,000	4%-5%
General Obligation Refunding Bonds Series 2007B (Limited)	Homeland Defense	50,000,000	50,000,000	4.995%-5%
General Obligation Refunding Bonds Series 2009 (Limited)	Homeland Defense	51,055,000	51,055,000	3%-5.5%
Total General Obligation Bonds		505,961,406	265,804,455	
Special Obligation and Revenue Bonds and Loans:				
Special Revenue Refunding Bonds Series 1987	Refunding	65,271,325	4,011,022	5.25%-7.3%
Community Redevelopment Revenue Bonds Series 1990	Redevelopment	11,500,000	1,625,000	8.50%
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	22,995,000	3.5%-5.375%
Special Revenue Refunding Bonds Series 2002C	Refunding	28,390,000	18,035,000	3.1%-4.375%
Non-Ad Valorem Refunding Bonds Series 2009	Refunding	37,435,000	37,435,000	3.4%-7.55%
Special Revenue Bonds, Marlins Garage Series 2010A	Stadium	84,540,000	84,540,000	5%-5.25%
Special Revenue Bonds, Marlins Retail Series 2010B	Retail	16,830,000	16,830,000	5.9375%-7.443%
Sunshine State Government Financing Commission Loans	Facility Improvements	27,630,900	5,851,500	(1)
SEOPW - Section 108 HUD Loan	Redevelopment	5,100,000	2,300,000	8.47%-9.03%
Wynwood - Section 108 HUD Loan	Redevelopment	5,500,000	1,960,000	(2)
Wagner Square Section 108 HUD Loan	Redevelopment	3,999,000	3,806,000	(2)
Sunshine State Government Financing Commission-Secondary Loan Parrot Jungle	SCI, Melreese Development	3,500,000	920,000	(1)
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)
Sunshine State Government Financing Commission Loans	Facility Improvements	20,000,000	12,700,000	(1)
Special Revenue Bonds Series 2007	Street & Sidewalks	80,000,000	77,225,000	3.5%-5.0%
Special Revenue Bonds Series 2009	Street & Sidewalks	65,000,000	65,000,000	2.5%-5.625%
Gran Central Corporation Loan	Redevelopment	1,708,794	1,708,793	0.00%
Total Special Obligation Bonds, Revenue Bonds, and Loans		611,512,019	438,473,315	
Total Bonds and Loans		\$ 1,117,473,425	\$ 704,277,770	

(1) These variable rate loans are subject to a 12% interest rate cap. The Commission loans had an average interest rate of 1.072% on September 30, 2010.
(2) These variable rate loans are subject to LIBOR plus 0.2%. The interest is calculated monthly and paid to the trustee quarterly.

Annual Debt Service Requirements to Maturity

The annual debt service requirements for all bonds and loans outstanding as of September 30, 2010 are as follows:

Year Ended September 30,	General Obligation Bonds		Special Obligation, Revenue Bonds, and Loans		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2011	\$ 14,237,664	\$ 13,761,941	\$ 15,328,274	\$ 27,408,848	\$ 29,565,938	\$ 41,170,790
2012	11,578,376	13,673,035	19,800,215	26,080,709	31,378,591	39,753,743
2013	11,017,644	13,731,697	24,705,630	25,365,520	35,723,274	39,097,217
2014	11,592,518	13,780,673	27,021,860	24,311,962	38,614,378	38,092,636
2015	12,339,949	13,741,374	24,871,336	23,014,625	37,211,285	36,755,998
2016-2020	88,273,304	42,050,701	95,204,000	76,039,637	183,477,304	118,090,338
2021-2025	74,725,000	18,448,091	43,922,000	57,208,432	118,647,000	75,656,523
2026-2030	42,040,000	3,750,347	49,305,000	43,653,738	91,345,000	47,404,085
2031-2035	-	-	72,115,000	28,590,047	72,115,000	28,590,047
2036-2037	-	-	66,200,000	7,647,838	66,200,000	7,647,838
Total	\$ 265,804,455	\$ 132,937,859	\$ 438,473,315	\$ 339,321,356	\$ 704,277,770	\$ 472,259,215

Summary of New Debt Issuances

\$65,000,000 Special Obligation Bonds, (Street and Sidewalks), Series 2009 – On December 2, 2009, the City issued \$65,000,000 in Special Obligation Bonds, (Street and Sidewalks), Series 2009 for the purpose of financing various street and sidewalk capital improvement projects. The bonds were issued with interest rates ranging from 2.500% to 5.625% maturing from year 2010 through 2029. The bonds are to be repaid by certain designated revenues.

\$84,540,000 Tax-Exempt Special Obligation Parking Revenue Bonds, Series 2010-A – On July 29, 2010, the City issued \$84,540,000 in Tax-Exempt Special Obligation Parking revenue Bonds, Series 2010A for the purpose of financing parking garages, parking lots and parking structures adjacent to the Miami Marlins Baseball Stadium. The bonds were issued with interest rates ranging from 5.000% to 5.250% maturing from year 2011 through 2039. The bonds are to be repaid by certain pledged revenues.

\$16,830,000 Taxable Special Obligation Revenue Bonds, Series 2010-B – On July 29, 2010 the City issued \$16,830,000 in Taxable Special Obligation Parking Revenue Bonds, Series 2010-B for the purpose of financing retail space and surface lots adjacent to the Miami Marlins Baseball Stadium. The bonds were issued with interest rates ranging from 5.935% to 7.443% maturing from 2011 through 2039. The bonds are to be repaid by certain pledged revenue.

\$60,110,000 Refunding Revenue Tax Exempt Bonds Series 2008 and \$6,485,000 Taxable Revenue Bond Series 2009 (Department of Off-Street Parking) – On September 24, 2009, the City Commission adopted ordinance 13092 authorizing the Department of Off-Street Parking (DOSPP) to issue up to \$70.0 million in new revenue bonds for the purpose of refunding the Series 2008 bonds. On November 5, 2009, the Authority issued \$60,110,000 of tax-exempt, fixed-rate revenue refunding bonds and \$6,485,000 in taxable, fixed-rate revenue refunding bonds (“Series 2009 Revenue Bonds”). The proceeds of these bonds were used to: (1) fully redeem and refund the Series 2008 bonds, (2) pay for

CITY OF MIAMI, FLORIDA
NOTES TO FINANCIAL STATEMENTS

costs of issuance on the Series 2009 revenue bonds, (3) pay for additional construction costs on the Courthouse Center Garage, and (4) pay fees to terminate the existing interest rate swap agreement in connection with the Series 2008 bonds. The interest rate swap was terminated by DOSP on November 19, 2009, for the amount of \$5.9 million. The Series 2009 Revenue Bonds are secured by the net revenues of DOSP. The Authority refunded Series 2008 variable rate debt with Series 2009 fixed rate debt. No economic gain/loss was determined for this refunding transaction as the interest rate on the Series 2008 variable rate debt is unknown for the periods after the refunding date. The Series 2009 Revenue Bonds are secured by the net revenues of the Authority. The coupon rates for the tax-exempt fixed-rate revenue bonds range from 4.25% to 5.35%. The coupon rates on the taxable, fixed-rate bonds range from 5.11% to 5.66%.

Synopsis of Bond Covenants

Debt service for general obligation bonds is provided for by a tax levy on non-exempt property value. The total general obligation debt outstanding is limited by the City Charter to 15% of the assessed non-exempt property value. At September 30, 2010, the statutory limitation of assessed non-exempt property value for the City amounted to \$5,370,833,756 providing a debt margin of \$5,104,987,931 after consideration of \$265,845,825 of general obligation bonds outstanding at September 30, 2010 and adjusted for the fund balance of \$(41,370) in the related Debt Service Fund.

Pledged Revenue

The City pledged future revenue proceeds of (i) 80% People Transportation Taxes, (ii) 100% new Local Option Gas Taxes, and 20% of the City's Parking Surcharge to repay \$80,000,000 in Special Obligation Revenue Bonds, Series 2007 and \$65,000,000 in Special Obligation Revenue Bonds, Series 2009. 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, 2039. Principal and interest paid for the current year were \$1,415,000 and \$5,775,435 respectively. The current year revenues were (i) \$11,831,595, (ii) \$6,489,694, and (iii) \$14,238,714 respectively. Principal and interest to be paid in subsequent years totals \$141,058,684 on the Series 2007 bonds and \$134,613,253 on the Series 2009 bonds.

The City further pledged future revenue proceeds of (i) 100% Convention Development Taxes, (ii) Parking Revenues in connection with MLB Home Games at the Miami Marlins Baseball Stadium, and (iii) Parking Surcharge revenues on the Parking Revenues to repay \$84,540,000 Tax-Exempt Special Obligation Parking Revenue Bonds, Series 2010A and \$16,830,000 Taxable Special Obligation Parking Revenue Bonds, Series 2010B. The proceeds from the bonds were used for the construction of the parking facilities for the new Miami Marlins Baseball Stadium. The bonds are payable solely from the pledged revenues listed above through July 1, 2039. Debt service payments begin on January 1, 2011. Principal and interest to be paid in subsequent years totals \$189,920,941 on the Series 2010A bonds and \$33,585,869 on the Series 2010B bonds.

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. At September 30, 2010, the City had approximately \$29.6 million reserved fund balance available to meet this requirement. Principal and interest to be paid in subsequent years totals \$276,615,924 on all other Special Obligation debt of the City.

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 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 \$20,063,541 with the Escrow Agent during fiscal year 2010 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.

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, 2010, the following outstanding bond is considered defeased:

Defeased Debt:

Balance

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

Discretely Presented Component Units Long-Term Debt

DOSP

The changes in DOSP’s long-term debt for 2010 are as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Bonds payable	\$ 47,710,000	\$ 66,595,000	\$ 41,785,000	\$ 72,520,000	\$ 875,000
Deferred amounts	(21,000)	(2,317,000)	134,000	(2,472,000)	-
Compensated absences	708,000	529,000	606,000	631,000	500,000
Other post-employment benefit obligation	-	42,000	-	42,000	
Loan from primary government	2,400,000	-	150,000	2,250,000	150,000
	<u>\$ 50,797,000</u>	<u>\$ 64,849,000</u>	<u>\$ 42,675,000</u>	<u>\$ 72,971,000</u>	<u>\$ 1,525,000</u>

The City has 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.

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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, 2009, DOSP has drawn \$3,000,000 of this loan. The balance as of September 30, 2010 is \$2,250,000.

The following summarizes the debt service to maturity of outstanding DOSP debt at September 30, 2010:

Year Ending September 30,	Bonds			Loan
	Principal	Interest	Total	Principal
2011	\$ 875,000	\$ 3,600,260	\$ 4,475,260	\$ 150,000
2012	910,000	3,557,822	4,467,822	150,000
2013	960,000	3,511,072	4,471,072	150,000
2014	1,005,000	3,460,691	4,465,691	150,000
2015	1,060,000	3,406,485	4,466,485	150,000
2016-2020	7,635,000	15,778,495	23,413,495	1,500,000
2021-2025	10,170,000	13,491,720	23,661,720	-
2026-2030	12,785,000	10,716,544	23,501,544	-
2031-2035	16,290,000	7,010,494	23,300,494	-
20336-2040	20,830,000	2,237,220	23,067,220	-
Total	\$ 72,520,000	\$ 66,770,803	\$ 139,290,803	\$ 2,250,000
	Range of Rates	<u>4.25%-5.66%</u>		

NOTE 9. – SELF-INSURANCE

A. Risk Management

The City is self-insured for various risk of loss as defined below 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 health benefits.

Claim expenditures and liabilities are reported when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated using 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

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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, 2010, the total estimated liability of \$180,428,258 is discounted at an interest rate of 5% and recorded in the government-wide financial statements. Changes in the claims liability amount in 2009 and 2010 were as follows:

Fiscal Year Ended September 30,	Beginning of Fiscal Year Liability	Current Year Claims and Changes in estimates	Claim Payments	Balance at Fiscal Year End
2009	\$ 142,592,170	\$ 49,071,914	\$ 36,548,910	\$ 155,115,174
2010	155,115,174	75,952,195	50,639,111	180,428,258

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), (collectively, the "Plans").

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, 2009, the date of the most recent actuarial valuation, membership in the FIPO consisted of 1,974 retirees and beneficiaries currently receiving benefits and terminated employees entitled to benefits but not yet receiving them; current employees equaled 1,517 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 (Member employed prior to March 8, 1984, annual earnable compensation during the last year or the highest one year compensation whichever is greater; member employed after March 8, 1984 annual earnable compensation during the last two year, or the highest two year compensation whichever is greater) 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.

Rule of 68 shall mean a computation consisting of the sum of a member's age and length of creditable service, which sum shall permit normal service retirement upon the member's combined age and creditable service equaling to least 68. Effective October 1, 2009, the Rule of 68 shall only apply to firefighter members whose combined age and length of creditable service are less than 64 on September 30, 2009.

Benefits for disability and death are also provided under the plan.

Cost of Living Adjustment (COLA)

Effective January 1, 1994, the FIPO Trust entered into an agreement with the City with regards to the funding methods, employee benefits, employee contributions, and retiree COLA. Members no longer contribute to the original COLA account (COLA I); a new COLA account (COLA II) was established. The agreement included the following: (a) the funding method was changed to an aggregate cost method, (b) all accounts were combined for investment purposes (membership and benefit, COLA I, and COLA II), (c) retirees receive additional COLA benefits, and (d) active members no longer contribute 2% of pretax earnings to fund the original retiree COLA account (COLA I).

The COLA II account is funded annually by a percentage of the excess investment return from the COLA I account assets. The excess earnings contributed to the COLA II account are used to fund a minimum annual payment of \$2.5 million, increasing by 4% compounded annually. To the extent necessary, the

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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 July 24, 2008, firefighter DROP participants may also continue City employment for up to 54 full months (48 full months prior to July 24, 2008 and 36 full months prior to October 1, 2001). Police officers who elect the DROP on or after May 8, 2008, may continue City employment for up to 84 full months (48 full months prior to May 8, 2008 and 36 full months prior to October 1, 2003). No payment is made to or for the benefit of a DROP participant beyond that period. For persons electing participation in the DROP, an individual DROP account is created. Payment is made by the FIPO Trust into the employee's DROP account in an amount equal to the regular monthly retirement benefit, which the participant would have received had the participant separated from service and commenced receipt of pension benefits. Payments received by participants in the DROP accounts are tax deferred. A series of investment vehicles, as established by FIPO's Board of Trustees, are made available to DROP participants to choose from. Any losses, charges, or expenses incurred by the participant in his or her respective drop account are borne solely by the participant. Upon termination of employment, a member may receive distribution from the DROP account in the following manner: 1) lump sum, 2) periodic payments, 3) annuity, or 4) rollover of the balance to another qualified retirement plan. Any member may defer distribution until the latest date authorized by Section 401(a) (9) of the Internal Revenue Code.

DROP participants are not entitled to receive an ordinary or service disability retirement and in the event of death of a DROP participant, there is no accidental death benefit for pension purposes. DROP participation does not affect any other death or disability benefit provided to a member under federal law, state law, City ordinance, or any rights or benefits under any applicable collective bargaining agreement.

The DROP of the FIPO Trust also consists of a Benefit Actuarially Calculated DROP (BACDROP). A member may elect to BACDROP to a date no further than the date of their retirement eligibility date. The BACDROP period must be in 12 months increments, beginning at the start of a pay period, not to exceed 48 full months for firefighters (36 months prior to October 1, 2001) and for police officers who elected DROP on October 1, 2003 (36 months prior to October 1, 2003). Participation in the BACDROP does not preclude participation in the forward DROP.

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Contributions and Funding Policies

Members of FIPO are required to contribute 7% for Police Officers' member and 9% for Firefighters' member (8% prior to October 1, 2009) of their salary on a bi-weekly basis. The City is required to contribute such amounts annually as necessary to maintain the actuarial soundness of 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, 2010 was approximately \$122.2 million; the City's total payroll was approximately \$298.5 Million.

Annual Pension Cost

The City's current year contribution was determined through an actuarial valuation performed as of October 1, 2009. Significant actuarial assumptions used to compute the annual contribution requirement are as follows:

Valuation date:	October 1, 2009
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:	7.50%, compounded annually
Projected salary increases due to inflation:	3.25%
Seniority/merit	5.00% to 0% reducing by attained age
Promotion/other	1.50%
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
2008	\$ 36,040,251	100%	-
2009	36,993,395	100%	-
2010	59,025,379	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, 2009, the date of the most recent actuarial valuation, membership in the GESE Trust consisted of 2,374 retirees and beneficiaries currently receiving benefits and terminated employees entitled to benefits but not yet receiving them; current employees equaled 1,267 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. Subsequent to September 30, 2010 for members not eligible to retire as of that date, the retirement age and service will change to age 55 and 30 years of creditable service or age 60 and 10 years of continuous creditable service or a combination of at least ten years of creditable service plus attained age equaling 80 points (Rule of 80).

Retirement benefits are generally based on 3% 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. For service after September 30, 2010 for members not eligible to retire as of that date, 2.25% of average final compensation multiplied by creditable service up to 15 years, 2.5% of average final compensation for 16 to 20 years of service and 2.75% for service over 20 years. Effective September 30, 2010, for members

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not eligible to retire on that date, member retirement allowances shall not exceed the lesser of 100 percent of the member's average final compensation or an annual retirement allowance of \$100,000.

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

Cost of Living Adjustment (COLA)

Effective October 1, 1998, the Plan was amended to provide for an increase in the COLA paid to retirees to 4% with a \$400 annual maximum increase, provided the retiree's first anniversary of retirement has been reached. The amendment also provided for retirees electing 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 officially required to retire, the participant receives monthly pension payments based on the years of service and salary at the time that the participant enrolled in the DROP. In addition, the participant also receives the accumulated DROP account balance. The DROP monies can also be rolled over into a tax-qualified plan such as an Individual Retirement Account (IRA) or 457(b) government sponsored deferred compensation plan.

Contributions and Funding Policies

Members of the GESE Trust are required to contribute 10% of their salary on a bi-weekly basis. The contribution rate was increased to 13% of base salaries or wages for its union members for the year ended September 30, 2010. 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, 2010 was approximately \$90.1 million; the City's total payroll was approximately \$298.5 Million.

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Annual Pension Cost

The City’s current year contribution was determined through an actuarial valuation performed as of October 1, 2009. Significant actuarial assumptions used to compute the annual contribution requirement are as follows:

Valuation date:	October 1, 2009
Actuarial cost method:	Modified entry age normal
Amortization method:	Level dollar amount, closed
Remaining amortization period:	9 - 20 years
Asset valuation method:	5-Year Smoothed Market
<u>Actuarial assumptions</u>	
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.

Year Ended September 30	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
2008	\$ 22,762,902	100%	-
2009	23,191,828	100%	-
2010	24,037,093	100%	-

GESE Excess Benefit Plan

Plan Description

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

At October 1, 2009, the date of the most recent actuarial valuation, membership in the Excess Benefit Plan, consisted of 26 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

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City to realize a reduction in normal pension costs in the same amount, and (c) deposited in a separate account established specifically for the GESE Trust to receive the City’s excess retirement benefit contributions. This account is separate and apart from the accounts established to receive the City’s normal pension contributions for the GESE Trust. The City is required to contribute amounts as benefits become payable.

The payroll for employees covered by the Excess Benefit Plan for the year ended September 30, 2010 was approximately \$90.1 million; the City's total payroll was approximately \$298.5 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, 2010. Significant actuarial assumptions used to compute the annual contribution requirement are as follows:

Valuation date:	October 1, 2009
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	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
2008	\$ 898,149	50%	\$ 835,311	0%	4,265,603
2009	566,046	82%	490,082	0%	4,291,360
2010	625,539	54%	541,428	0%	4,493,186

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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	\$ 625,539
Interest on net pension obligation	347,600
Adjustment to annual required contribution	<u>(431,711)</u>
Annual pension cost	541,428
Contributions made	<u>(339,602)</u>
Increase in net pension obligation	201,826
Net pension obligation, beginning of year	<u>4,291,360</u>
Net pension obligation, end of year	<u><u>\$ 4,493,186</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, 2010, the date of the most recent actuarial valuation, membership in the Staff Trust had no retirees and beneficiaries currently receiving benefits; 1 terminated employees entitled to benefits but not yet receiving them and current employees equaled 11 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 during the highest two years of membership service 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, 2010 was approximately \$738,900; the City's total payroll was approximately \$298.5 Million.

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Annual Pension Cost

The City’s current year contribution was determined through an actuarial valuation performed as of October 1, 2010. Significant actuarial assumptions used to compute the contribution requirements are as follows:

Valuation date:	October 1, 2009
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%	-
2009	159,837	100%	-
2010	132,542	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. EORT’s fiduciary administers the excess benefit plan.

At December 31, 2009, the date of the most recent actuarial valuation, membership in the EORT consisted of 7 retirees and beneficiaries currently receiving benefits and terminated employees entitled to benefits but not yet receiving them; current employees equaled 4 as of that date.

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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 non-active 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, 2010 was approximately \$600,000; the City's total payroll was approximately \$298.5 Million.

Annual Pension Cost

The City's current year contribution was determined through an actuarial valuation determined as of December 31, 2009. Significant actuarial assumptions used to compute the annual contribution requirement are as follows:

Valuation date:	December 31, 2009
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:	3.75%
Projected salary increases:	
Inflation:	N/A
Merit, longevity, etc:	N/A
Mortality table:	RP-2000 White Collar Active/Retiree, Healthy 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.

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

Year Ended September 30	Annual Pension Cost (APC) and Annual Required Contribution	Percentage Contributed	Net Pension Obligation
2010	\$ 1,275,242	100%	\$ -
2009	412,588	100%	-
2008	711,209	100%	-
2007	285,408	100%	-
2006	1,043,209	100%	-
2005	300,000	100%	-

Separate stand-alone financial statements are not issued for EORT therefore, presented below is the Statement of Fiduciary Net Assets and the Statement of Changes in Fiduciary Net Assets for the year ended September 30, 2010:

Statement of Fiduciary Net Assets

Assets	
Investments, at fair value	
Money Market Funds	\$ 5,173,718
Total Assets	<u>5,173,718</u>
Net Assets	
Held in Trust for Pension Benefits	<u>\$ 5,173,718</u>

Statement of Changes in Fiduciary Net Assets

Additions	
Contributions:	
Employer	\$ 1,275,242
Investment Earnings:	
Interest	<u>65,790</u>
Total Additions	<u>1,341,032</u>
Deductions	
Benefits	<u>252,105</u>
Total Deductions	<u>252,105</u>
Change in Net Assets	1,088,927
Net Assets - Beginning of Year	<u>4,084,791</u>
Net Assets - End of Year	<u>\$ 5,173,718</u>

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

Pension Trust Fund*	Actuarial Valuation Date	(1)	(2)	Unfunded (Overfunded) AAL	Funded Ratio	(3)	Unfunded (Overfunded) as a Percentage of Covered Payroll
		Actuarial Value of Assets	Actuarial Liability (AAL)	(2) - (1)	(1)/(2)	Covered Payroll	((2) - (1))/(3)
GESE Retirement Trust	10/1/2009	\$ 645,614,641	\$ 780,625,200	\$ 135,010,559	82.70%	\$ 90,045,202	149.94%
GESE Staff Plan	10/1/2009	1,556,718	2,121,806	565,088	73.37%	738,898	76.48%
GESE Excess Plan	10/1/2009	-	5,704,602	5,704,602	0.00%	90,045,202	6.34%
FIPO	10/1/2009	1,164,973,724	1,391,186,871	226,213,147	83.74%	122,212,346	185.10%

*EORT is not reflected on this schedule since it uses the aggregate method which does not separately identify an actuarial accrued liability.

The actuary used the aggregate actuarial cost method for valuation. This method does not identify or separately amortize unfunded actuarial liabilities, information about funded status and funding progress has been prepared using the entry age actuarial cost method for that purpose and that the information presented is intended to serve as a surrogate for the funded status and funding progress of the plan.

The required schedule of funding progress disclosed above presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits. See Required Supplementary Information Section for multi-year Pension Trust Fund and Other Post Employment Benefits Schedule of Funding Progress.

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, City Attorney's offices, Department Directors, Assistant Directors, and other executives. To participate in the plan a written trust agreement must be executed, which requires the City to contribute 8% of the individual's earnable compensation, and the employee to contribute 10% of their salary. Participants may withdraw funds at retirement or upon separation based on a variety of payout options. The City does not have any fiduciary responsibility relating to the plan, consequently the amount accrued for benefits are not recorded in the fiduciary funds.

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

Total current year's payroll for all employees	\$ 298,482,579
Current year's payroll for participating employees	5,657,164
Current year employer contributions	309,654

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 plan, consequently amount accrued for benefits are not recorded in the fiduciary funds. The total of such excise taxes received from the State of Florida and remitted to the plans was \$9,180,986 for the year ended September 30, 2010. 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.

GASB Statement No. 45 allows flexibility to governmental employers in the use of various actuarial cost methods. Several such acceptable actuarial cost methods were evaluated, 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 for to the City to adopt an actuarial cost method which is acceptable, appropriate, and commonly used. The City's annual Other Post Employment Benefit (OPEB) liability was calculated using the entry age normal cost method.

Plan Description

The City 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 1,884 of the 5,278 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.

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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 annually.

Currently, the City’s subsidy to OPEB benefits is unfunded. There are no separate Trust Funds or equivalent arrangements into which the City makes contributions to advance-fund the OPEB obligations, as it does for its retiree pension plans. The City’s cost of the OPEB benefits, funded on a pay-as-you-go basis, was \$12,327,670 for the year ended September 30, 2010.

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.

Significant actuarial assumptions and methods used to estimate the OPEB liability are as follows:

Valuation date	October 1, 2008
Actuarial cost method	Entry Age Normal Cost Method
Amortization method	Level Percent of Payroll
Amortization Period	28 years
Actuarial assumptions:	
Assumed rate of return on investments	4.25%
Assumed health care cost trend rates:	
	2009 - 10.0%
	2010 - 6.8%
	2011 - 8.5%
	2012 - 8.0%
	2013 - 7.5%
	2014 - Thereafter - 7.0% - 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	10/1/2008	\$ -	\$ 148,725,390	148,725,390	0.00%	\$ 170,785,202	87.08%
Police	10/1/2008	-	373,130,546	373,130,546	0.00%	71,788,414	519.76%
Total		\$ -	\$ 521,855,936	\$ 521,855,936	0.00%	\$ 242,573,616	215.13%

* Amounts based on actuarial valuation. No assets existed in the plan at September 30, 2010

CITY OF MIAMI, FLORIDA
NOTES TO FINANCIAL STATEMENTS

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 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 \$31,572,155 for Police retirees and \$12,540,416 for the Non-Police retirees. The City’s annual OPEB cost and the net OPEB obligation for the fiscal year ended September 30, 2010 for both Non-Police and Police retirees are as follows:

	Non-Police Retirees	Police Retirees	Total
Annual required contribution (ARC)	\$ 12,477,343	\$ 31,334,523	\$ 43,811,866
Interest on net OPEB obligation	477,307	1,798,296	2,275,603
Adjustment to annual required contribution	(414,234)	(1,560,664)	(1,974,898)
Annual OPEB cost (expense)	12,540,416	31,572,155	44,112,571
Contributions made	(5,282,534)	(7,613,473)	(12,896,007)
Increase in net OPEB obligation	7,257,882	23,958,682	31,216,564
Net OPEB obligation - beginning of year	11,230,755	42,312,854	53,543,609
Net OPEB obligation - end of year	<u>\$ 18,488,637</u>	<u>\$ 66,271,536</u>	<u>\$ 84,760,173</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, 2010 are as follows:

	Fiscal Year Ending	Beginning Balance Net OPEB Obligation	Annual OPEB Cost	Amount Contributed	Percentage of of Annual OPEB Cost Contributed	Ending Balance Net OPEB Obligation
Police	9/30/2010	\$ 42,312,854	\$ 31,572,155	\$ 7,613,473	24.11%	\$ 66,271,536
Non-Police	9/30/2010	11,230,755	12,540,416	5,282,534	42.12%	18,488,637
Total		<u>\$ 53,543,609</u>	<u>\$ 44,112,571</u>	<u>\$ 12,896,007</u>	<u>29.23%</u>	<u>\$ 84,760,173</u>

The 2010 contributions for the Police and non-Police retiree plans represented 24.11% and 42.12% respectively, of the annual required contributions. See Required Supplementary Information Section for multi-year Pension Trust Fund and Other Post Employment Benefits Schedule of Funding Progress.

NOTE 12. – COMMITMENTS AND CONTINGENCIES

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

Throughout the fiscal year 2010, the City continued to experience the significant negative economic developments surrounding the overall market liquidity, credit availability, and market collateral levels. Consequently, the City's required contribution amount to the GESE, FIPO and EORT 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 Southeast Overtown Park West CRA, entered into an inter-local agreement that establishes the funding framework for the several major facilities and infrastructure improvement projects. Those projects include the Arsht Performing Arts Center, Miami Port Tunnel, Museum Park improvements, and the Miami Marlins Baseball Stadium.

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 addresses the City's and County's Miami Marlins Major League Baseball project stadium which currently is being built on the former Orange Bowl location site. To date, the total contributions required to be made by the City for the Museum Park Improvement projects has not been determined. Commitments related to the baseball stadium project and Port Tunnel project are detailed below.

International Police Training Facility and Law Enforcement High School: On November 9, 2007, the City Commission adopted Resolution No. R-07-0650 which authorized 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"). As of September 30, 2010 the construction of the College of Policing and Forensic High School was substantially complete and the facility is in operation.

The City and the School Board entered into an Operating Agreement in the form of a lease agreement whereby the School Board leases its portion of the facility from the City for an initial term forty (40) years for the cost of \$1.00 per year with the \$40 payable in advance of occupancy. At the end of the initial term, the School Board will have four (4) ten-year options to renew the lease. The School Board may exercise this option upon six (6) months prior written notice to the City, provided that the School Board is not otherwise in default under the Operating Agreement and provided the Parties come to a mutual agreement regarding any capital expenditures that may be required to continue the useful life of

CITY OF MIAMI, FLORIDA
NOTES TO FINANCIAL STATEMENTS

the facility during the option period(s). The parties will share the operating/maintenance costs in proportion to their occupancy percentages (59% for the City and 41% for the School Board).

Financial Urgency on Union Contracts – On April 30, 2010, the City invoked on the International Firefighters Association, Local 587, (IAFF), the process under Section 447.4095, F.S., claiming “financial urgency” in order to modify the existing Collective Bargaining Agreement. The City and the IAFF continued to bargain for a successor collective bargaining agreement, however did not come to an agreement. On May 27, 2010, 2010, the City advised the Public Employees Relations Commission (“PERC”) that it had engaged in negotiations on the impact of the financial urgency, and any action necessitated by the financial urgency, and the City and the IAFF union were at an impasse.

On July 28, 2010, the City invoked on the Fraternal Order of Police, Miami Lodge 20, (FOP), Miami General Employees American Federation of State, County, and Municipal Employees, Local 1907, (AFSCME 1907) and Miami Sanitation Employees American Federation of State, County and Municipal Employees, Council 79, Local 871, (AFSCME 871), the process under Section 447.4095, F.S., claiming “financial urgency” in order to modify the existing Collective Bargaining Agreements. The City and the FOP, AFSCME 1907 and AFSCME 871 continued to bargain for a successor collective bargaining agreement, however did not come to an agreement. On August 16, 2010, the City advised the Public Employees Relations Commission (“PERC”) that it had engaged in negotiations on the impact of the financial urgency, and any action necessitated by the financial urgency, and the City and the FOP, AFSCME 1907 and AFSCME 871 unions were at an impasse.

On August 31, 2010, the City Commission voted to reduce wages, insurance and pension benefits on all collective bargaining agreements. The Fraternal Order of Police, Miami Lodge 20, and the International Association of Firefighters, Local 587, have subsequently filed complaints, respectively, with PERC alleging unfair labor practices in violation of F.S. Chapter 447 Part II. Additionally, each has filed complaints in circuit court challenging F.S. 447.4095.

Litigation

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

NOTE 13. – SUBSEQUENT EVENTS

Sidney S. and Danielle Wellman vs. City of Miami, Miami–Dade County Circuit Court, Case No. 99-19523 CA 15, consolidated with, *Nadine Theodore vs. City of Miami*, Miami-Dade County Circuit Court, Case No. 99-28417 CA 30 (WRB/Outside Counsel) – These two consolidated cases were a class action constitutional challenge to the City’s vehicle Impoundment (“VIP”) Ordinance. The VIP ordinance authorized the impoundment of a vehicle involved in crimes of misdemeanor solicitation of prostitution, illegal narcotics and dumping.

The trial court found that the ordinance was not void but held that Plaintiffs were entitled to refunds. The parties reached a settlement in the amount of \$3,400,000. On August 24, 2010, the Court granted preliminary approval to the settlement. A claims administrator was appointed, and class notices were mailed out. As of January 14, 2011, according to a report from the claims administrator, to date, 234

CITY OF MIAMI, FLORIDA
NOTES TO FINANCIAL STATEMENTS

claim forms have been received out of the nearly 16,098 potential claimants, or 1.45% of all potential claimants. On January 7, 2011, the Court granted final approval of the settlement. The \$3.4 million settlement has been accrued as a liability at September 30, 2010.

Port of Miami Tunnel and Access Improvement Project/Wells Fargo Bank, National Association \$50,000,000 Revenue Note Series 2010. On December 16, 2010, the City obtained a Revenue Note in the amount of \$50,000,000 from Wells Fargo Bank N.A under a loan agreement dated January 5, 2011 for the purpose of financing the Miami Port Tunnel Project of which the \$50,000,000 was paid to the Florida Department of Transportation in the form of a grant. The Series 2010 Note bears interest from the Closing Date until paid, at the Securities Industry and Financial Markets Association (SIFMA) Index Floating Rate for the actual days elapsed, payable on each interest Payment date, and the principal thereof will be payable unless sooner paid, (i) on January 5, 2012, in the amount of \$5,000,000 and the balance on January 5, 2013, on which date all unpaid principal, and interest on the Series 2010 Notes Matured. The SIFMA index floating Rate on January 5, 2011 was 4.34%. The Series 2010 Notes are secured by covenanted to budget and appropriate in the City's annual budget from non-ad valorem revenues.

NOTE 14. – PRONOUNCEMENTS ISSUED, BUT NOT YET ADOPTED

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.

GASB Statement No. 57, OPEB Measurements by Agent Employers and Agent Multiple-Employer Plans, was issued in December 2009. The objective of this Statement is to address issues related to the use of the alternative measurement method and the frequency and timing of measurements by employers that participate in agent multiple-employer other postemployment benefit (OPEB) plans (That is, agent employers). This Statement amends Statement No. 45, *Accounting and Financial reporting by Employers for Postemployment Benefits Other Than Pensions*, to permit certain OPEB plans to use an alternative measurement method. Consistent with this change to the employer-reporting requirements, this Statement also amends Statement No. 43, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*, which requires that a defined benefit OPEB plan obtain an actuarial agent multiple-employer OPEB plan and its participating employers, those measures should be determined as of a common date and at a minimum frequency to satisfy the agent multiple-employer OPEB plan's financial reporting requirements. The provisions of this Statement will be effective for the City beginning with its year ending September 30, 2012.

GASB Statement No. 59, Financial Instruments Omnibus, was issued in June 2010. The objective of this Statement is to update and improve existing standards regarding financial reporting and disclosure requirements of certain financial instruments and external investment pools for which significant issues have been identified in practice. The requirements of this Statement will improve financial reporting by providing more complete information, by improving consistency of measurements, and by providing clarifications of existing standards. The provisions of this Statement are effective for the City beginning with its year ended September 30, 2011.

CITY OF MIAMI, FLORIDA
NOTES TO FINANCIAL STATEMENTS

GASB Statement No. 61, *The Financial Reporting Entity: Omnibus*, was issued in December 2010. The Statement amends GASB Statement No. 14, *The Financial Reporting Entity*, and No. 34, *Basic Financial Statements – and Management’s Discussion and Analysis – for State and Local Governments*. The Statement is intended to improve the existing standards for defining and presenting the financial reporting entity by guiding governments to: include the organizations that should be included; exclude the organizations that should not be included and display and disclose financial information about component units in the most appropriate and useful manner. The Statement’s most significant effects include increasing the emphasis on financial relationships between a primary government and component units. The provisions of this Statement will be effective for the City beginning with its year ending September 30, 2013.

GASB Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*, was issued December 2010. The Statement is intended to enhance the usefulness of GASB Codification by incorporating certain accounting guidance issued by the FASB and the AICPA that is applicable to state and local governments. The provisions of this Statement will be effective for the City beginning with its year ending September 30, 2013.

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

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City of Miami, Florida
Schedule of Revenues, Expenditures and Changes In Fund Balance
Budget and Actual - General Fund
For The Year Ended September 30, 2010

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Property Taxes	\$ 257,946,343	\$ 247,646,519	\$ 247,646,519	-
Franchise and Other Taxes	39,086,516	36,448,254	36,448,254	-
Licenses and Permits	29,172,916	25,149,775	25,149,775	-
Fines and Forfeitures	6,142,461	4,298,283	4,298,283	-
Intergovernmental Revenues	41,323,714	51,304,064	51,304,064	-
Charges for Services	80,146,969	78,129,829	78,129,829	-
Interest	3,200,000	2,733,028	2,733,028	-
Other	2,140,226	12,975,512	6,332,053	(6,643,459)
Total Revenues	<u>459,159,145</u>	<u>458,685,264</u>	<u>452,041,805</u>	<u>(6,643,459)</u>
Expenditures:				
General Government				
Mayor	614,291	641,825	641,825	-
Board of Commissioners	1,700,000	1,576,629	1,576,629	-
Office of City Manager	7,279,041	8,282,337	8,282,337	-
Office of City Clerk	1,776,266	2,095,982	2,095,982	-
Office of Civil Service	308,922	295,128	295,128	-
Office of Auditor General	708,508	700,799	700,799	-
Office of Communications	873,876	820,270	820,270	-
Employee Relations	3,574,037	3,178,847	3,178,847	-
Information Technology	12,049,852	10,466,847	10,466,847	-
Office of the City Attorney	5,133,366	5,195,475	5,195,475	-
Office of Strategic Planning & Budgeting	1,457,632	1,398,194	1,398,194	-
Purchasing	1,205,159	1,219,214	1,219,214	-
Office of Hearing Boards	862,291	846,911	846,911	-
Finance	4,923,870	5,915,675	5,915,675	-
Capital Improvement Administration	2,191,685	1,353,149	1,353,149	-
Non-Departmental	(2,716,562)	11,842,313	10,926,317	915,996
Total General Government	<u>41,942,234</u>	<u>55,829,595</u>	<u>54,913,599</u>	<u>915,996</u>
Planning and Development				
Building	6,423,251	6,004,952	6,004,952	-
Department of Planning	1,954,656	1,969,392	1,969,392	-
Office of Zoning	607,373	1,000,509	1,000,509	-
Total Planning and Development	<u>8,985,280</u>	<u>8,974,853</u>	<u>8,974,853</u>	<u>-</u>
Public Works				
Solid Waste	20,343,174	19,891,809	19,891,809	-
General Service Administration	14,512,059	16,862,289	16,614,278	248,011
Public Works	17,423,680	14,769,869	14,770,019	(150)
Total Public Works	<u>52,278,913</u>	<u>51,523,967</u>	<u>51,276,106</u>	<u>247,861</u>
Public Safety				
Fire- Rescue	88,013,463	90,739,229	90,635,858	103,371
Police	139,042,987	140,084,014	140,077,685	6,329
Total Public Safety	<u>227,056,450</u>	<u>230,823,243</u>	<u>230,713,543</u>	<u>109,700</u>
Pensions				
G.E.S.E. Pension	29,161,512	29,534,344	29,534,344	-
F.I.P.O. Pension	59,478,244	59,478,244	59,478,244	-
Elected Officials & Administrators Pension	1,900,000	962,677	962,677	-
Total Pension	<u>90,539,756</u>	<u>89,975,265</u>	<u>89,975,265</u>	<u>-</u>
Public Facilities				
Parks and Recreation	5,298,141	4,389,912	4,389,912	-
Risk Management	21,603,437	23,755,931	23,755,930	1
Organizational Support	24,876,280	28,998,188	22,354,729	6,643,459
Total Expenditures	<u>504,799,233</u>	<u>526,489,696</u>	<u>518,572,679</u>	<u>7,917,017</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(45,640,088)</u>	<u>(67,804,432)</u>	<u>(66,530,874)</u>	<u>1,273,558</u>
Other Financing Sources (Uses):				
Transfers In	54,619,085	53,493,902	53,493,902	-
Transfers Out	(8,978,997)	(13,135,534)	(13,493,245)	(357,711)
Total Other Financing Sources (Uses)	<u>45,640,088</u>	<u>40,358,368</u>	<u>40,000,657</u>	<u>(357,711)</u>
Net Change in Fund Balance	-	(27,446,064)	(26,530,217)	915,847
Fund Balance - Beginning of Year	-	-	39,972,587	39,972,587
Fund Balance - End of Year	<u>\$ -</u>	<u>\$ (27,446,064)</u>	<u>\$ 13,442,370</u>	<u>\$ 40,888,434</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 - Fire Rescue Services Fund
For The Year Ended September 30, 2010

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental Revenues	\$ -	\$ 9,226,903	\$ 9,226,903	\$ -
Charges for Services	-	1,146	1,146	-
Interest	-	436	436	-
Other	11,572,401	34,068	34,068	-
Total Revenues	<u>11,572,401</u>	<u>9,262,553</u>	<u>9,262,553</u>	<u>-</u>
Expenditures:				
Current Operating:				
Public Safety	8,504,493	9,540,577	8,161,190	1,379,387
Capital Outlay	3,067,908	-	-	-
Total Expenditures	<u>11,572,401</u>	<u>9,540,577</u>	<u>8,161,190</u>	<u>1,379,387</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>-</u>	<u>(278,024)</u>	<u>1,101,363</u>	<u>1,379,387</u>
Other Financing Sources:				
Transfers In	-	278,024	278,024	-
Total Other Financing Sources	<u>-</u>	<u>278,024</u>	<u>278,024</u>	<u>-</u>
Net Change in Fund Balance	-	-	1,379,387	1,379,387
Fund Balance - Beginning of Year	-	-	(7,772,670)	(7,772,670)
Fund Balance - End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (6,393,283)</u>	<u>\$ (6,393,283)</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, 2010
(UNAUDITED)

NOTE 1. - BUDGETARY POLICY

A. BUDGET POLICY

The City Commission annually adopts an operating budget ordinance for all governmental funds of the City, except for the Capital 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 2010, supplemental appropriations totaling \$35,654,749 in the General Fund, \$8,736,333 in the Fire Rescue Services Fund, \$93,682,881 in Public Safety Capital Fund, \$(659,257) in General Government Capital Fund, \$32,102,601 in Streets and Sidewalks Capital Fund, and \$106,674,318 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)						
10/1/2009	645,614,641	780,625,200	135,010,559	82.70%	90,045,202	149.94%
10/1/2008	691,791,000	808,618,183	116,827,183	85.55%	90,974,647	128.42%
10/1/2007	664,145,175	770,218,984	106,073,809	86.23%	82,052,702	129.28%
GESE Staff Plan (b)						
10/1/2009	1,556,718	2,121,806	565,088	73.37%	738,898	76.48%
10/1/2008	1,313,407	1,748,147	434,740	75.13%	632,259	68.76%
10/1/2007	1,138,655	1,622,719	484,064	70.17%	734,116	65.94%
GESE Excess Plan (b)						
10/1/2009	-	5,833,742	5,833,742	0.00%	90,045,202	6.48%
10/1/2008	-	5,151,124	5,151,124	0.00%	90,974,647	5.66%
10/1/2007	-	8,600,801	8,600,801	0.00%	82,052,702	10.48%
FIPO (c)						
10/1/2009	970,811,000	1,391,200,000	420,389,000	69.78%	122,200,000	344.02%
10/1/2008	1,018,900,000	1,452,500,000	433,600,000	70.15%	129,400,000	335.09%
10/1/2007	1,268,900,000	1,318,400,000	49,500,000	96.25%	103,600,000	47.78%
City of Miami Other Post Employment Benefits (d)						
10/1/2008	-	521,855,936	521,855,936	0.00%	242,573,616	215.13%
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, the only available method at the time
- d. Amounts based on actuarial valuation. No assets existed in the plan at September 30, 2010
- e. EORT is not reflected on this schedule since it uses the aggregate method which does not separately identify an actuarial accrued liability.



Non-major Governmental Funds

SPECIAL REVENUE FUNDS

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

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

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

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

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

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

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.

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

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.



Non-major Governmental Funds

SPECIAL REVENUE FUNDS

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.

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.

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.

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, 2010

Special Revenue Funds

	<u>Omni CRA</u>	<u>Midtown CRA</u>	<u>SEOPW CRA</u>	<u>Homeless Program</u>	<u>Community Development</u>
Assets					
Pooled Cash, Cash Equivalents and Investments	\$ 34,766,111	\$ 1,500	\$ 24,847,915	\$ -	\$ 6,923,101
Restricted Cash and Investments	-	-	-	-	4,006,271
Receivables (Net of Allowances for Uncollectibles):					
Accounts	-	-	-	-	178
Loans Receivable	-	-	-	-	1,794
Taxes	-	-	-	-	-
Due from Other Governments	-	-	-	234,480	3,617,941
Accrued Interest	7,374	-	4,515	-	8,123
Prepays	310,000	-	-	-	-
Other Assets	-	-	-	-	-
Total Assets	<u>\$ 35,083,485</u>	<u>\$ 1,500</u>	<u>\$ 24,852,430</u>	<u>\$ 234,480</u>	<u>\$ 14,557,408</u>
Liabilities and Fund Balances					
Liabilities:					
Accounts Payable and Accrued Liabilities	\$ 352,329	\$ 1,500	\$ 457,488	\$ 100,269	\$ 2,558,408
Due to Other Funds	-	-	-	190,408	-
Due to Other Governments	4,962,360	-	5,722,737	-	296,295
Deferred Revenue or Unearned Revenue	-	-	-	35,216	1,206,965
Deposits	-	-	-	-	212,010
Total Liabilities	<u>5,314,689</u>	<u>1,500</u>	<u>6,180,225</u>	<u>325,893</u>	<u>4,273,678</u>
Fund Balances (Deficits):					
Reserved for:					
Encumbrances	-	-	-	924	1,139,464
Debt Service	-	-	-	-	-
Prepaid Items	310,000	-	-	-	-
Future Settlements	-	-	-	-	-
Unreserved, Undesignated	29,458,796	-	18,672,205	(92,337)	9,144,266
Total Fund Balances (Deficits)	<u>29,768,796</u>	<u>-</u>	<u>18,672,205</u>	<u>(91,413)</u>	<u>10,283,730</u>
Total Liabilities and Fund Balances (Deficits)	<u>\$ 35,083,485</u>	<u>\$ 1,500</u>	<u>\$ 24,852,430</u>	<u>\$ 234,480</u>	<u>\$ 14,557,408</u>

Special Revenue Funds

Choice Housing Vouchers	SHIP	Convention Center	Economic Development & Planning Services	Net Offices	Parks & Recreation Services	Police Services	Law Enforcement Trust
\$ 1,151,319	\$ 1,964,802	\$ -	\$ 8,235,284	\$ 1,344,145	\$ 2,596,870	\$ 6,950,247	\$ 3,315,167
-	-	177,126	-	-	-	-	-
-	-	466,485	-	17,759	8,568	784,620	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	46,331	40,000	55,288	342,905	-
-	2,545	-	-	60	-	6,238	9,022
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>\$ 1,151,319</u>	<u>\$ 1,967,347</u>	<u>\$ 643,611</u>	<u>\$ 8,281,615</u>	<u>\$ 1,401,964</u>	<u>\$ 2,660,726</u>	<u>\$ 8,084,010</u>	<u>\$ 3,324,189</u>
\$ 5,889	\$ 37,979	\$ 32,499	\$ 80,212	\$ -	\$ 97,664	\$ 767,398	\$ 88,558
-	-	1,238,211	-	-	-	-	-
-	-	-	-	-	-	-	-
-	1,579,987	-	-	40,000	4,962	483,664	-
-	-	-	-	3,810	-	-	112,413
<u>5,889</u>	<u>1,617,966</u>	<u>1,270,710</u>	<u>80,212</u>	<u>43,810</u>	<u>102,626</u>	<u>1,251,062</u>	<u>200,971</u>
2,400	4,000	2,438	-	35,193	284,503	674,791	145,296
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
1,143,030	345,381	(629,537)	8,201,403	1,322,961	2,273,597	6,158,157	2,977,922
1,145,430	349,381	(627,099)	8,201,403	1,358,154	2,558,100	6,832,948	3,123,218
<u>\$ 1,151,319</u>	<u>\$ 1,967,347</u>	<u>\$ 643,611</u>	<u>\$ 8,281,615</u>	<u>\$ 1,401,964</u>	<u>\$ 2,660,726</u>	<u>\$ 8,084,010</u>	<u>\$ 3,324,189</u>

(continued)

City of Miami, Florida
Combining Balance Sheet
Non-major Governmental Funds
September 30, 2010

	Special Revenue Funds					
	Public Works Services	City Clerk Services	Local Option Gas Tax	Emergency Services	General Special Revenues	Departmental Improvement Initiatives
Assets						
Pooled Cash, Cash Equivalents and Investments	\$ 2,219,623	\$ 489,776	\$ -	\$ -	\$ 3,564,289	\$ 1,514,545
Restricted Cash and Investments	-	-	-	-	-	-
Receivables (Net of Allowances for Uncollectibles):						
Accounts	-	-	-	-	-	-
Loans Receivable	-	-	-	-	-	-
Taxes	-	-	-	-	-	-
Due from Other Governments	-	-	599,910	1,445,954	643,540	22,975
Accrued Interest	2,074	-	-	-	-	-
Prepays	-	-	-	-	-	-
Other Assets	-	-	-	-	-	-
Total Assets	<u>\$ 2,221,697</u>	<u>\$ 489,776</u>	<u>\$ 599,910</u>	<u>\$ 1,445,954</u>	<u>\$ 4,207,829</u>	<u>\$ 1,537,520</u>
Liabilities and Fund Balances						
Liabilities:						
Accounts Payable and Accrued Liabilities	\$ -	\$ 14,865	\$ -	\$ 646,099	\$ 1,016,299	\$ 145,489
Due to Other Funds	-	-	462,272	5,931,818	-	-
Due to Other Governments	-	-	-	-	-	-
Deferred Revenue or Unearned Revenue	-	-	-	2,969,997	431,676	175,892
Deposits	-	-	-	-	-	-
Total Liabilities	<u>-</u>	<u>14,865</u>	<u>462,272</u>	<u>9,547,914</u>	<u>1,447,975</u>	<u>321,381</u>
Fund Balances (Deficits):						
Reserved for:						
Encumbrances	8,283	7,225	-	49,085	-	122,855
Debt Service	-	-	-	-	-	-
Prepaid Items	-	-	-	-	-	-
Future Settlements	-	-	-	-	-	-
Unreserved, Undesignated	2,213,414	467,686	137,638	(8,151,045)	2,759,854	1,093,284
Total Fund Balances (Deficits)	<u>2,221,697</u>	<u>474,911</u>	<u>137,638</u>	<u>(8,101,960)</u>	<u>2,759,854</u>	<u>1,216,139</u>
Total Liabilities and Fund Balances (Deficits)	<u>\$ 2,221,697</u>	<u>\$ 489,776</u>	<u>\$ 599,910</u>	<u>\$ 1,445,954</u>	<u>\$ 4,207,829</u>	<u>\$ 1,537,520</u>

Special Revenue Funds						Debt Service Funds	
Transportation & Transit	Public Services Tax	Liberty City Revitalization Trust	Virginia Key Beach Trust	Gusman and Olympia	Total Special Revenue	General Obligation Bonds	Special Obligation Bonds
\$ 1,168,184	\$ -	\$ 535,168	\$ 142,944	\$ 922,847	\$ 102,653,837	\$ -	\$ 9,390,762
-	-	-	-	-	4,183,397	-	19,415,503
-	3,004,234	-	500	563,773	4,846,117	-	-
-	-	-	-	-	1,794	-	-
-	-	-	-	-	-	1,650,739	-
2,714,064	4,983,156	-	-	-	14,746,544	-	-
-	-	5	1,505	-	41,461	-	-
-	-	-	-	-	310,000	-	-
-	-	-	-	18,412	18,412	-	-
<u>\$ 3,882,248</u>	<u>\$ 7,987,390</u>	<u>\$ 535,173</u>	<u>\$ 144,949</u>	<u>\$ 1,505,032</u>	<u>\$ 126,801,562</u>	<u>\$ 1,650,739</u>	<u>\$ 28,806,265</u>
\$ 17,463	\$ -	\$ 5,444	\$ 31,284	\$ 223,392	\$ 6,680,528	\$ 3,850	\$ -
-	4,200,221	-	-	-	12,022,930	769,295	-
-	-	46,943	-	391,014	11,419,349	-	-
950,000	-	7,500	2,000	668,206	8,556,065	918,964	-
-	-	-	3,500	127,960	459,693	-	-
<u>967,463</u>	<u>4,200,221</u>	<u>59,887</u>	<u>36,784</u>	<u>1,410,572</u>	<u>39,138,565</u>	<u>1,692,109</u>	<u>-</u>
466	-	-	-	-	2,476,923	-	-
-	-	-	-	-	-	(41,370)	28,806,265
-	-	-	-	-	310,000	-	-
-	2,650,799	-	-	-	2,650,799	-	-
2,914,319	1,136,370	475,286	108,165	94,460	82,225,275	-	-
2,914,785	3,787,169	475,286	108,165	94,460	87,662,997	(41,370)	28,806,265
<u>\$ 3,882,248</u>	<u>\$ 7,987,390</u>	<u>\$ 535,173</u>	<u>\$ 144,949</u>	<u>\$ 1,505,032</u>	<u>\$ 126,801,562</u>	<u>\$ 1,650,739</u>	<u>\$ 28,806,265</u>

(continued)

City of Miami, Florida
Combining Balance Sheet
Non-major Governmental Funds
September 30, 2010

	Debt Service Funds		Capital Projects Funds		
	SEOPW CRA Other Special Obligation Bonds	Total Debt Service	SEOPW Community Redevelopment Agency	Public Safety	Sanitary Sewers
Assets					
Pooled Cash, Cash Equivalents and Investments	\$ 134,231	\$ 9,524,993	\$ -	\$ 12,910,701	\$ 23,106,273
Restricted Cash and Investments	648,038	20,063,541	-	264,159	-
Receivables (Net of Allowances for Uncollectibles):					
Accounts	-	-	-	-	-
Loans Receivable	-	-	-	-	-
Taxes	-	1,650,739	-	-	-
Due From Other Governments	-	-	-	11,527	-
Accrued Interest	-	-	-	-	12,989
Prepays	-	-	-	-	-
Other Assets	-	-	-	-	-
Total Assets	<u>\$ 782,269</u>	<u>\$ 31,239,273</u>	<u>\$ -</u>	<u>\$ 13,186,387</u>	<u>\$ 23,119,262</u>
Liabilities and Fund Balances					
Liabilities:					
Accounts Payable and Accrued Liabilities	\$ -	\$ 3,850	\$ -	\$ 1,444,615	\$ -
Due to Other Funds	-	769,295	-	-	-
Due to Other Governments	-	-	-	-	-
Deferred Revenue or Unearned Revenue	-	918,964	-	11,473,818	-
Deposits	-	-	-	-	-
Total Liabilities	<u>-</u>	<u>1,692,109</u>	<u>-</u>	<u>12,918,433</u>	<u>-</u>
Fund Balances (Deficits):					
Reserved for:					
Encumbrances	-	-	-	148,077	-
Debt Service	782,269	29,547,164	-	-	-
Prepaid Items	-	-	-	-	-
Future Settlements	-	-	-	-	-
Unreserved, Undesignated	-	-	-	119,877	23,119,262
Total Fund Balances (Deficits)	<u>782,269</u>	<u>29,547,164</u>	<u>-</u>	<u>267,954</u>	<u>23,119,262</u>
Total Liabilities and Fund Balances (Deficits)	<u>\$ 782,269</u>	<u>\$ 31,239,273</u>	<u>\$ -</u>	<u>\$ 13,186,387</u>	<u>\$ 23,119,262</u>

Capital Projects Funds

Storm Sewers	Solid Waste	Parks & Recreation	Disaster Recovery	Mass Transit	Total Capital Projects	Total Non-Major Governmental Funds
\$ 8,228,188	\$ 1,024,378	\$ 25,596,914	\$ -	\$ 5,052,989	\$ 75,919,443	\$ 188,098,273
-	-	-	-	-	264,159	24,511,097
-	1,705	-	-	-	1,705	4,847,822
-	-	-	-	-	-	1,794
-	-	-	-	-	-	1,650,739
1,342,363	-	1,822,843	295,640	-	3,472,373	18,218,917
-	-	-	-	-	12,989	54,450
-	-	-	-	-	-	310,000
-	-	-	-	-	-	18,412
<u>\$ 9,570,551</u>	<u>\$ 1,026,083</u>	<u>\$ 27,419,757</u>	<u>\$ 295,640</u>	<u>\$ 5,052,989</u>	<u>\$ 79,670,669</u>	<u>\$ 237,711,504</u>

\$ 1,316,845	\$ 22,841	\$ 1,802,679	\$ 83,748	\$ 3,527	\$ 4,674,255	\$ 11,358,633
-	-	-	971,268	-	971,268	13,763,493
-	-	-	-	-	-	11,419,349
1,200,928	75,000	1,786,753	294,755	-	14,831,254	24,306,283
-	-	-	-	-	-	459,693
<u>2,517,773</u>	<u>97,841</u>	<u>3,589,432</u>	<u>1,349,771</u>	<u>3,527</u>	<u>20,476,777</u>	<u>61,307,451</u>

3,626,221	-	9,576,909	-	-	13,351,207	15,828,130
-	-	-	-	-	-	29,547,164
-	-	-	-	-	-	310,000
-	-	-	-	-	-	2,650,799
3,426,557	928,242	14,253,416	(1,054,131)	5,049,462	45,842,685	128,067,960
7,052,778	928,242	23,830,325	(1,054,131)	5,049,462	59,193,892	176,404,053
<u>\$ 9,570,551</u>	<u>\$ 1,026,083</u>	<u>\$ 27,419,757</u>	<u>\$ 295,640</u>	<u>\$ 5,052,989</u>	<u>\$ 79,670,669</u>	<u>\$ 237,711,504</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, 2010

	Special Revenue Funds					
	Omni CRA	Midtown CRA	SEOPW CRA	Homeless Program	Community Development	Choice Housing Vouchers
Revenues						
Property Taxes	\$ 8,238,547	\$ 2,392,877	\$ 6,270,444	\$ -	\$ -	\$ -
Franchise Fees and Other Taxes	-	-	-	-	-	-
Licenses and Permits	-	-	-	-	-	-
Fines and Forfeitures	-	-	-	-	-	-
Intergovernmental Revenues	5,864,942	1,508,569	4,413,739	913,926	34,118,206	2,783,886
Charges for Services	-	-	181,388	-	18,223	-
Interest	78,434	-	53,020	-	3,787	-
Other	-	-	964,211	500	33,041	3,077
Total Revenues	14,181,923	3,901,446	11,882,802	914,426	34,173,257	2,786,963
Expenditures						
Current Operating:						
General Government	-	-	-	-	-	-
Planning and Development	-	-	-	-	-	-
Community Development	-	-	-	1,096,550	34,201,695	1,764,177
Community Redevelopment Areas	14,179,045	3,867,462	10,579,051	-	-	-
Public Works	-	-	-	-	-	-
Public Safety	-	-	-	-	-	-
Public Facilities	-	-	-	-	-	-
Parks and Recreation	-	-	-	-	-	-
Debt Service:						
Principal	-	-	-	-	193,000	-
Interest and Other Charges	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-
Total Expenditures	14,179,045	3,867,462	10,579,051	1,096,550	34,394,695	1,764,177
Excess (Deficiency) of Revenues Over Expenditures	2,878	33,984	1,303,751	(182,124)	(221,438)	1,022,786
Other Financing Sources (Uses)						
Transfers In	-	-	698,703	196,824	578,378	-
Transfers Out	(716,099)	(33,984)	(259,022)	-	(1,033,912)	(215,878)
Issuance on Debt	-	-	-	-	-	-
Total Other Financing Sources (Uses)	(716,099)	(33,984)	439,681	196,824	(455,534)	(215,878)
Net Changes in Fund Balances	(713,221)	-	1,743,432	14,700	(676,972)	806,908
Fund Balances, (Deficit) - Beginning	30,482,017	-	16,928,773	(106,113)	10,960,702	338,522
Fund Balances (Deficit) - Ending	\$ 29,768,796	\$ -	\$ 18,672,205	\$ (91,413)	\$ 10,283,730	\$ 1,145,430

Special Revenue Funds

SHIP	Convention Center	Economic Development & Planning Services	Net Offices	Parks & Recreation Services	Police Services	Law Enforcement Trust
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-
-	-	40,750	-	157,513	-	-
-	27,138	-	-	-	-	882,314
1,996,666	3,002,327	216,558	-	1,312,019	5,997,942	-
-	6,888,615	30,060	184,521	1,145,617	709,090	-
1,532	2	-	3,972	299	18,389	3,857
117,274	2,606	5,000	672	541,605	300	-
<u>2,115,472</u>	<u>9,920,688</u>	<u>292,368</u>	<u>189,165</u>	<u>3,157,053</u>	<u>6,725,721</u>	<u>886,171</u>
-	-	-	336,201	-	-	-
-	-	365,339	-	-	-	-
2,095,355	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	6,832,128	1,258,913
-	3,624,639	-	-	-	-	-
-	-	-	-	2,182,409	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>2,095,355</u>	<u>3,624,639</u>	<u>365,339</u>	<u>336,201</u>	<u>2,182,409</u>	<u>6,832,128</u>	<u>1,258,913</u>
20,117	6,296,049	(72,971)	(147,036)	974,644	(106,407)	(372,742)
-	2,680,599	3,224,186	1,248,687	-	235,106	-
-	(12,185,961)	-	(10,000)	-	-	-
-	-	-	-	-	-	-
-	<u>(9,505,362)</u>	<u>3,224,186</u>	<u>1,238,687</u>	<u>-</u>	<u>235,106</u>	<u>-</u>
20,117	(3,209,313)	3,151,215	1,091,651	974,644	128,699	(372,742)
329,264	2,582,214	5,050,188	266,503	1,583,456	6,704,249	3,495,960
<u>\$ 349,381</u>	<u>\$ (627,099)</u>	<u>\$ 8,201,403</u>	<u>\$ 1,358,154</u>	<u>\$ 2,558,100</u>	<u>\$ 6,832,948</u>	<u>\$ 3,123,218</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, 2010

	Special Revenue Funds					
	Public Works Services	City Clerk Services	Local Option Gas Tax	Emergency Services	General Special Revenue	Departmental Improvement Initiatives
Revenues						
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Franchise Fees and Other Taxes	-	-	6,489,695	-	2,200	-
Licenses and Permits	-	-	-	-	-	-
Fines and Forfeitures	-	-	-	-	-	-
Intergovernmental Revenues	-	-	-	9,387,640	840,110	1,080,005
Charges for Services	7,450	101,285	-	-	-	-
Interest	2,285	-	-	-	-	-
Other	-	1,082	-	-	-	-
Total Revenues	<u>9,735</u>	<u>102,367</u>	<u>6,489,695</u>	<u>9,387,640</u>	<u>842,310</u>	<u>1,080,005</u>
Expenditures						
Current Operating:						
General Government	-	149,316	-	-	1,982,711	1,616,828
Planning and Development	-	-	-	-	-	-
Community Development	-	-	-	-	-	-
Community Redevelopment Areas	-	-	-	-	-	-
Public Works	31,349	-	-	-	-	-
Public Safety	-	-	-	2,593,170	-	-
Public Facilities	-	-	-	-	-	-
Parks and Recreation	-	-	-	-	-	-
Debt Service:						
Principal	-	-	-	-	-	-
Interest and Other Charges	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-
Total Expenditures	<u>31,349</u>	<u>149,316</u>	<u>-</u>	<u>2,593,170</u>	<u>1,982,711</u>	<u>1,616,828</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(21,614)</u>	<u>(46,949)</u>	<u>6,489,695</u>	<u>6,794,470</u>	<u>(1,140,401)</u>	<u>(536,823)</u>
Other Financing Sources (Uses)						
Transfers In	96,659	35,000	-	-	7,190,436	557,908
Transfers Out	-	-	(6,352,057)	-	(7,065,051)	(275,000)
Issuance on Debt	-	-	-	-	-	-
Total Other Financing Sources (Uses)	<u>96,659</u>	<u>35,000</u>	<u>(6,352,057)</u>	<u>-</u>	<u>125,385</u>	<u>282,908</u>
Net Changes in Fund Balances	75,045	(11,949)	137,638	6,794,470	(1,015,016)	(253,915)
Fund Balances - Beginning	<u>2,146,652</u>	<u>486,860</u>	<u>-</u>	<u>(14,896,430)</u>	<u>3,774,870</u>	<u>1,470,054</u>
Fund Balances - Ending	<u>\$ 2,221,697</u>	<u>\$ 474,911</u>	<u>\$ 137,638</u>	<u>\$ (8,101,960)</u>	<u>\$ 2,759,854</u>	<u>\$ 1,216,139</u>

Special Revenue Funds						Debt Service Funds	
Transportation & Transit	Public Services Tax	Liberty City Revitalization Trust	Virginia Key Beach Trust	Gusman and Olympia	Total Special Revenue	General Obligation Bonds	Other Special Obligation Bonds
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 16,901,868	\$ 22,662,573	\$ -
-	61,966,455	-	-	-	68,458,350	-	-
-	-	-	-	-	198,263	-	-
-	-	-	-	-	909,452	-	-
11,831,575	-	10,527	-	789,825	86,068,462	-	-
-	-	-	158,160	421,020	9,845,429	-	-
-	-	385	67	-	166,029	20	-
-	-	122,922	87,370	701,607	2,581,267	-	30,000
<u>11,831,575</u>	<u>61,966,455</u>	<u>133,834</u>	<u>245,597</u>	<u>1,912,452</u>	<u>185,129,120</u>	<u>22,662,593</u>	<u>30,000</u>
351,785	-	-	-	-	4,436,841	-	-
-	-	-	-	-	365,339	-	-
-	-	-	-	-	39,157,777	-	-
-	-	458,579	-	-	29,084,137	-	-
-	-	-	-	-	31,349	-	-
-	-	-	-	-	10,684,211	-	-
-	-	-	-	1,182,434	4,807,073	-	-
-	-	-	677,103	-	2,859,512	-	-
-	-	-	-	-	193,000	10,309,047	16,559,228
-	-	-	-	-	-	13,891,279	24,026,779
-	-	-	-	684,863	684,863	-	-
<u>351,785</u>	<u>-</u>	<u>458,579</u>	<u>677,103</u>	<u>1,867,297</u>	<u>92,304,102</u>	<u>24,200,326</u>	<u>40,586,007</u>
<u>11,479,790</u>	<u>61,966,455</u>	<u>(324,745)</u>	<u>(431,506)</u>	<u>45,155</u>	<u>92,825,018</u>	<u>(1,537,733)</u>	<u>(40,556,007)</u>
-	3,147,742	-	-	-	19,890,228	-	39,013,595
(8,461,599)	(65,112,629)	-	-	-	(101,721,192)	-	(3,147,742)
-	-	-	-	-	-	-	19,950,816
<u>(8,461,599)</u>	<u>(61,964,887)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(81,830,964)</u>	<u>-</u>	<u>55,816,669</u>
3,018,191	1,568	(324,745)	(431,506)	45,155	10,994,054	(1,537,733)	15,260,662
<u>(103,406)</u>	<u>3,785,601</u>	<u>800,031</u>	<u>539,671</u>	<u>49,305</u>	<u>76,668,943</u>	<u>1,496,363</u>	<u>13,545,603</u>
<u>\$ 2,914,785</u>	<u>\$ 3,787,169</u>	<u>\$ 475,286</u>	<u>\$ 108,165</u>	<u>\$ 94,460</u>	<u>\$ 87,662,997</u>	<u>\$ (41,370)</u>	<u>\$ 28,806,265</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, 2010

	Debt Service Funds		Capital Projects Funds		
	SEOPW CRA Other Special Obligation Bonds	Total Debt Service	SEOPW Community Redevelopment Agency	Public Safety	Sanitary Sewers
Revenues					
Property Taxes	\$ -	\$ 22,662,573	\$ -	\$ -	\$ -
Franchise Fees and Other Taxes	-	-	-	-	-
Licenses and Permits	-	-	-	-	-
Fines and Forfeitures	-	-	-	-	-
Intergovernmental Revenues	300,000	300,000	-	-	-
Charges for Services	-	-	6,237	293,907	-
Interest	-	20	-	-	48,925
Other	-	30,000	-	-	-
Total Revenues	<u>300,000</u>	<u>22,992,593</u>	<u>6,237</u>	<u>293,907</u>	<u>48,925</u>
Expenditures					
Current Operating:					
General Government	-	-	-	-	4,448,534
Planning and Development	-	-	-	-	-
Community Development	-	-	-	-	-
Community Redevelopment Areas	-	-	-	-	-
Public Works	-	-	-	-	-
Public Safety	-	-	-	189,931	-
Public Facilities	-	-	-	-	-
Parks and Recreation	-	-	-	-	-
Debt Service:					
Principal	200,000	27,068,275	-	-	-
Interest and Other Charges	146,625	38,064,683	-	-	-
Capital Outlay	-	-	-	11,182,455	-
Total Expenditures	<u>346,625</u>	<u>65,132,958</u>	<u>-</u>	<u>11,372,386</u>	<u>4,448,534</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(46,625)</u>	<u>(42,140,365)</u>	<u>6,237</u>	<u>(11,078,479)</u>	<u>(4,399,609)</u>
Other Financing Sources (Uses)					
Transfers In	46,625	39,060,220	-	2,804,488	-
Transfers Out	-	(3,147,742)	(3,146,203)	-	-
Issuance on Debt	-	19,950,816	-	-	-
Total Other Financing Sources (Uses)	<u>46,625</u>	<u>55,863,294</u>	<u>(3,146,203)</u>	<u>2,804,488</u>	<u>-</u>
Net Changes in Fund Balances	-	13,722,929	(3,139,966)	(8,273,991)	(4,399,609)
Fund Balances - Beginning	<u>782,269</u>	<u>15,824,235</u>	<u>3,139,966</u>	<u>8,541,945</u>	<u>27,518,871</u>
Fund Balances - Ending	<u>\$ 782,269</u>	<u>\$ 29,547,164</u>	<u>\$ -</u>	<u>\$ 267,954</u>	<u>\$ 23,119,262</u>

Storm Sewers	Solid Waste	Parks & Recreation	Disaster Recovery	Mass Transit	Total Capital Projects	Total Non-Major Governmental Funds
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 39,564,441
182,961	-	-	-	-	182,961	68,641,311
-	-	-	-	-	-	198,263
-	-	-	-	-	-	909,452
2,036,972	-	318,736	886	-	2,356,594	88,725,056
-	-	83,677	-	-	383,821	10,229,250
-	-	-	-	-	48,925	214,974
-	1,191	-	762	-	1,953	2,613,220
<u>2,219,933</u>	<u>1,191</u>	<u>402,413</u>	<u>1,648</u>	<u>-</u>	<u>2,974,254</u>	<u>211,095,967</u>
36,112	-	-	-	237,327	4,721,973	9,158,814
-	-	-	-	-	-	365,339
-	-	-	-	-	-	39,157,777
-	-	-	-	-	-	29,084,137
-	29,765	-	-	-	29,765	61,114
-	-	-	-	-	189,931	10,874,142
-	-	-	-	-	-	4,807,073
-	-	929,295	-	-	929,295	3,788,807
-	-	-	-	-	-	27,261,275
-	-	-	-	-	-	38,064,683
<u>3,777,670</u>	<u>1,708,945</u>	<u>13,897,819</u>	<u>375,662</u>	<u>-</u>	<u>30,942,551</u>	<u>31,627,414</u>
<u>3,813,782</u>	<u>1,738,710</u>	<u>14,827,114</u>	<u>375,662</u>	<u>237,327</u>	<u>36,813,515</u>	<u>194,250,575</u>
<u>(1,593,849)</u>	<u>(1,737,519)</u>	<u>(14,424,701)</u>	<u>(374,014)</u>	<u>(237,327)</u>	<u>(33,839,261)</u>	<u>16,845,392</u>
3,654,835	2,129,055	9,170,898	787	-	17,760,063	76,710,511
-	-	-	-	-	(3,146,203)	(108,015,137)
-	-	-	-	-	-	19,950,816
<u>3,654,835</u>	<u>2,129,055</u>	<u>9,170,898</u>	<u>787</u>	<u>-</u>	<u>14,613,860</u>	<u>(11,353,810)</u>
2,060,986	391,536	(5,253,803)	(373,227)	(237,327)	(19,225,401)	5,491,582
4,991,792	536,706	29,084,128	(680,904)	5,286,789	78,419,293	170,912,471
<u>\$ 7,052,778</u>	<u>\$ 928,242</u>	<u>\$ 23,830,325</u>	<u>\$ (1,054,131)</u>	<u>\$ 5,049,462</u>	<u>\$ 59,193,892</u>	<u>\$ 176,404,053</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, 2010

	<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	\$ 14,522,904	\$ 13,433,954	\$ 14,103,489	\$ 669,535
Interest	-	-	78,434	78,434
Total Revenues	<u>14,522,904</u>	<u>13,433,954</u>	<u>14,181,923</u>	<u>747,969</u>
Expenditures:				
Current Operating:				
Community Redevelopment Areas	46,933,267	43,199,571	14,179,045	29,020,526
Total Expenditures	<u>46,933,267</u>	<u>43,199,571</u>	<u>14,179,045</u>	<u>29,020,526</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(32,410,363)</u>	<u>(29,765,617)</u>	<u>2,878</u>	<u>29,768,495</u>
Other Financing Uses:				
Transfers Out	(683,510)	(716,400)	(716,099)	301
Total Other Financing Uses	<u>(683,510)</u>	<u>(716,400)</u>	<u>(716,099)</u>	<u>301</u>
Net Change in Fund Balance	(33,093,873)	(30,482,017)	(713,221)	29,768,796
Fund Balance (Deficit) - Beginning of Year	<u>33,093,873</u>	<u>30,482,017</u>	<u>30,482,017</u>	<u>-</u>
Fund Balance - End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 29,768,796</u>	<u>\$ 29,768,796</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, 2010

	<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	\$ 3,421,268	\$ 3,901,446	\$ 3,901,446	\$ -
Total Revenues	<u>3,421,268</u>	<u>3,901,446</u>	<u>3,901,446</u>	<u>-</u>
Expenditures:				
Current Operating:				
Community Redevelopment Areas	3,380,055	3,867,462	3,867,462	-
Total Expenditures	<u>3,380,055</u>	<u>3,867,462</u>	<u>3,867,462</u>	<u>-</u>
Excess of Revenues Over Expenditures	<u>41,213</u>	<u>33,984</u>	<u>33,984</u>	<u>-</u>
Other Financing Uses:				
Transfers Out	(41,213)	(33,984)	(33,984)	-
Total Other Financing Uses	<u>(41,213)</u>	<u>(33,984)</u>	<u>(33,984)</u>	<u>-</u>
Net Change in Fund Balance	-	-	-	-
Fund Balance - Beginning of Year	-	-	-	-
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 - SEOPW CRA
For The Year Ended September 30, 2010

	<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	\$ 7,837,281	\$ 11,048,630	\$ 6,270,444	\$ (4,778,186)
Intergovernmental Revenues	716,400	716,400	4,413,739	3,697,339
Charges for Services	-	-	181,388	181,388
Interest	-	-	53,020	53,020
Other	-	611,846	964,211	352,365
Total Revenues	<u>8,553,681</u>	<u>12,376,876</u>	<u>11,882,802</u>	<u>(494,074)</u>
Expenditures:				
Current Operating:				
General Government	1,643,891	6,915,208	-	6,915,208
Community Redevelopment Areas	24,378,737	21,600,610	10,579,051	11,021,559
Total Expenditures	<u>26,022,628</u>	<u>28,515,818</u>	<u>10,579,051</u>	<u>17,936,767</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(17,468,947)</u>	<u>(16,138,942)</u>	<u>1,303,751</u>	<u>17,442,693</u>
Other Financing Sources (Uses):				
Transfers In	-	5,271,317	698,703	(4,572,614)
Transfers Out	(50,000)	(5,621,317)	(259,022)	5,362,295
Total Other Financing Sources (Uses)	<u>(50,000)</u>	<u>(350,000)</u>	<u>439,681</u>	<u>789,681</u>
Net Change in Fund Balance	(17,518,947)	(16,488,942)	1,743,432	18,232,374
Fund Balance - Beginning of Year	-	-	16,928,773	16,928,773
Fund Balance - End of Year	<u>\$ (17,518,947)</u>	<u>\$ (16,488,942)</u>	<u>\$ 18,672,205</u>	<u>\$ 35,161,147</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, 2010

	<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	\$ -	\$ 913,926	\$ 913,926	\$ -
Other	218,586	500	500	-
Total Revenues	<u>218,586</u>	<u>914,426</u>	<u>914,426</u>	<u>-</u>
Expenditures:				
Current Operating:				
Community Development	415,410	1,111,250	1,096,550	14,700
Total Expenditures	<u>415,410</u>	<u>1,111,250</u>	<u>1,096,550</u>	<u>14,700</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(196,824)</u>	<u>(196,824)</u>	<u>(182,124)</u>	<u>14,700</u>
Other Financing Sources:				
Transfers In	196,824	196,824	196,824	-
Total Other Financing Sources	<u>196,824</u>	<u>196,824</u>	<u>196,824</u>	<u>-</u>
Net Change in Fund Balance	-	-	14,700	14,700
Fund Balance (Deficit) - Beginning of Year	-	-	(106,113)	(106,113)
Fund Balance (Deficit) - End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (91,413)</u>	<u>\$ (91,413)</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, 2010

	<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	\$ 29,284,177	\$ 34,117,192	\$ 34,118,206	\$ 1,014
Charges for Services	-	18,223	18,223	-
Interest	-	3,787	3,787	-
Other	-	6,694,149	33,041	(6,661,108)
Total Revenues	<u>29,284,177</u>	<u>40,833,351</u>	<u>34,173,257</u>	<u>(6,660,094)</u>
Expenditures:				
Current Operating:				
Community Development	27,765,463	40,184,817	34,201,695	5,983,122
Debt Service:				
Principal	193,000	193,000	193,000	-
Total Expenditures	<u>27,958,463</u>	<u>40,377,817</u>	<u>34,394,695</u>	<u>5,983,122</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>1,325,714</u>	<u>455,534</u>	<u>(221,438)</u>	<u>(676,972)</u>
Other Financing Sources (Uses):				
Transfers In	-	578,378	578,378	-
Transfers Out	(1,325,714)	(1,033,912)	(1,033,912)	-
Total Other Financing Sources (Uses)	<u>(1,325,714)</u>	<u>(455,534)</u>	<u>(455,534)</u>	<u>-</u>
Net Change in Fund Balance	-	-	(676,972)	(676,972)
Fund Balance - Beginning of Year	-	-	10,960,702	10,960,702
Fund Balance - End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 10,283,730</u>	<u>\$ 10,283,730</u>

City of Miami, Florida
Schedule of Revenues, Expenditures and Changes In Fund Balance
Budget and Actual - Choice Housing Vouchers
For The Year Ended September 30, 2010

	<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	\$ 1,915,677	\$ 2,783,886	\$ 2,783,886	\$ -
Other	-	3,077	3,077	-
Total Revenues	<u>1,915,677</u>	<u>2,786,963</u>	<u>2,786,963</u>	<u>-</u>
Expenditures:				
Current Operating:				
Community Development	1,915,677	2,571,085	1,764,177	806,908
Total Expenditures	<u>1,915,677</u>	<u>2,571,085</u>	<u>1,764,177</u>	<u>806,908</u>
Excess of Revenues Over Expenditures	<u>-</u>	<u>215,878</u>	<u>1,022,786</u>	<u>806,908</u>
Other Financing Sources (Uses):				
Transfers Out	-	(215,878)	(215,878)	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>(215,878)</u>	<u>(215,878)</u>	<u>-</u>
Net Change in Fund Balance	-	-	806,908	806,908
Fund Balance - Beginning of Year	-	-	338,522	338,522
Fund Balance - End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,145,430</u>	<u>\$ 1,145,430</u>

City of Miami, Florida
Schedule of Revenues, Expenditures and Changes In Fund Balance
Budget and Actual - SHIP
For The Year Ended September 30, 2010

	<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	\$ 202,255	\$ 1,996,666	\$ 1,996,666	\$ -
Interest	-	1,532	1,532	-
Other	-	117,274	117,274	-
Total Revenues	<u>202,255</u>	<u>2,115,472</u>	<u>2,115,472</u>	<u>-</u>
Expenditures:				
Current Operating:				
Community Development	202,255	2,115,472	2,095,355	20,117
Total Expenditures	<u>202,255</u>	<u>2,115,472</u>	<u>2,095,355</u>	<u>20,117</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>-</u>	<u>-</u>	<u>20,117</u>	<u>20,117</u>
Net Change in Fund Balance	-	-	20,117	20,117
Fund Balance - Beginning of Year	-	-	329,264	329,264
Fund Balance - End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 349,381</u>	<u>\$ 349,381</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, 2010

	<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	\$ -	\$ 27,138	\$ 27,138	\$ -
Intergovernmental Revenues	-	3,002,327	3,002,327	-
Charges for Services	-	6,888,615	6,888,615	-
Interest	-	2	2	-
Other	11,048,423	3,211,919	2,606	(3,209,313)
Total Revenues	<u>11,048,423</u>	<u>13,130,001</u>	<u>9,920,688</u>	<u>(3,209,313)</u>
Expenditures:				
Current Operating:				
Public Facilities	11,048,423	3,624,639	3,624,639	-
Total Expenditures	<u>11,048,423</u>	<u>3,624,639</u>	<u>3,624,639</u>	<u>-</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>-</u>	<u>9,505,362</u>	<u>6,296,049</u>	<u>(3,209,313)</u>
Other Financing Sources (Uses):				
Transfers In	-	2,680,599	2,680,599	-
Transfers Out	-	(12,185,961)	(12,185,961)	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>(9,505,362)</u>	<u>(9,505,362)</u>	<u>-</u>
Net Change in Fund Balance	<u>-</u>	<u>-</u>	<u>(3,209,313)</u>	<u>(3,209,313)</u>
Fund Balance - Beginning of Year	<u>-</u>	<u>-</u>	<u>2,582,214</u>	<u>2,582,214</u>
Fund Balance (Deficit) - End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (627,099)</u>	<u>\$ (627,099)</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, 2010

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Licenses and Permits	\$ -	\$ 40,750	\$ 40,750	\$ -
Intergovernmental Revenues	-	216,558	216,558	-
Charges for Services	-	30,060	30,060	-
Other	3,435,912	5,000	5,000	-
Total Revenues	<u>3,435,912</u>	<u>292,368</u>	<u>292,368</u>	<u>-</u>
Expenditures:				
Current Operating:				
Planning and Development	3,509,912	3,516,554	365,339	3,151,215
Total Expenditures	<u>3,509,912</u>	<u>3,516,554</u>	<u>365,339</u>	<u>3,151,215</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(74,000)</u>	<u>(3,224,186)</u>	<u>(72,971)</u>	<u>3,151,215</u>
Other Financing Sources:				
Transfers In	74,000	3,224,186	3,224,186	-
Total Other Financing Sources	<u>74,000</u>	<u>3,224,186</u>	<u>3,224,186</u>	<u>-</u>
Net Change in Fund Balance	-	-	3,151,215	3,151,215
Fund Balance - Beginning of Year	-	-	5,050,188	5,050,188
Fund Balance - End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 8,201,403</u>	<u>\$ 8,201,403</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, 2010

	<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	\$ 60,000	\$ 184,521	\$ 184,521	\$ -
Interest	-	3,972	3,972	-
Other	752,015	672	672	-
Total Revenues	<u>812,015</u>	<u>189,165</u>	<u>189,165</u>	<u>-</u>
Expenditures:				
Current Operating:				
General Government	812,015	1,427,852	336,201	1,091,651
Total Expenditures	<u>812,015</u>	<u>1,427,852</u>	<u>336,201</u>	<u>1,091,651</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>-</u>	<u>(1,238,687)</u>	<u>(147,036)</u>	<u>1,091,651</u>
Other Financing Sources (Uses):				
Transfers In	-	1,248,687	1,248,687	-
Transfers Out	-	(10,000)	(10,000)	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>1,238,687</u>	<u>1,238,687</u>	<u>-</u>
Net Change in Fund Balance	-	-	1,091,651	1,091,651
Fund Balance - Beginning of Year	-	-	266,503	266,503
Fund Balance - End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,358,154</u>	<u>\$ 1,358,154</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, 2010

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenue:				
Licenses and Permits	\$ -	\$ 157,513	\$ 157,513	\$ -
Intergovernmental Revenues	-	1,312,019	1,312,019	-
Charges for Services	-	1,145,617	1,145,617	-
Interest	-	299	299	-
Other	4,125,061	541,605	541,605	-
Total Revenues	<u>4,125,061</u>	<u>3,157,053</u>	<u>3,157,053</u>	<u>-</u>
Expenditures:				
Current Operating:				
Parks and Recreation	4,125,061	3,157,053	2,182,409	974,644
Total Expenditures	<u>4,125,061</u>	<u>3,157,053</u>	<u>2,182,409</u>	<u>974,644</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>-</u>	<u>-</u>	<u>974,644</u>	<u>974,644</u>
Net Change in Fund Balance	-	-	974,644	974,644
Fund Balance - Beginning of Year	-	-	1,583,456	1,583,456
Fund Balance - End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,558,100</u>	<u>\$ 2,558,100</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, 2010

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental Revenues	\$ 905,883	\$ 5,997,942	\$ 5,997,942	\$ -
Charges for Services	-	709,090	709,090	-
Interest	-	18,389	18,389	-
Other	13,464,666	500,415	300	(500,115)
Total Revenues	<u>14,370,549</u>	<u>7,225,836</u>	<u>6,725,721</u>	<u>(500,115)</u>
Expenditures:				
Current Operating:				
Public Safety	13,899,487	7,460,942	6,832,128	628,814
Capital Outlay	471,062	-	-	-
Total Expenditures	<u>14,370,549</u>	<u>7,460,942</u>	<u>6,832,128</u>	<u>628,814</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>-</u>	<u>(235,106)</u>	<u>(106,407)</u>	<u>128,699</u>
Other Financing Sources:				
Transfers In	-	235,106	235,106	-
Total Other Financing Sources	<u>-</u>	<u>235,106</u>	<u>235,106</u>	<u>-</u>
Net Change in Fund Balance	-	-	128,699	128,699
Fund Balance - Beginning of Year	-	-	6,704,249	6,704,249
Fund Balance - End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,832,948</u>	<u>\$ 6,832,948</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, 2010

	<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	\$ -	\$ 882,314	\$ 882,314	\$ -
Interest	-	3,857	3,857	-
Other	2,210,295	372,742	-	(372,742)
Total Revenues	<u>2,210,295</u>	<u>1,258,913</u>	<u>886,171</u>	<u>(372,742)</u>
Expenditures:				
Current Operating:				
Public Safety	1,810,295	1,258,913	1,258,913	-
Capital Outlay	400,000	-	-	-
Total Expenditures	<u>2,210,295</u>	<u>1,258,913</u>	<u>1,258,913</u>	<u>-</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>-</u>	<u>-</u>	<u>(372,742)</u>	<u>(372,742)</u>
Net Change in Fund Balance	-	-	(372,742)	(372,742)
Fund Balance - Beginning of Year	-	-	3,495,960	3,495,960
Fund Balance - End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,123,218</u>	<u>\$ 3,123,218</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, 2010

	<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	\$ -	\$ 7,450	\$ 7,450	\$ -
Interest	-	2,285	2,285	-
Other	1,195,266	-	-	-
Total Revenues	<u>1,195,266</u>	<u>9,735</u>	<u>9,735</u>	<u>-</u>
Expenditures:				
Current Operating:				
Public Works	1,195,266	106,394	31,349	75,045
Total Expenditures	<u>1,195,266</u>	<u>106,394</u>	<u>31,349</u>	<u>75,045</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>-</u>	<u>(96,659)</u>	<u>(21,614)</u>	<u>75,045</u>
Other Financing Sources:				
Transfers In	-	96,659	96,659	-
Total Other Financing Sources	<u>-</u>	<u>96,659</u>	<u>96,659</u>	<u>-</u>
Net Change in Fund Balance	-	-	75,045	75,045
Fund Balance - Beginning of Year	-	-	2,146,652	2,146,652
Fund Balance - End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,221,697</u>	<u>\$ 2,221,697</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, 2010

	<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	\$ -	\$ 101,285	\$ 101,285	\$ -
Other	245,621	13,031	1,082	(11,949)
Total Revenues	<u>245,621</u>	<u>114,316</u>	<u>102,367</u>	<u>(11,949)</u>
Expenditures:				
Current Operating:				
General Government	280,621	149,316	149,316	-
Total Expenditures	<u>280,621</u>	<u>149,316</u>	<u>149,316</u>	<u>-</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(35,000)</u>	<u>(35,000)</u>	<u>(46,949)</u>	<u>(11,949)</u>
Other Financing Sources:				
Transfers In	35,000	35,000	35,000	-
Total Other Financing Sources	<u>35,000</u>	<u>35,000</u>	<u>35,000</u>	<u>-</u>
Net Change in Fund Balance	-	-	(11,949)	(11,949)
Fund Balance - Beginning of Year	-	-	486,860	486,860
Fund Balance - End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 474,911</u>	<u>\$ 474,911</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, 2010

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Franchise Fees and Other Taxes	\$ 6,209,330	\$ 6,489,695	\$ 6,489,695	\$ -
Total Revenues	<u>6,209,330</u>	<u>6,489,695</u>	<u>6,489,695</u>	<u>-</u>
Expenditures:				
Current Operating				
General Government	-	137,638	-	137,638
Total Expenditures	<u>-</u>	<u>137,638</u>	<u>-</u>	<u>137,638</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>6,209,330</u>	<u>6,352,057</u>	<u>6,489,695</u>	<u>137,638</u>
Other Financing Sources (Uses):				
Transfers Out	(6,209,330)	(6,352,057)	(6,352,057)	-
Total Other Financing Sources (Uses)	<u>(6,209,330)</u>	<u>(6,352,057)</u>	<u>(6,352,057)</u>	<u>-</u>
Net Change in Fund Balance	-	-	137,638	137,638
Fund Balance - Beginning of Year	-	-	-	-
Fund Balance - End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 137,638</u>	<u>\$ 137,638</u>

City of Miami, Florida
Schedule of Revenues, Expenditures, and Changes In Fund Balance
Budget and Actual - Emergency Services
For The Year Ended September 30, 2010

	<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	\$ -	\$ -	\$ 9,387,640	\$ 9,387,640
Total Revenues	<u>-</u>	<u>-</u>	<u>9,387,640</u>	<u>9,387,640</u>
Expenditures:				
Current Operating:				
Public Safety	-	-	2,593,170	(2,593,170)
Total Expenditures	<u>-</u>	<u>-</u>	<u>2,593,170</u>	<u>(2,593,170)</u>
Excess of Revenues Over Expenditures	<u>-</u>	<u>-</u>	<u>6,794,470</u>	<u>6,794,470</u>
Net Change in Fund Balance	-	-	6,794,470	6,794,470
Fund Balance - Beginning of Year	-	-	(14,896,430)	(14,896,430)
Fund Balance - End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (8,101,960)</u>	<u>\$ (8,101,960)</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, 2010

	<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	\$ -	\$ 2,200	\$ 2,200	\$ -
Intergovernmental Revenues	-	840,110	840,110	-
Other	2,483,295	701,923	-	(701,923)
Total Revenues	<u>2,483,295</u>	<u>1,544,233</u>	<u>842,310</u>	<u>(701,923)</u>
Expenditures:				
Current Operating:				
General Government	2,483,295	1,738,564	1,982,711	(244,147)
Total Expenditures	<u>2,483,295</u>	<u>1,738,564</u>	<u>1,982,711</u>	<u>(244,147)</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>-</u>	<u>(194,331)</u>	<u>(1,140,401)</u>	<u>(946,070)</u>
Other Financing Sources (Uses):				
Transfers In	5,225,157	7,259,382	7,190,436	(68,946)
Transfers Out	(5,225,157)	(7,065,051)	(7,065,051)	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>194,331</u>	<u>125,385</u>	<u>(68,946)</u>
Net Change in Fund Balance	-	-	(1,015,016)	(1,015,016)
Fund Balance - Beginning of Year	-	-	3,774,870	3,774,870
Fund Balance - End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,759,854</u>	<u>\$ 2,759,854</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, 2010

	<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	\$ -	\$ 1,080,005	\$ 1,080,005	\$ -
Other	2,493,740	205,758	-	(205,758)
Total Revenues	<u>2,493,740</u>	<u>1,285,763</u>	<u>1,080,005</u>	<u>(205,758)</u>
Expenditures:				
Current Operating:				
General Government	2,493,740	1,568,671	1,616,828	(48,157)
Total Expenditures	<u>2,493,740</u>	<u>1,568,671</u>	<u>1,616,828</u>	<u>(48,157)</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>-</u>	<u>(282,908)</u>	<u>(536,823)</u>	<u>(253,915)</u>
Other Financing Sources (Uses):				
Transfers In	-	557,908	557,908	-
Transfers Out	-	(275,000)	(275,000)	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>282,908</u>	<u>282,908</u>	<u>-</u>
Net Change in Fund Balance	-	-	(253,915)	(253,915)
Fund Balance - Beginning of Year	-	-	1,470,054	1,470,054
Fund Balance - End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,216,139</u>	<u>\$ 1,216,139</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, 2010

	<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	\$ 11,282,133	\$ 11,831,575	\$ 11,831,575	\$ -
Total Revenues	<u>11,282,133</u>	<u>11,831,575</u>	<u>11,831,575</u>	<u>-</u>
Expenditures:				
Current Operating:				
General Government	564,107	3,369,976	351,785	3,018,191
Total Expenditures	<u>564,107</u>	<u>3,369,976</u>	<u>351,785</u>	<u>3,018,191</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>10,718,026</u>	<u>8,461,599</u>	<u>11,479,790</u>	<u>3,018,191</u>
Other Financing Sources (Uses):				
Transfers Out	(10,718,026)	(8,461,599)	(8,461,599)	-
Total Other Financing Sources (Uses)	<u>(10,718,026)</u>	<u>(8,461,599)</u>	<u>(8,461,599)</u>	<u>-</u>
Net Change in Fund Balance	-	-	3,018,191	3,018,191
Fund Balance (Deficit) - Beginning of Year	-	-	(103,406)	(103,406)
Fund Balance - End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,914,785</u>	<u>\$ 2,914,785</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, 2010

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Franchise and Other Taxes	\$ 62,366,787	\$ 61,966,455	\$ 61,966,455	\$ -
Total Revenues	<u>62,366,787</u>	<u>61,966,455</u>	<u>61,966,455</u>	<u>-</u>
Expenditures				
Current Operating:				
General Government	-	1,568	-	1,568
Total Expenditures	<u>-</u>	<u>1,568</u>	<u>-</u>	<u>1,568</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>62,366,787</u>	<u>61,964,887</u>	<u>61,966,455</u>	<u>1,568</u>
Other Financing Sources (Uses):				
Transfers In	-	1,539	3,147,742	3,146,203
Transfers Out	(62,366,787)	(61,966,426)	(65,112,629)	(3,146,203)
Total Other Financing Sources (Uses)	<u>(62,366,787)</u>	<u>(61,964,887)</u>	<u>(61,964,887)</u>	<u>-</u>
Net Change in Fund Balance	-	-	1,568	1,568
Fund Balance - Beginning of Year	-	-	3,785,601	3,785,601
Fund Balance - End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,787,169</u>	<u>\$ 3,787,169</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, 2010

	<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	\$ -	\$ -	\$ 10,527	\$ 10,527
Interest	-	-	385	385
Other	-	-	122,922	122,922
Total Revenues	<u>-</u>	<u>-</u>	<u>133,834</u>	<u>133,834</u>
Expenditures:				
Current Operating:				
Community Redevelopment Areas	320,000	320,000	458,579	(138,579)
Total Expenditures	<u>320,000</u>	<u>320,000</u>	<u>458,579</u>	<u>(138,579)</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(320,000)</u>	<u>(320,000)</u>	<u>(324,745)</u>	<u>(4,745)</u>
Other Financing Sources:				
Transfers In	320,000	320,000	-	(320,000)
Total Other Financing Sources	<u>320,000</u>	<u>320,000</u>	<u>-</u>	<u>(320,000)</u>
Net Change in Fund Balance	-	-	(324,745)	(324,745)
Fund Balance - Beginning of Year	-	-	800,031	800,031
Fund Balance - End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 475,286</u>	<u>\$ 475,286</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, 2010

	<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	\$ -	\$ -	\$ 158,160	\$ 158,160
Interest	-	-	67	67
Other	109,000	109,000	87,370	(21,630)
Total Revenues	<u>109,000</u>	<u>109,000</u>	<u>245,597</u>	<u>136,597</u>
Expenditures:				
Current Operating:				
Parks and Recreation	433,364	433,364	677,103	(243,739)
Total Expenditures	<u>433,364</u>	<u>433,364</u>	<u>677,103</u>	<u>(243,739)</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(324,364)</u>	<u>(324,364)</u>	<u>(431,506)</u>	<u>(107,142)</u>
Other Financing Sources:				
Transfers In	324,364	324,364	-	(324,364)
Total Other Financing Sources	<u>324,364</u>	<u>324,364</u>	<u>-</u>	<u>(324,364)</u>
Net Change in Fund Balance	-	-	(431,506)	(431,506)
Fund Balance - Beginning of Year	-	-	539,671	539,671
Fund Balance - End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 108,165</u>	<u>\$ 108,165</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, 2010

	<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	\$ 832,625	\$ 832,625	\$ 789,825	\$ (42,800)
Charges for Services	505,000	505,000	421,020	(83,980)
Other	616,495	616,495	701,607	85,112
Total Revenues	<u>1,954,120</u>	<u>1,954,120</u>	<u>1,912,452</u>	<u>(41,668)</u>
Expenditures:				
Current Operating:				
Public Facilities	1,228,495	1,228,495	1,182,434	46,061
Capital Outlay	725,625	725,625	684,863	40,762
Total Expenditures	<u>1,954,120</u>	<u>1,954,120</u>	<u>1,867,297</u>	<u>86,823</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>-</u>	<u>-</u>	<u>45,155</u>	<u>45,155</u>
Net Change in Fund Balance	-	-	45,155	45,155
Fund Balance - Beginning of Year	-	-	49,305	49,305
Fund Balance - End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 94,460</u>	<u>\$ 94,460</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, 2010

	<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	\$ 23,273,978	\$ 22,662,573	\$ 22,662,573	\$ -
Interest	-	20	20	-
Other	1,000,000	1,537,733	-	(1,537,733)
Total Revenues	<u>24,273,978</u>	<u>24,200,326</u>	<u>22,662,593</u>	<u>(1,537,733)</u>
Expenditures:				
General Government	-	25,803	-	25,803
Debt Service:				
Principal	10,309,048	10,309,047	10,309,047	-
Interest and Other Charges	13,964,930	13,865,476	13,891,279	(25,803)
Total Expenditures	<u>24,273,978</u>	<u>24,200,326</u>	<u>24,200,326</u>	<u>-</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>-</u>	<u>-</u>	<u>(1,537,733)</u>	<u>(1,537,733)</u>
Net Change in Fund Balance	-	-	(1,537,733)	(1,537,733)
Fund Balance - Beginning of Year	-	-	1,496,363	1,496,363
Fund Balance - End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (41,370)</u>	<u>\$ (41,370)</u>

City of Miami, Florida
Schedule of Revenues, Expenditures and Changes In Fund Balance
Budget and Actual - Special Obligation Bonds Fund
For The Year Ended September 30, 2010

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Interest	\$ -	\$ -	\$ -	\$ -
Other	-	179,830	30,000	(149,830)
Total Revenues	<u>-</u>	<u>179,830</u>	<u>30,000</u>	<u>(149,830)</u>
Expenditures:				
General Government	-	20,371,562	-	20,371,562
Debt Service:				
Principal	11,684,631	16,559,228	16,559,228	-
Interest and Other Charges	21,059,789	19,065,709	24,026,779	(4,961,070)
Total Expenditures	<u>32,744,420</u>	<u>55,996,499</u>	<u>40,586,007</u>	<u>15,410,492</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(32,744,420)</u>	<u>(55,816,669)</u>	<u>(40,556,007)</u>	<u>15,260,662</u>
Other Financing Sources (Uses):				
Transfers In	32,744,420	39,013,595	39,013,595	-
Transfers Out	-	(3,147,742)	(3,147,742)	-
Proceeds Received From Long-Term Debt	-	19,950,816	19,950,816	-
Total Other Financing Sources (Uses)	<u>32,744,420</u>	<u>55,816,669</u>	<u>55,816,669</u>	<u>-</u>
Net Change in Fund Balance	-	-	15,260,662	15,260,662
Fund Balance - Beginning of Year	-	-	13,545,603	13,545,603
Fund Balance - End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 28,806,265</u>	<u>\$ 28,806,265</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, 2010

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental Revenues	\$ 302,475	\$ 300,000	\$ 300,000	\$ -
Total Revenues	<u>302,475</u>	<u>300,000</u>	<u>300,000</u>	<u>-</u>
Expenditures:				
Debt Service:				
Principal	200,000	200,000	200,000	-
Interest and Other Charges	149,100	146,625	146,625	-
Total Expenditures	<u>349,100</u>	<u>346,625</u>	<u>346,625</u>	<u>-</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(46,625)</u>	<u>(46,625)</u>	<u>(46,625)</u>	<u>-</u>
Other Financing Sources:				
Transfers In	46,625	46,625	46,625	-
Total Other Financing Sources:	<u>46,625</u>	<u>46,625</u>	<u>46,625</u>	<u>-</u>
Net Change in Fund Balance	-	-	-	-
Fund Balance - Beginning of Year	-	-	782,269	782,269
Fund Balance - End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 782,269</u>	<u>\$ 782,269</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, 2010

	Employee Retirement Funds					Totals
	Firefighters and Police (FIPO)	General and Sanitation Employees (GESE)	General and Sanitation Employees (GESE Excess Plan)	General and Sanitation Employees (GESE Staff Plan)	Elected Officers' Retirement Trust (EORT)	Employee Retirement Funds
Assets						
Cash and Short-Term Investments	\$ 43,708,711	\$ 379,168	\$ 36,773	\$ 48,175	\$ -	\$ 44,172,827
Accounts Receivable	13,973,368	6,380,616	31,283	8,525	-	20,393,792
Capital Assets	2,085,364	2,397,822	-	-	-	4,483,186
Prepaid Assets	-	35,307	-	-	-	35,307
	<u>59,767,443</u>	<u>9,192,913</u>	<u>68,056</u>	<u>56,700</u>	<u>-</u>	<u>69,085,112</u>
Investments						
U.S. Government Obligations	218,855,507	69,229,551	-	-	-	288,085,058
Corporate Bonds	261,293,842	89,337,931	-	738,964	-	351,370,737
Corporate Stocks	558,489,953	342,646,371	-	1,021,652	-	902,157,976
Money Market Funds and Commercial Paper	-	18,686,543	-	-	5,173,718	23,860,261
International Equity	130,611,436	-	-	-	-	130,611,436
Mutual Funds	89,767,560	-	-	-	-	89,767,560
Real Estate	97,041,662	30,440,327	-	-	-	127,481,989
Private Equity	31,255,519	-	-	-	-	31,255,519
Total Investments	<u>1,387,315,479</u>	<u>550,340,723</u>	<u>-</u>	<u>1,760,616</u>	<u>5,173,718</u>	<u>1,944,590,536</u>
Securities Lending Collateral	221,384,265	-	-	-	-	221,384,265
Total Assets	<u>1,668,467,187</u>	<u>559,533,636</u>	<u>68,056</u>	<u>1,817,316</u>	<u>5,173,718</u>	<u>2,235,059,913</u>
Liabilities						
Obligations Under Security Lending	221,384,265	-	-	-	-	221,384,265
Accounts Payable	268,017	766,945	68,056	-	-	1,103,018
Accrued Liabilities	89,767,560	-	-	-	-	89,767,560
Payable for Securities Purchased	17,536,870	4,969,173	-	-	-	22,506,043
Total Liabilities	<u>328,956,712</u>	<u>5,736,118</u>	<u>68,056</u>	<u>-</u>	<u>-</u>	<u>334,760,886</u>
Net Assets						
Held in Trust for Pension Benefits	<u>\$ 1,339,510,475</u>	<u>\$ 553,797,518</u>	<u>\$ -</u>	<u>\$ 1,817,316</u>	<u>\$ 5,173,718</u>	<u>\$ 1,900,299,027</u>

City of Miami, Florida
Combining Statement of Changes in Fiduciary Net Assets
Fiduciary Funds
For the Year Ended September 30, 2010

	Employee Retirement Funds					Totals
	Firefighters and Police (FIPO)	General and Sanitation Employees (GESE)	General and Sanitation Employees (GESE Excess Plan)	General and Sanitation Employees (GESE Staff Plan)	Elected Officers' Retirement Trust (EORT)	Employee Retirement Funds
Additions						
Contributions:						
Employer	\$ 59,025,379	\$ 24,037,093	\$ 339,602	\$ 132,542	\$ 1,275,242	\$ 84,809,858
Plan Members	10,436,367	12,728,711	-	126,402	-	23,291,480
Total Contributions	<u>69,461,746</u>	<u>36,765,804</u>	<u>339,602</u>	<u>258,944</u>	<u>1,275,242</u>	<u>108,101,338</u>
Investment Earnings:						
Net Increase (Decrease) in Fair Value of Investments	88,157,504	33,866,484	-	104,560	-	122,128,548
Interest	25,193,619	6,808,407	-	-	65,790	32,067,816
Dividends	9,802,009	4,256,714	-	44,405	-	14,103,128
Other	638,055	264,329	-	-	-	902,384
Total Investment Earnings	<u>123,791,187</u>	<u>45,195,934</u>	<u>-</u>	<u>148,965</u>	<u>65,790</u>	<u>169,201,876</u>
Less Investment Expenses	4,899,945	2,179,360	-	-	-	7,079,305
Net Investment Earnings	<u>118,891,242</u>	<u>43,016,574</u>	<u>-</u>	<u>148,965</u>	<u>65,790</u>	<u>162,122,571</u>
Security Lending Activities:						
Security Lending Income	497,865	-	-	-	-	497,865
Security Lending Fees and Rebates	(122,526)	-	-	-	-	(122,526)
Unrealized Gain	2,545,854	-	-	-	-	2,545,854
Net Income From Security Lending Activities	<u>2,921,193</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,921,193</u>
Reimbursement Income from City	-	2,888,419	112,079	-	-	3,000,498
Total	<u>191,274,181</u>	<u>82,670,797</u>	<u>451,681</u>	<u>407,909</u>	<u>1,341,032</u>	<u>276,145,600</u>
Deductions						
Benefits/Payments	101,371,860	62,162,717	323,244	-	252,105	164,109,926
Refunds upon Resignation, Death, etc.	240,922	1,784,596	-	4,156	-	2,029,674
Distribution to Retirees	17,236,918	-	-	-	-	17,236,918
Administrative and Other Expenses	42,726	2,938,167	128,437	-	-	3,109,330
Total	<u>118,892,426</u>	<u>66,885,480</u>	<u>451,681</u>	<u>4,156</u>	<u>252,105</u>	<u>186,485,848</u>
Change in Net Assets	<u>72,381,755</u>	<u>15,785,317</u>	<u>-</u>	<u>403,753</u>	<u>1,088,927</u>	<u>89,659,752</u>
Net Assets - Beginning of Year	<u>1,267,128,720</u>	<u>538,012,201</u>	<u>-</u>	<u>1,413,563</u>	<u>4,084,791</u>	<u>1,810,639,275</u>
Net Assets - End of Year	<u>\$ 1,339,510,475</u>	<u>\$ 553,797,518</u>	<u>\$ -</u>	<u>\$ 1,817,316</u>	<u>\$ 5,173,718</u>	<u>\$ 1,900,299,027</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>	139
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>	152

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)**

	2006	2007	2008	2009	2010
Primary Government					
Invested in Capital Assets, Net of Related Debt	\$ 640,931,069	\$ 730,272,844	\$ 773,959,639	\$ 791,005,790	\$ 752,506,507
Restricted	188,895,278	102,602,464	147,706,831	77,576,635	88,296,965
Unrestricted	(98,069,477)	(93,712,582)	(211,485,639)	(242,954,199)	(306,024,093)
Total Primary Government Net Assets	<u>\$ 731,756,870</u>	<u>\$ 739,162,726</u>	<u>\$ 710,180,831</u>	<u>\$ 625,628,226</u>	<u>\$ 534,779,379</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)**

	2006	2007	2008	2009	2010
Expenses					
Governmental Activities:					
General Government	\$ 85,315,437	\$ 121,694,219	\$ 140,680,932	\$ 155,197,585	\$ 152,726,749
Planning and Development	16,911,621	16,923,477	16,217,858	15,465,304	12,019,294
Community Development	41,054,245	35,486,773	42,029,139	37,126,171	39,654,938
Community Redevelopment Areas	6,331,328	7,011,132	13,904,297	20,565,676	29,288,203
Public Works	65,958,181	75,073,321	72,572,813	72,003,282	69,969,816
Public Safety	347,976,631	343,470,082	370,007,019	375,402,446	371,351,024
Public Facilities	14,917,431	16,691,365	15,354,423	13,179,074	16,848,482
Parks and Recreation	25,718,056	39,893,208	39,550,244	43,440,769	39,775,607
Interest on Long-Term Debt	21,560,094	23,859,254	27,206,895	36,091,032	27,532,637
Unallocated Depreciation	26,690,642	29,548,332	-	-	-
Total Primary Government Expenses	652,433,666	709,651,163	737,523,620	768,471,339	759,166,750
Program Revenues					
Governmental Activities:					
Charges for Services:					
General Government	51,161,759	33,403,595	40,062,337	35,586,957	38,703,437
Planning and Development	22,799,725	24,558,217	13,076,692	9,611,336	9,719,151
Community Development	4,053,520	2,301,538	702,888	-	154,505
Community Redevelopment Areas	214,142	1,414,979	1,140,923	1,064,942	1,274,758
Public Works	51,888,525	46,587,956	48,488,699	47,792,238	46,479,565
Public Safety	39,193,653	22,952,364	16,577,772	17,785,328	22,152,448
Public Facilities	25,137,318	6,558,800	16,660,099	15,458,604	14,636,371
Parks and Recreation	2,406,099	3,488,492	4,106,702	4,827,158	6,247,234
Operating Grants and Contributions	34,889,443	71,070,882	63,179,016	64,645,980	73,139,270
Capital Grants and Contributions	72,067,622	69,140,730	54,174,136	33,964,265	27,113,487
Total Primary Government Program Revenues	303,811,806	281,477,553	258,169,264	230,736,808	239,620,226
Net (Expense)/Revenue					
Total Primary Government Net Expense	\$ (348,621,860)	\$ (428,173,610)	\$ (479,354,356)	\$ (537,734,531)	\$ (519,546,524)
General Revenues and Other Changes in Net Assets					
Governmental Activities:					
Taxes					
Property Taxes, Levied for General Purposes	\$ 226,508,118	\$ 275,012,727	\$ 269,785,445	\$ 283,516,182	\$ 264,548,387
Property Taxes, Levied for Debt Service	19,966,467	19,886,776	21,327,853	21,377,549	22,662,573
Franchise Taxes	41,342,214	42,257,282	42,298,452	42,823,572	43,120,713
State Revenue Sharing - Unrestricted	12,947,019	13,073,886	12,187,197	22,566,791	10,516,183
Sales and Other Use Tax	25,800,341	25,505,412	24,860,795	10,791,455	22,665,743
Public Service Taxes	57,991,178	58,099,069	62,257,072	64,010,537	61,966,455
Investment Earnings - Unrestricted	14,477,950	23,837,450	17,655,647	7,718,282	3,217,623
Gain (Loss) on Disposal of Capital Assets	-	1,502,044	-	-	-
Other	768,767	-	-	377,558	-
Special Item - Impairment Loss on Capital Assets	-	(23,595,180)	-	-	-
Total Primary Government	399,802,054	435,579,466	450,372,461	453,181,926	428,697,677
Change in Net Assets					
Total Primary Government	\$ 51,180,194	\$ 7,405,856	\$ (28,981,895)	\$ (84,552,605)	\$ (90,848,847)

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
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
2009	283,516,182	21,377,549	42,823,572	22,566,791	64,010,537	434,294,631
2010	264,548,387	22,662,573	43,120,713	22,665,743	61,966,455	414,963,871

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)

	2006	2007	2008	2009	2010
General Fund					
Reserved	\$ 894,059	\$ 3,768,826	\$ 4,616,080	\$ 2,421,978	\$ -
Unreserved	125,362,454	96,681,318	88,961,368	37,550,609	13,442,370
Total General Fund	<u>\$ 126,256,513</u>	<u>\$ 100,450,144</u>	<u>\$ 93,577,448</u>	<u>\$ 39,972,587</u>	<u>\$ 13,442,370</u>
All Other Governmental Funds					
Reserved	\$ 96,569,917	\$ 110,160,478	\$ 46,825,466	\$ 53,241,904	\$ 54,173,048
Unreserved designated	-	12,859,516	4,027,253	-	2,650,799
Unreserved, reported in:					
Special Revenue Funds	43,934,094	7,995,266	60,443,132	66,672,188	74,352,266
Debt Service Funds	-	3,443,149	1,861,274	-	(41,370)
Capital Projects Funds	131,018,373	123,498,283	200,205,983	216,837,095	321,534,780
Total All Other Governmental Funds	<u>\$ 271,522,384</u>	<u>\$ 257,956,692</u>	<u>\$ 313,363,108</u>	<u>\$ 336,751,187</u>	<u>\$ 452,669,523</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)

	2006	2007	2008	2009	2010
Revenues					
Property Taxes	\$ 246,337,333	\$ 294,251,152	\$ 291,113,299	\$ 304,893,731	\$ 287,210,960
Franchise and Other Taxes	98,243,722	100,356,351	104,555,524	106,834,109	105,089,565
Licenses and Permits	28,468,593	32,848,055	29,844,868	26,105,211	25,348,038
Fines and Forfeitures	5,912,300	7,541,812	6,977,788	7,441,420	5,207,735
Intergovernmental Revenues	174,074,303	150,040,391	157,268,610	141,254,258	153,415,564
Charges for Services	106,682,451	89,589,154	86,386,721	85,926,635	88,420,225
Interest	18,979,204	23,837,450	17,655,770	7,718,282	3,217,854
Impact Fees	9,388,192	4,017,110	4,679,000	332,175	12,089
Other	15,376,683	9,369,810	10,102,809	10,757,077	9,105,815
Total Revenues	703,462,781	711,851,285	708,584,389	691,262,898	677,027,845
Expenditures					
General Government	49,995,402	57,669,544	77,127,072	78,888,172	68,278,497
Planning and Development	12,740,678	11,862,685	11,236,136	11,349,570	9,340,192
Community Development	40,978,910	35,325,497	41,036,697	36,413,108	39,157,777
Community Redevelopment Areas	5,982,541	5,314,468	15,946,941	20,144,229	29,084,137
Public Works	50,579,908	56,484,364	55,068,379	55,172,871	51,337,220
Public Safety	251,914,610	256,691,572	265,497,659	266,284,837	249,748,875
Public Facilities	11,795,688	13,455,945	13,019,718	11,660,410	12,555,541
Parks and Recreation	17,896,247	30,637,506	29,056,137	33,211,002	27,544,737
Risk Management (2)	25,546,486	18,115,929	28,796,859	13,107,068	22,354,729
Pensions (2)	78,864,757	70,708,285	65,116,477	66,906,558	89,975,265
Organizational Support (2)	25,161,646	35,122,459	27,751,691	41,314,516	32,218,742
Non-Departmental (2)	13,204,324	28,490,230	-	-	-
Debt Service:					
Principal	19,218,795	20,887,276	21,343,143	23,566,021	27,261,275
Interest and Other Charges	21,650,889	24,346,064	28,920,735	31,928,202	38,064,683
Debt Issuance Costs	-	6,988,908	-	-	-
Capital Outlay	103,894,188	124,264,229	114,576,911	106,862,901	55,695,847
Total Expenditures	729,425,069	796,364,961	794,494,555	796,809,465	752,617,517
Excess (Deficiency) of Revenues Over Expenditures	(25,962,288)	(84,513,676)	(85,910,166)	(105,546,567)	(75,589,672)
Other Financing Sources (Uses)					
Transfers In	229,700,739	278,006,434	227,562,830	196,098,575	146,557,421
Transfers Out	(229,700,739)	(278,006,434)	(227,562,830)	(196,098,575)	(146,557,421)
Sale of Property	-	1,502,044	-	-	-
Proceeds Received From Refunding	-	138,841,992	133,098,930	-	-
Payment To Escrow Agent For Refunding	-	(131,775,000)	-	(32,366,235)	-
Proceeds Received From Long-Term Debt	-	50,969,202	-	108,490,000	-
Premium (Discount) Long-Term Debt	-	-	1,344,956	(793,980)	-
Loan	1,000	-	-	-	-
Capital Leases	-	-	-	-	(1,392,209)
Sale of Capital Assets	889,969	-	-	-	166,370,000
Total Other Financing Sources	890,969	59,538,238	134,443,886	75,329,785	164,977,791
Net Change In Fund Balances	\$ (25,071,319)	\$ (24,975,438)	\$ 48,533,720	\$ (30,216,782)	\$ 89,388,119

Debt Service as a Percentage of Non-Capital Expenditures	6.53%	6.91%	7.71%	8.04%	9.37%
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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
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
2009	283,516,182	21,377,549	42,823,572	22,566,791	64,010,537	434,294,631
2010	264,548,387	22,662,573	43,120,713	22,665,743	61,966,455	414,963,871

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				
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%
2009	23,572,178,928	11,890,691,413	1,686,320,651	37,149,190,992	8.33	52,185,972,858	71.19%
2010	23,341,894,079	11,921,087,043	1,686,540,244	36,949,521,366	8.64	52,146,883,603	70.86%

Source: Miami-Dade County Property Appraiser's Office.

Note: Property in the City is reassessed each year. State law requires the Property Appraiser to appraise property at 100% of market value. The Florida Constitution was amended, effective January 1, 1995, to limit annual increases in assessed value of property with homestead exemption to 3 percent per year or the amount of the Consumer Price Index, whichever is lower. The increase is not automatic since no assessed value shall exceed market value. Tax rates are per \$1,000 of assessed value.

(1) Includes tax-exempt property.

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

Fiscal Year	Tax Roll Year	City of Miami, Florida			Overlapping Rates (1)							Total Direct and Overlapping Rates
		General Operations	Debt Service	Total City	Miami-Dade County School Board	Miami-Dade County	Miami-Dade Children's Trust	Miami-Dade County Library System	South Florida Water Management District	Environmental Projects	Florida Inland Navigation District	
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
2009	2008	7.67400	0.6595	8.3335	7.9950	5.1229	0.5000	0.3822	0.5346	0.0894	0.0345	22.99210
2010	2009	7.67400	0.9701	8.6441	8.2490	5.8725	0.5000	0.2840	0.5346	0.0894	0.0345	24.20810

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**

2010				2001			
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	\$ 437,936,647	1	1.19%	Florida Power & Light	149,163,031	2	1.08%
200 S Biscayne TIC 1 LLC	290,700,000	2	0.79%				
Crescent Miami Center	196,500,000	3	0.53%				
Bellsouth Telecommunications	186,796,701	4	0.51%	Bellsouth	133,972,769	4	0.97%
T C 701 Brickell LLC	172,900,000	5	0.47%				
1111 Brickell Office LLC	146,100,000	6	0.40%				
Trustees of L&B	117,400,000	7	0.32%				
Opera Tower LLC	112,499,679	8	0.30%				
Estoril Incorporated	107,400,000	9	0.29%				
Blue Capital US East	99,500,000	10	0.27%				
	<u>\$ 1,867,733,027</u>		<u>5.05%</u>	SRI Aetna Life Insurance	178,100,000	1	1.29%
				Metropolitan Life Ins. Co.	135,950,000	3	0.99%
				Prudential Insurance Co.	117,000,000	5	0.85%
				Brickell Associates	83,000,000	6	0.60%
				Ceaders Healthcare Group LTD	60,750,852	7	0.44%
				NOP LLC	60,100,000	8	0.44%
				Brickell Equities Corp	57,015,028	9	0.41%
				Brickell Square	51,190,595	10	0.37%
					<u>\$ 1,026,242,275</u>		<u>7.45%</u>
Net Assessed Value	36,949,521,366		5.05%		13,771,366,359		

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

Fiscal Year Ended September 30,	Total Taxes Levied for Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Year's	Total Collections to Date	
		Amount	Percent of Levy		Amount	Percent of Levy
2001	141,500,789	131,872,377	93.20%	5,959,373	137,831,750	97.41%
2002	154,349,696	145,506,737	94.27%	4,079,641	149,586,378	96.91%
2003	170,530,644	161,197,051	94.53%	7,735,274	168,932,325	99.06%
2004	185,739,031	178,766,680	96.25%	1,640,252	180,406,932	97.13%
2005	211,977,983	206,451,562	97.39%	2,379,977	208,831,539	98.52%
2006	249,931,912	243,957,356	96.82%	3,801,414	247,758,770	99.13%
2007	297,147,536	290,449,738	97.76%	7,111,337	297,561,075	100.14%
2008	297,421,622	284,001,962	95.49%	8,489,434	292,491,396	98.34%
2009	309,582,783	296,404,297	95.74%	9,200,940	305,605,237	98.72%
2010	319,395,358	278,010,020	87.04%	-	278,010,020	87.04%

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

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

Fiscal Year Ended September 30,	Governmental Activities				Total	Percent of Personal Income (1)	Per Capita (1)
	General Obligation Bonds	Revenue Bonds	Loans Payable	Capital Leases			
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	3.30%	1,094
2008	235,393,765	198,484,539	73,656,764	-	507,535,068	2.56%	1,400
2009	276,113,503	199,629,250	89,426,363	-	565,169,117	N/A	1,559
2010	265,804,455	358,571,022	79,902,364	-	704,277,841	N/A	1,763

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)
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
2009	276,113,503	1,496,363	274,617,140	0.526%	757.63
2010	265,804,455	(41,370)	265,845,825	0.510%	665.52

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, 2010**

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	\$ 839,095,804	19.00%	\$ 159,428,203
Miami-Dade County School Board	348,100,000	19.00%	66,139,000
Subtotal, Overlapping Debt			<u>225,567,203</u>
City of Miami, Florida Direct Debt (excludes special obligation, revenue bonds, loans and capital leases)			<u>265,804,455</u>
Total Direct and Overlapping Debt			<u>\$ 491,371,658</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**

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Debt Limit	\$ 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	\$ 5,372,349,771	\$ 5,370,833,756
Total Net Debt Applicable to Limit	103,824,851	249,711,407	236,549,956	224,978,830	214,217,365	203,311,941	243,385,192	233,255,253	274,617,140	265,845,825
Legal Debt Margin	\$ 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	\$ 5,097,732,631	\$ 5,104,987,931
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	5.03%	11.02%	9.31%	7.95%	6.51%	5.02%	4.91%	4.32%	5.11%	4.95%

Legal Debt Margin Calculation for Fiscal Year 2010

Assessed value	\$ 37,149,190,992
Less: Homestead Exempt Valuation	(1,343,632,622)
Total Assessed Value	<u>35,805,558,370</u>
Debt Limit for Bonds (15% of Total Assessed Value)	<u>5,370,833,756</u>
Present Debt Application to Debt Limitation	
General Obligation Debt	265,804,455
Less: Amount Available in Debt Service Fund	41,370
Total Net Debt Applicable to Limit	<u>265,845,825</u>
Legal Debt Margin	<u>\$ 5,104,987,931</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		
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	6.66
2009	304,893,731	10,335,262	12,228,340	45,127,204	6.76
2010	287,210,960	10,309,047	13,865,476	48,349,046	5.94

Note:

(1) Ad valorem revenues shall mean all legally available revenues and taxes of the governmental unit in the Funds (defined as the general fund, special revenue funds, the capital project funds, the special assessment funds, and the expandable trust fund(s)) derived from any source whatever other than ad valorem taxation on real and personal property, including appropriated fund balances in the funds and applicable operating transfers (in).

Non-Ad Valorem Revenues are required to be two times greater than projected debt service.

(2) The Sunshine State Government Financing Loans require that available non-ad valorem revenues be two times the annual projected debt service for all debt other than general obligation debt of the City.

**CITY OF MIAMI, FLORIDA
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS**

Year	Population (1)	Personal Income (Amounts Expressed in Thousands) (2)	Per Capital Personal Income (2)	Median Age (2)	School Enrollment (3)	Unemployment Rate (4)
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	13,074,655	36,701	38.00	346,629	4.10
2008	362,470	13,007,961	35,887	38.00	344,806	6.10
2009	362,470	N/A	N/A	N/A	345,570	11.10
2010	399,457	N/A	N/A	N/A	341,774	11.09

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>	<u>2,010</u>			<u>2,001</u>		
	<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	48,571	1	1.96%	35,469	1	1.43%
Miami-Dade County	29,000	2	1.17%	30,000	2	1.21%
U.S. Federal Government	19,500	3	0.79%	18,276	3	0.74%
State of Florida	17,100	4	0.69%	18,100	4	0.73%
University of Miami	16,000	5	0.65%	7,800	8	0.31%
Baptist Health Systems of South Florida	13,376	6	0.54%	7,500	9	0.30%
Public Health Trust/Jackson Memorial Hospit	12,571	7	0.51%	8,191	6	0.33%
Publix Supermarkets	10,800	8	0.44%			
American Airlines	9,000	9	0.36%	9,000	5	0.36%
Florida International University	8,000	10	0.32%			
Precision Response Corp				8,000	7	0.32%
BellSouth/AT&T	-		-	4,240	10	0.17%
Total	183,918		7.42%	146,576		5.91%

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

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

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Number of Employees:										
General Government	511	523	587	594	617	641	644	641	511	538
Planning and Development	127	141	140	138	147	141	142	128	123	102
Community Development	172	170	91	77	73	61	52	61	55	54
Public Works	500	507	498	497	505	542	526	525	521	436
Public Safety	2,346	2,275	2,248	2,140	2,138	2,222	2,288	2,310	2,390	2,368
Public Facilities	37	37	33	43	45	55	56	54	41	41
Culture and Recreation	136	136	141	148	188	190	191	207	265	186
Total Number of Employees	3,829	3,789	3,738	3,637	3,713	3,852	3,899	3,926	3,906	3,725

Source: City of Miami, Budget Department

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

Function/Program	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Community Development:										
Entitlements/Grants Received	\$ 53,634,346	\$ 38,337,736	\$ 35,569,042	\$ 32,351,101	\$ 37,191,063	\$ 30,816,293	\$ 29,943,482	\$ 30,267,482	26,275,445	37,815,004
Public Safety:										
Police:										
Part 1 Crimes - (1)	35,291	33,952	33,527	30,966	29,455	26,219	27,302	27,907	25,761	26,097
Part 1 Arrests - (1)	8,812	8,368	6,729	6,662	5,728	4,359	4,635	4,741	4,536	4,393
Part 2 Arrests - (2)	41,089	31,077	26,786	38,467	33,385	33,408	32,738	31,211	32,826	26,670
Fire:										
Number of Fire Calls	12,945	12,228	15,571	17,889	19,017	12,694	14,472	18,191	10,411	14,493
Number of EMS Calls	63,104	63,041	62,784	64,500	67,300	70,423	72,757	69,870	73,017	76,747
Number of Alarms	76,049	75,269	78,355	82,389	86,318	83,117	87,227	88,061	88,847	91,240
Planning and Development:										
Certificate of Use Permits Issued	19,483	20,366	20,625	20,422	21,123	21,142	22,000	21,482	22,724	20,156
Occupational Licenses Issued	38,207	37,524	39,040	39,422	40,371	34,197	42,000	22,498	22,092	29,548
Culture and Recreation:										
Summer Food Program - Meals Served (Lunches)	83,515	96,249	124,701	122,749	89,324	55,126	104,472	N/A	N/A	58,785
Summer Food Program - Meals Served (Snacks)	116,899	132,481	146,786	115,837	100,870	61,000	114,670	N/A	N/A	62,983
Solid Waste:										
Refuse Collected (Tons/Day)	725	805	768	793	578	713	629	717	N/A	566
Recyclables Collected (Tons/Day)	28	28	24	21	72	10	13	16	N/A	11

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	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
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	3	3	3
Fire:										
Fire Stations	12	12	12	12	14	14	14	14	14	14
Solid Waste:										
Collection Trucks	132	153	172	176	152	151	175	181	N/A	160
Public Works:										
Streets (Miles- Paved)	659.2	659.0	658.9	658.9	660.0	667.4	662.2	662.2	662.1	662.1
Streets (Miles - Unpaved)	1.4	1.4	1.4	1.4	1.4	3.1	1.2	N/A	1.12	1.12
Transportation:										
Street Resurfacing (Miles)	N/A	N/A	25.0	33.5	33.5	17.9	23.3	21.6	N/A	15.8
Culture and Recreation:										
Parks Acreage	800	800	800	800	800	800	894	894	894	894
Parks	110	110	110	111	111	112	112	112	112	112
Swimming Pools	10	10	10	10	10	12	11	11	15	15
Tennis Courts	53	53	53	53	53	53	55	55	61	61
Community Centers	26	30	30	31	30	32	32	32	34	34
Basketball Courts	63	63	63	63	61	63	63	63	71	71
Water Playgrounds	-	-	-	1	1	1	2	2	2	2
Soccer Fields	6	6	6	7	7	7	11	11	13	13
Football Fields	12	12	12	12	12	12	10	10	9	9
Baseball Fields	25	25	25	25	21	25	27	27	30	30
Open Practice Fields	-	-	-	-	-	-	2	2	2	2
Cricket Field	-	-	-	-	-	-	1	1	1	1

Sources: Various City Departments

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

N/A Information not available.

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