



***POPULAR***

***ANNUAL FINANCE REPORT***



***FISCAL YEAR ENDED SEPTEMBER 30TH, 2010***

# **POPULAR ANNUAL FINANCIAL REPORT**



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

**Prepared by the Finance Department**



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# 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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# CITY OF MIAMI, FLORIDA

The City of Miami known as the “Magic City” is located in Southeast Florida, in Miami-Dade County on the Miami River, between the Florida Everglades and the Atlantic Ocean. Since its incorporation in 1896, the City has grown tremendously, transforming it into one of the world’s renowned centers where people can work, live and play while enjoying a high quality of life.

The City of Miami, known for its diverse culture and ethnicities is the largest municipality in Miami-Dade County. According to the 2000 census, it has a population of 362,470. For the year of 2010 census, the population in the City increased to 399,457. Miami which is known as the Gateway to Latin America attracts a tremendous amount of foreign born people, resulting in a large Latin American population that includes Cubans, Nicaraguans, Colombians, Venezuelans, Puerto Ricans, Argentineans, Ecuadorians, Brazilians, Dominicans, Haitians and Mexicans. According to the 2010 U.S. census, the City has a 70 percent Hispanic population, a 19.2 percent African-American population and a 10.8 percent White/other population.

Whether you are a resident, visitor or business owner, the City of Miami welcomes you to the shiny City under the Sun. Centrally located in a bustling urban area that is bursting with new developments, residential homes and eye catching attractions; Miami is truly a world class destination. Rich with history, Miami has ten (10) different neighborhoods that contain several historical locations and landmarks. Each neighborhood is fully equipped with full service parks, fire and police stations and a Neighborhood Enhancement Team center where residents and business owners can go to obtain answers to their questions and help with City services. The NET team works together with the various departments through the City to coordinate resources and resolve problems.

The City of Miami is governed by a Mayor and five (5) City Commissioners which oversee the five districts in the City. For information on your Mayor, your Commissioner or on City Services, please visit our homepage at [www.miamigov.com](http://www.miamigov.com).

# 2009–2010 ACCOMPLISHMENTS

- The Employee Relations Department implemented a City’s “Going Green” initiative while improving efficiency and service levels by:
  - Digitizing 2,754 active and inactive eligible registers as far back as 1953 for those records that were housed on site in manual form.
  - Digitizing 1,365 certification lists and corresponding backup documentation from 1965 to present onto laser fiche, which were previously stored on site in manual form.
  - Digitized the 1463 manual job announcements as well as the corresponding backup files for each that were manually maintained since the inception of the Department of Employee Relations (formerly named Human Resources).
  - Electronically processing approximately 6,000 Personnel Action Forms with an average monthly cycle time of 6.9 days.
  - Digitizing 7,146 Employment Applications for 17 recruitments from 10/2009 through 8/10/2010
- The Miami Police College opened in January 2010. It provides a modern and complete training facility with greater spaces and also houses the City of Miami Emergency Operations. The College is co-located with the Law Enforcement Memorial High School, which is a magnet school that was constructed in partnership with the Miami-Dade School Board.
- The Public Facilities Department hosted the 4th Annual Miami Fishing Tournament on August 14, 2010, which benefited the Kids in Action non-profit organization, dedicated to providing water-based recreation opportunities for children with autism and other disabilities.
- The City of Miami was ranked #2 nationally in 2009 by the Center for Digital Government and the National League of Cities – over the past 5 years we have consistently improved our ranking every year from #24 in 2005 to #8, #6, #3 last year and now #2. The survey identifies cities that best use technology to increase the speed and quality of service while lowering the cost of service delivery to citizens. Additionally, Juggle.com, after reviewing 3,000+ government portals, selected Miami's official government website for its Top City Government Website Award.
- The Finance Department Received the Award for Outstanding Achievement in Popular Annual Financial Reporting for our 2009 Popular Annual Financial Report.
- The Finance Department received the Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officers Association (GFOA) for our 2009 Comprehensive Annual Financial Report.

# MESSAGE FROM THE MANAGER

To the Citizens of the City of Miami,

As City Manager, I am pleased to present the fifth annual Popular Annual Financial Report for the year ending September 30, 2010.

The City of Miami's Popular Report gives the citizens a snapshot of the City's financial performance and well-being for the fiscal year ended September 30, 2010. The format is designed to be straightforward and easy-to-read. For anyone who is interested in our City's fiscal stability, I invite you to read this report. Written for the non-financial reader, the report contains valuable and summarized information for every resident.

The vision of the City of Miami is to be an international City which embodies diversity, economic opportunity, effective customer service and highly-rated quality of life. As stewards of your property tax dollars, we are beholden to maximize the basic services residents rely on government for: ensuring public health, safety and welfare. In pursuit of our goals, the City is spearheading many exciting initiatives on behalf of our residents, streamlining processes, building infrastructure and updating technology to provide more efficient services.

Although we face national economic challenges, there is much to be proud of in the City of Miami. In 2008, Miami was ranked as America's Cleanest City by Forbes magazine for air quality, open spaces, and clean streets. In a 2009 study of 73 world cities, Miami was ranked as the richest city in the United States and the world's fifth-richest city in terms of purchasing power. The Gateway to the Americas, Miami is an international city for finance, commerce, and the arts.

This Popular Report is presented as a means of increasing public confidence in City government and its elected officials through easier, and more user-friendly financial reporting. As you review our Popular Report, I invite you to share any questions, concerns, or recommendations you may have.

In addition to the Popular Report, the Finance Department of the City also produces the more detailed Comprehensive Annual Financial Report (CAFR). The CAFR meets stringent government standards and is evaluated by bond rating agencies to assess the City of Miami's financial stability and to determine interest and insurance rates. Information in this report has been taken from the 2010 CAFR.

This report as well as the City's CAFR, may be viewed and downloaded by accessing the City's website at <http://miamigov.com/Finance/index.asp>. Requests for a hardcopy report may be addressed to the Finance Department at 305-416-1324.

*Sincerely,*  
*Tony E. Crapp, Jr.*  
*City Manager*

# ABOUT THIS REPORT

This report provides a brief analysis of where City revenues come from and how they are spent, as well as some economic information about our communities. The Popular Annual Financial Report (PAFR) of the City of Miami is presented as a means of increasing public awareness about the City's financial condition through a more user-friendly presentation.

The financial information presented here is derived from the City's CAFR but is presented here in summarized form. The CAFR outlines the City's financial position and operating activities for the year in great detail and is prepared in conformance with generally accepted accounting principles (GAAP) in the United States and includes financial statements audited by McGladrey & Pullen, LLP. The presentation here reflects the City's government-wide data as well as data on governmental operations. Information on governmental funds are presented using the current financial resources measurement focus and the modified accrual basis of accounting. Governmental activities data is presented on the accrual basis of accounting and the economic resources measurement focus. Those activities are primarily supported by tax dollars for services such as parks and recreation, public safety, and transportation. Governmental activities can be further subdivided between operations and capital activities; Capital project activities are dollars spent to construct, acquire, or improve major facilities of the government.

Our Popular Report includes a condensed statement of net assets and statement of activities. The statement of net assets presents information on all assets and liabilities of the City, with the difference between assets and liabilities reported as net assets. The statement of activities presents information on all revenues and expenses of the City and the change in net assets. Expenses are reported by major function and program revenues relating to those functions are reported, providing the net cost of all functions of the City. This Popular Report, because of its summary nature, does not conform to GAAP and associated reporting standards set forth by applicable governing bodies and is not audited. The GAAP basis financial statements are presented in the City's CAFR which includes the City's component units and the presentation of individual funds, as well as full disclosure of all material events, financial, and non-financial in the notes to the financial statements. Individuals who desire to review GAAP basis, full disclosure financial statements should refer to the City's CAFR. The City's CAFR is available upon request of the Finance Department or through the City's website at [www.miamigov.com](http://www.miamigov.com).

We wish to express our appreciation to the City's Office of Communication for the use of the photographs and General Services Administration for the reproduction of this report.



The Government Finance Officers Association of the United States and Canada (GFOA) has given an Award for Outstanding Achievement in Popular Annual Financial Reporting to the City of Miami for its Popular Annual Financial Report for the fiscal year ended September 30, 2009. The Award for Outstanding Achievement in Popular Annual Financial Reporting is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government popular reports.

In order to receive an Award for Outstanding Achievement in Popular Annual Financial Reporting, a government unit must publish a Popular Annual Financial Report, whose contents conform to program standards of creativity, presentation, understandability, and reader appeal.

An Award for Outstanding Achievement in Popular Annual Financial Reporting is valid for a period of one year only. We believe our current report continues to conform to the Popular Annual Financial Reporting requirements, and we are submitting it to GFOA.

# Award for Outstanding Achievement in Popular Annual Financial Reporting

PRESENTED TO

**City of Miami  
Florida**

**for the Fiscal Year Ended**

**September 30, 2009**



*[Signature]*  
President  
*[Signature]*  
Jeffrey L. Esser  
Executive Director



# MIAMI GOVERNMENT

No other city in the United States is like Miami. Since its foundation 114 years ago, Miami has gone through times of turmoil and triumph. However, its increasingly diverse population has been able to turn a tourist oriented city into a glowing, cosmopolitan, and international metropolis.

The City of Miami was incorporated on July 28, 1896. The City Charter was adopted by the electors of the City of Miami at an election held May 17, 1921 and legalized and validated by Chapter 9024 of the laws of the State of Florida of 1921. During fiscal year 1997, the residents of the City voted on a referendum that created single-member districts and an Executive Mayor form of government. The City Commission governs and legislates the City of Miami. It has five members elected on a district basis for a four-year term. Commission meetings are scheduled the second and fourth Thursday of the month at 9:00 am and are open to the public.

The Commissioners make policy decisions, which are implemented by the City Manager. The City Manager is appointed by the Mayor and confirmed by the Commission. The Manager is the head of the administrative branch of City government and is responsible to the Mayor for the proper administration of all affairs of the City. Tony Crapp Jr. serves as City Manager.

The Commission is responsible for adopting an annual budget for all the City departments. A large portion of the budget process for city governments in Florida is statutorily driven per section 200.065, Florida Statutes. The office of Strategic Planning, Budgeting, and Performance works with City departments to develop a budget for the upcoming fiscal year. The budget is legally enacted annually by fiscal year, October 1 through September 30.

In 1955, the Florida Legislature 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 of Miami. The County has not displaced nor replaced the cities' powers, but supplements them. The County can take over particular activities of the City's operation 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 the City's Comprehensive Annual Financial Report or in this Popular Report.

# FINANCIAL OVERVIEW

The City's financial activities are accounted for primarily in the governmental funds where the focus is not profit or loss, but rather on services rendered and the cost to provide those services. The City does not have any business-type activities.

REVENUES ARE MONIES THE CITY RECEIVES FROM  
A VARIETY OF SOURCES TO PAY FOR THE SERVICES IT PROVIDES

PROGRAM REVENUES include:

**Charges for Services** – licenses, permits, other fees, fines, forfeitures, and charges paid by the recipients of goods or services offered by City programs.

**Operating (and Capital) grants and contribution** – grants and contributions received from other governments, organizations, and individuals that are restricted in some manner; and investment earnings that are restricted to meeting the operational or capital requirements of a particular program.

**GENERAL REVENUES** – are those revenues that are not classified as program revenues. All taxes, even those that are levied for a specific purpose are considered general revenues.

**Property Taxes** – Taxes levied against the assessed valuation of real property in Miami for the current year. The tax is expressed as a “mill” or \$1 in taxes for every \$1,000 of assessed valuation.

**State Revenue Sharing** – Revenues received by the State and proportionately shared with units of local government, including sales, and fuel taxes.

**Communication Service Taxes** – Tax levied against the usage of telecommunication and cable services administered by the State of Florida.

**Investment Earnings** – Income earned based on market values of the City's surplus funds.

**Other** – Includes all other revenues not specifically mentioned above.

EXPENSES ARE THE AMOUNTS SPENT  
TO PROVIDE SERVICES TO CITIZENS

**GENERAL GOVERNMENT** includes services for the general operations of the City departments such as finance, purchasing, information technology, and risk management.

**PLANNING & DEVELOPMENT** includes services that oversee growth and development in the City and provide communities and businesses with access to the tools that help strengthen and sustain the local economy.

**COMMUNITY DEVELOPMENT** includes services that develop and improve the economic condition of the community and its citizens, including housing assistance.

**COMMUNITY REDEVELOPMENT AREAS** includes services designed to revitalize specifically designated areas through the implementation of sound infrastructure improvements, stimulating the creation of new jobs, and improving the quality of life.

**PUBLIC WORKS** includes services that design, construct, operate, maintain, and rehabilitate public works, infrastructure projects, and program.

**PUBLIC SAFETY** includes emergency medical, fire services, building inspections and, police services.

**PUBLIC FACILITIES** includes services that coordinate the use of City facilities at affordable rates to our citizens.

**PARKS & RECREATION** includes services provided through the city parks, including summer camps, swimming lessons, and daycare services.



# SUMMARY FINANCIAL INFORMATION

The Statement of Activities, known by many as the income statement, is designed to provide a record of the money received and spent by the City.

## CONDENSED STATEMENT OF ACTIVITIES:

SEPTEMBER 30,

<b>REVENUES</b>	<b>2010</b>	<b>2009</b>
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 tax	22,665,743	22,566,791
Communication service taxes	61,966,455	64,010,537
Investment earnings - unrestricted	3,217,623	7,718,282
Other	-	377,558
<b>Total Revenues</b>	<b>\$ 668,317,903</b>	<b>\$ 683,918,734</b>
<b>EXPENSES</b>		
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 redevelopement 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
Unallocated depreciation	-	-
Special Item - Impairment loss on capital assets	-	-
<b>Total Expenses</b>	<b>\$ 759,166,750</b>	<b>\$ 768,471,339</b>
<b>Change in net assets</b>	<b>(90,848,847)</b>	<b>(84,552,605)</b>
<b>Beginning net assets</b>	<b>625,628,226</b>	<b>710,180,831</b>
<b>Ending net assets</b>	<b>\$ 534,779,379</b>	<b>\$ 625,628,226</b>

**Governmental Activities** – Governmental activities (Change in net assets) decreased the City’s net assets by \$90,848,847. Key elements of this decrease 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, increase of \$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 of \$6.9 million in General Government.

Property tax revenues decreased by approximately \$17.7 million or 5.8% over the prior year. The City’s operating millage rate remained the same 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 a \$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 of \$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 \$2.5 million 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 expenditures decreased \$2 million due to a reduction in personnel and operating costs.

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

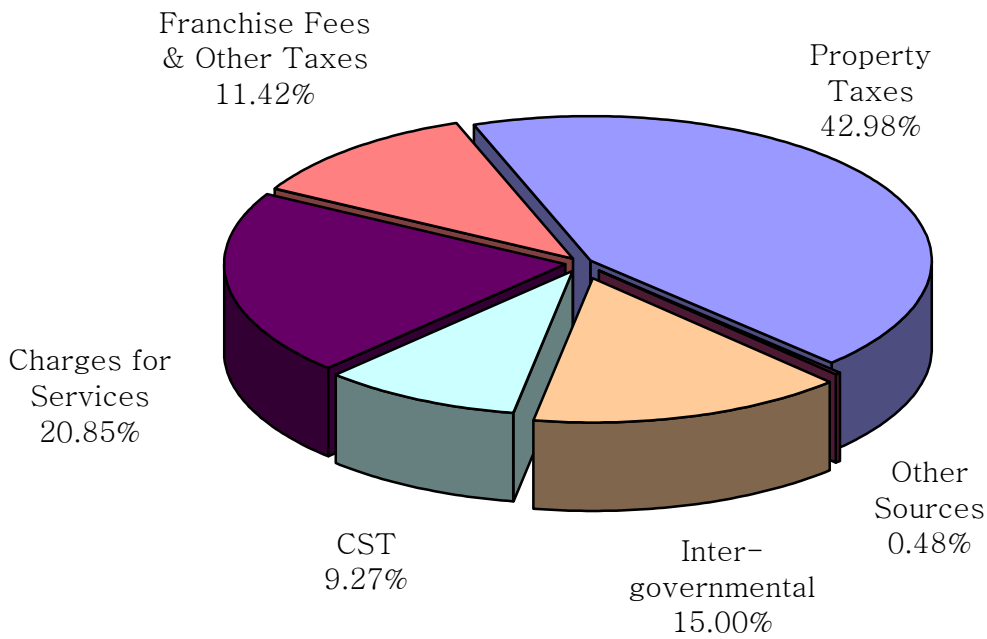
Public Facilities experienced an increase of \$3.7 million in expenditures from the prior year due primarily to capital expenditures.

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

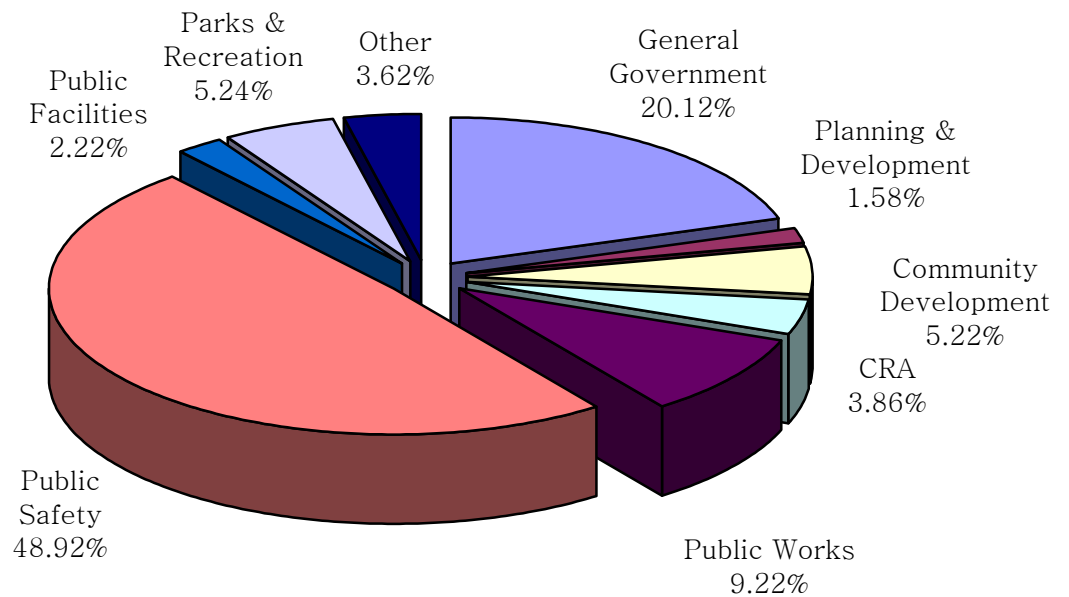
Interest expenditures on long-term debt and other related costs decreased by \$8.6 million due to the amortization of accretion throughout the year.



# WHERE THE MONEY COMES FROM



# WHERE THE MONEY GOES



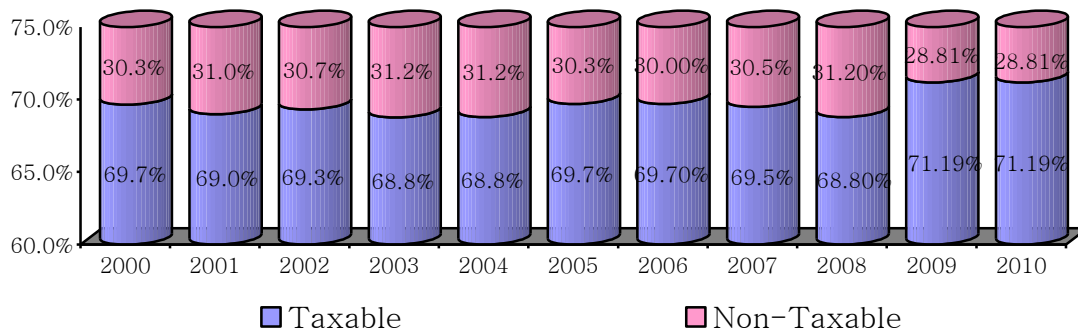


# TAX REVENUES

In FY 2010, the City of Miami received \$287,210,960 from property taxes, the City's largest revenue source, a decrease of 5.80% or approximately \$17.7 million, from the prior year.

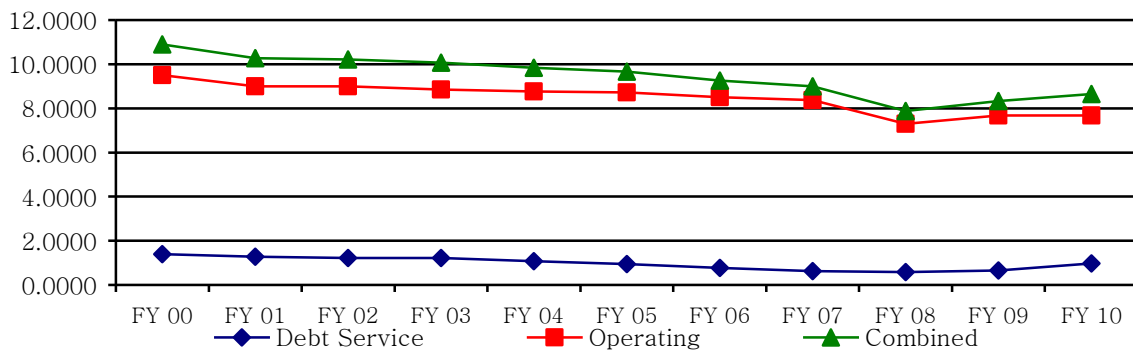
## TAXABLE VERSUS GROSS VALUE – EXEMPTIONS AT A GLANCE

Ad valorem taxes are taxes levied against the assessed valuation of real and tangible personal property. The amount of taxes levied by a municipality is dependent on the millage rate in effect and the final taxable values, which is the gross taxable value adjusted for exemptions. The difference between the gross value and those exemptions and adjustments is what is known as a municipality's taxable value. The taxable value is the true value which taxes are levied against. Within the City of Miami, the preliminary value assessment of those exemptions for 2009 equated to a little over \$15.2 billion. This amount represented 28.81% of the gross taxable value of approximately \$52.1 billion for that year.



## MILLAGE RATES – OPERATING AND DEBT SERVICE

A Mill is expressed as a \$1 in taxes for every \$1,000 of assessed valuation. This is the rate that is calculated with the taxable value to show the amount of ad valorem taxes levied by a municipality. For Fiscal Year 2010, the operating and debt service millage rates for the City of Miami are shown below.





ASSETS ARE THOSE ITEMS OWNED BY THE CITY THAT WILL PROVIDE A BENEFIT IN THE FUTURE.

**CASH** is the amount of physical cash held by the City in checking accounts and on hand for purpose of paying expenses.

**RECEIVABLES** represent the amounts that are owed to the City and are expected to be paid over the course of the next twelve months.

**CAPITAL ASSETS** represent furniture, equipment, vehicles, land, buildings, and the City's infrastructure that provide for an economic benefit to the City for more than one year.

**OTHER ASSETS** represent all other assets owned by the City.

LIABILITIES ARE THOSE ITEMS THAT THE CITY OWES TO  
INDIVIDUALS, COMPANIES, GOVERNMENTS, AND LENDERS

**PAYABLES** are those payments that the City owes to companies or individuals who supply services or goods to the City.

**BONDS AND LOANS** are the amounts owed for the issuance of debt on which the City still owes.

**COMPENSATED ABSENCES** are those payments that the City owes to employees for accrued leave balances, including unused vacation, and sick time, upon the employee's separation from service.

**OTHER LIABILITIES** represent all other amounts owed by the City.

The Statement of Net Assets, traditionally known by many as the balance sheet, is designed to provide a picture of the major components of the primary government's financial position at the end of the year.

**CONDENSED STATEMENT OF NET ASSETS**  
SEPTEMBER 30

<b>ASSETS</b>		<b>2010</b>		<b>2009</b>	
Cash and investments	\$	519,240,250	\$	433,720,351	
Receivables, net		81,629,876		89,958,701	
Capital assets		1,118,784,875		1,110,188,318	
Other assets		9,676,911		12,613,384	
<b>Total Assets</b>	<b>\$</b>	<b>1,729,331,912</b>	<b>\$</b>	<b>1,646,480,754</b>	
<b>LIABILITIES</b>					
Payables and accrued liabilities	\$	107,193,362	\$	109,490,996	
Bonds and loans		733,401,440		610,342,912	
Compensated absences		84,276,114		88,068,477	
Claims liabilities		180,428,258		155,115,174	
Other Post Employment Benefits		84,760,173		53,543,609	
Other liabilities		4,493,186		4,291,360	
<b>Total Liabilities</b>	<b>\$</b>	<b>1,194,552,533</b>	<b>\$</b>	<b>1,020,852,528</b>	
<b>NET ASSETS</b>	<b>\$</b>	<b>534,779,379</b>	<b>\$</b>	<b>625,628,226</b>	

**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., 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 and the recognition of the City’s Other Post Employment Benefits resulting from the implementation of GASB Statement No. 45.



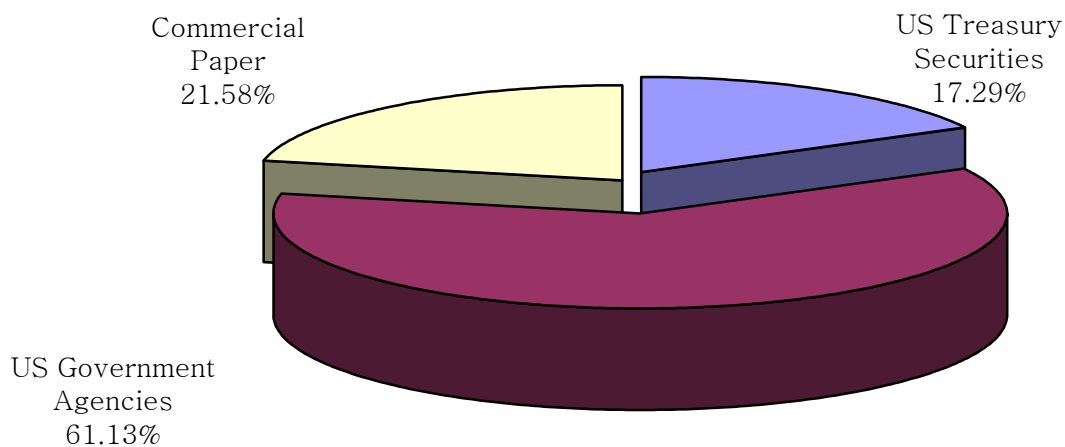
# INVESTMENT OVERVIEW

During fiscal year 2010, the City's investment portfolio ranged from \$274 million to \$523 million. The portfolio is invested to provide interest income that is budgeted as a revenue source. The Finance Director and Treasurer invest this money according to a written investment policy approved by the City Commission.

The City of Miami's investment policy is certified by the Association of Public Treasurers. The Certification Program was instituted in an effort to assist state and local governments interested in drafting or improving upon an existing investment policy against critical elements of a 'model' investment policy. Critical elements include: liquidity, internal controls, reporting, portfolio diversification, custody and safekeeping, ethics, and conflicts of interest.

This policy dictates how the City's money or portfolio can be invested. This policy first assures that any investments are of a minimum risk. Although sometimes higher interest rates are bypassed to do this, the primary concern is to prevent any principal being lost through unsafe investments. The policy also assures liquidity or that cash will be available as needed to pay any bills. The third criterion to be considered is yield or interest rate. Given the same risk and liquidity for different investments, the final selection will be based on the highest yield.

The Finance Director and Treasurer invest frequently, diversifying the portfolio to generate the highest yield possible. During fiscal year 2010 the investments earned an average of 0.8670% and generated \$3.8 million in investment earnings. The graph below is a breakdown of the portfolio by type of investment.



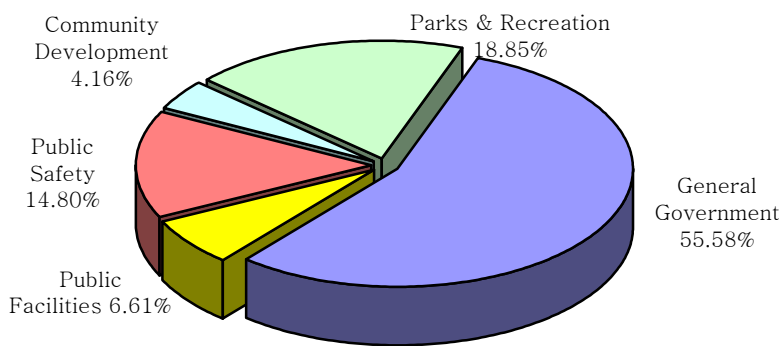
# DEBT OVERVIEW

The City of Miami's Debt Policy is certified by the Association of Public Treasurers. The Certification Program guides governments in effective preparation of comprehensive capital financing policies. Its main purpose is to provide finance officers with objective assistance in policy formulation.

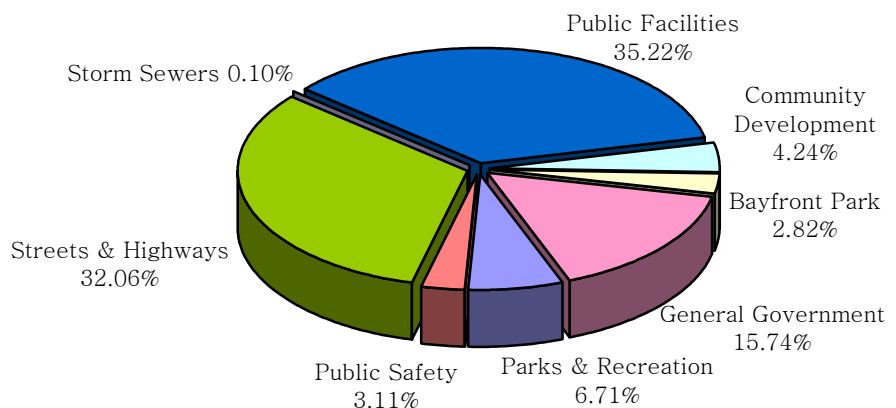
A debt policy is only certified when the Association's Review Team acknowledges that the policy has successfully met all criteria – including consistency with the governmental entity's legal authority and appropriateness for the policy's capital funding objectives.

The City of Miami uses the following debt instruments for long and short term financing:

**GENERAL OBLIGATION BONDS** are bonds supported by a pledge of the full faith and credit of the City as a method of repayment. As of September 30, 2010, the City has \$265,804,455 in general obligation bonds outstanding to support various City projects.



**SPECIAL REVENUE BONDS** are bonds supported by non-ad valorem revenues. As of September 30, 2010, the City has \$438,473,315 in special revenue bonds outstanding to support various City projects.



# CAPITAL IMPROVEMENT PLAN

## FUNDING OVERVIEW

### Funding Sources

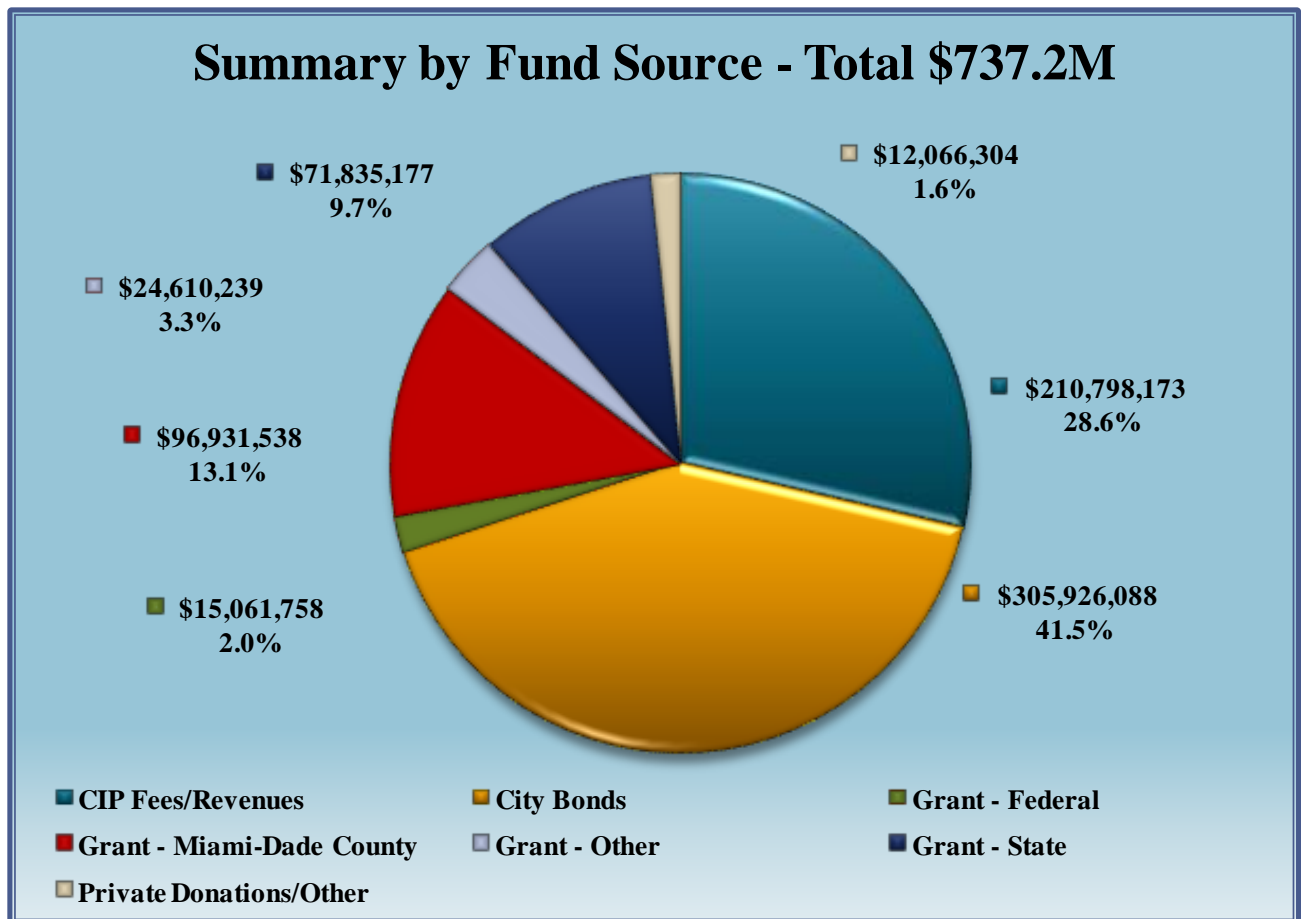
The Capital Improvement Plan contains funding from seven types of revenue sources:

- ❑ **Federal Grants** - Federal grants, such as Community Development Block Grants (CDBG), may be used only for the purposes specified in Federal laws. The amount of funding available from Federal sources is dedicated by National priorities. These grants derive from agencies at the federal level such as the Federal Emergency Management Agency (FEMA) and Housing and Urban Development (HUD).
- ❑ **State Grant** - State grants are awarded by State of Florida agencies such as the Florida Department of Transportation (FDOT) and Florida Department of Environmental Protection (DEP). These grants may be used only for the purposes specified in State laws.
- ❑ **Miami-Dade County Grants** - Miami-Dade County may contribute funding in the form of a grant for specific projects to be undertaken by the City.
- ❑ **Grant - Other** - These are grants which do not derive from Federal, State or Miami-Dade County resources. An example of this funding type is a grant or contribution from another municipality.
- ❑ **City Bonds** - Two types of bonds can be issued by the City for capital improvements: (1) General Obligation Bonds and (2) Special Obligation Bonds:
  - General obligation bonds are backed by the full faith and credit of the City of Miami and are secured by the City's ad valorem taxing power. These bonds finance specific capital improvement programs such as public safety, highway or storm sewers. The City's most recent general obligation bond issuance was approved by voters in November 2001. These bonds, named the Homeland Defense/Neighborhood Improvement (HD) Bonds, provide for a total infusion of \$255 million worth of capital investment in the areas of public safety, parks and recreation, streets, drainage, quality of life infrastructure improvements, and historic preservation. The first issuance in the amount of \$155 million took place in 2002 while the second issuance took place in July 2007 and derived almost \$51 million. The third issuance took place in May 2009 and derived almost \$51 million.
  - Special obligation bonds are secured by a limited revenue source. In order to accelerate the construction of much needed road and drainage infrastructure projects, the City leveraged recurring revenue streams from Local Option Gas Tax, the Transit Half-Cent Surtax, and the Parking Surcharge into a special obligation bond program. This first issuance of this bond program, known as the "Streets Bonds", in the amount of \$80 million took place at the end of calendar year 2007.
- ❑ **CIP Fees/Revenues** - These funds are collected from current revenues produced by miscellaneous county or city taxes and various fees. Notable funding sources included in this category are the annual General Fund contribution to capital projects, storm

water utility trust funds, local option gas tax, the transit ½ cent surtax, fire assessment fee, and impact fees.

- ❑ **Private Donation/Other** – This funding source includes any private funds contributed to the City as well as the dedication or sale of land for capital facilities.

The chart below shows that City Bonds represent the largest share of funding in the Capital Plan, accounting for 41.5% of overall Plan funds. CIP Fees/Revenues represent the second largest funding source, accounting for 28.6% of the Plan’s funding. Sources deriving from Miami-Dade County represent 13.1% of the Plan. The remaining 16.8% of funding is from Federal, State, Grant-Other, and Private Donations/Other sources.



*Note:* The above information is based on the City’s Capital Plan for the year of 2008 – 2009. You can access the Plan with the following link:

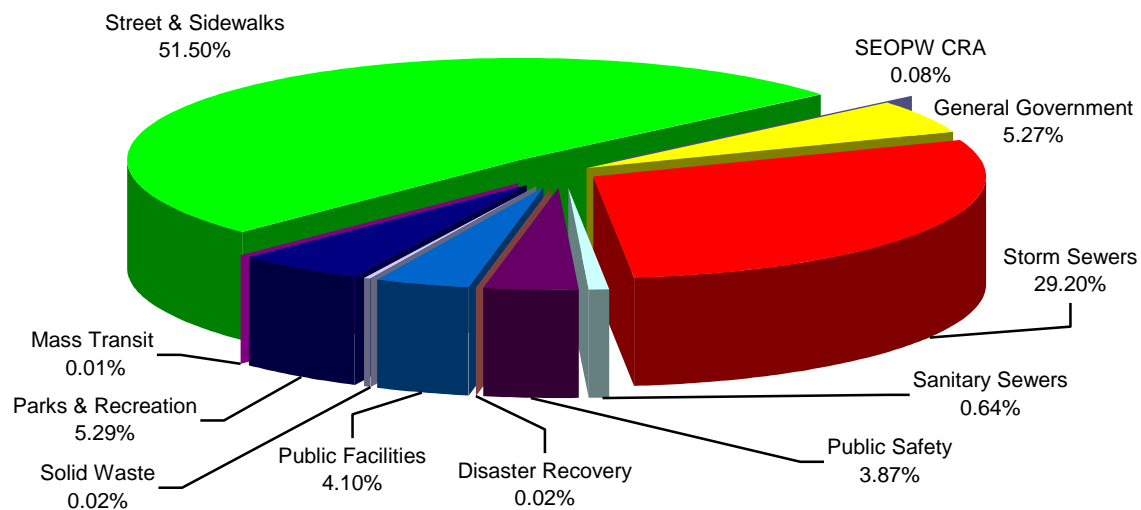
<http://www.miamigov.com/CapitalImprovements/pages/CapitalPlan.asp>



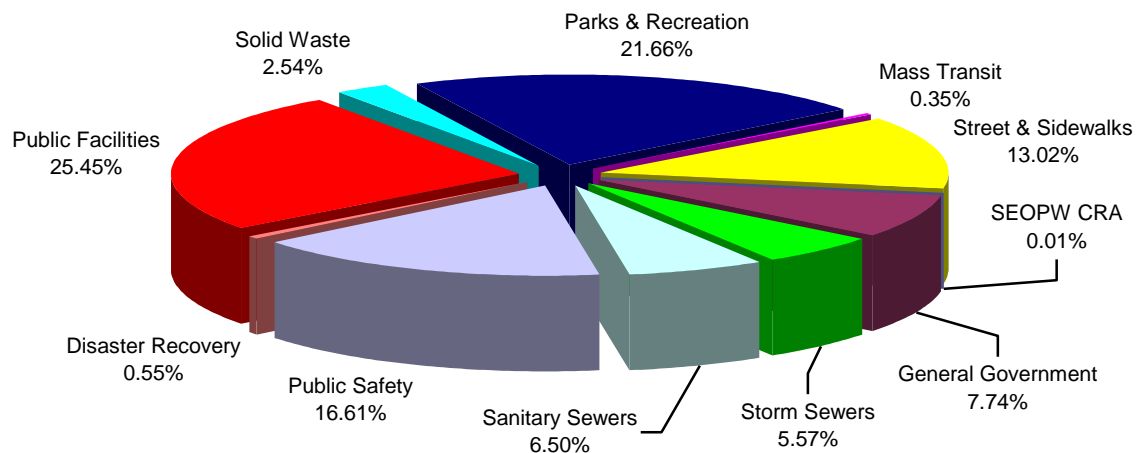
# CAPITAL PROJECTS REVENUES & EXPENDITURES

Capital project funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities and infrastructure. The financial resources of capital projects funds come from several different sources including general obligation bonds, state, and federal government grants, and appropriations from the general or special revenue funds.

## REVENUES



## EXPENDITURES



# OTHER FINANCIAL INFORMATION

## Top Ten Taxpayers (1)

1	Florida Power & Light Co	\$ 437,936,645
2	200 S Biscayne TIC 1 LLC	290,700,000
3	Crescent Miami Center LLC	196,500,000
4	Bellsouth Telecommunications Inc	186,796,701
5	T C 701 Brickell LLC	172,900,000
6	1111 Brickell Office LLC	146,100,000
7	Trustees of L&B	117,400,000
8	Opera Tower LLC	112,499,679
9	Estoril Incorporated	107,400,000
10	Blue Capital US East	99,500,000

## Property Tax Rates (1)

Year	City of Miami	County	Schools	State	Special Districts	Total
2010	8.6441	6.373	8.249	0.6585	0.2840	24.2081
2009	8.3335	5.622	7.995	0.6585	0.3832	22.9920
2008	7.8775	5.287	7.948	0.6585	0.3842	22.1551
2007	8.9955	6.322	8.105	0.7355	0.486	24.6443
2006	9.2645	6.548	8.438	0.7355	0.486	25.4728
2005	9.6663	6.664	8.687	0.7355	0.486	26.2390
2004	9.8425	6.754	9.100	0.7355	0.486	26.9180
2003	10.0680	6.279	9.252	0.7355	0.486	26.8205
2002	10.2130	6.265	9.376	0.7355	0.451	27.0405
2001	10.2750	6.403	9.617	0.7380	0.351	27.3840

## Population and Assessed Value

Fiscal Year	Population (2)	Net Assessed Value (1)
2010	399,457	\$ 36,949,521,366
2009	362,470	37,149,190,992
2008	362,470	37,755,839,094
2007	362,470	33,032,909,346
2006	362,470	26,977,377,288
2005	362,470	21,929,712,057
2004	362,470	18,871,123,318
2003	362,470	16,937,886,770
2002	362,470	15,113,061,441
2001	362,470	13,771,366,359

(1) Miami-Dade County Property Appraiser's Office

(2) Estimates provided by the State of Florida, Division of Population Studies, Bureau of Business and Economic Research, University of Florida and 2010 U.S. Census Bureau

# HOW TO CONTACT US

CITY OF MIAMI WEBSITE

[WWW.MIAMIGOV.COM](http://WWW.MIAMIGOV.COM)

<b>Mayor</b> Tomas P. Regalado	305-250-5300	<b>Community Development</b> George Mensah	305-416-1978
<b>Commissioners:</b> Wifredo Gort (District 1) Marc Sarnoff (District 2) Frank Carollo (District 3) Francis Suarez (District 4) Richard Dunn II (District 5)	305-250-5430 305-250-5333 305-250-5380 305-250-5420 305-250-5390	<b>Communications</b> Angel Zayon	305-416-1036
<b>City Manager</b> Tony Crapp, Jr.	305-250-5400	<b>Conferences, Conventions &amp; Public Facilities</b> Madeline Valdes	305-416-1461
<b>Deputy City Manager/Chief of Infrastructure</b> Johnny Martinez	305-416-1025	<b>Employee Relations</b> Beverly Pruitt	305-416-2110
<b>Chief Financial Officer</b> Larry Spring	305-416-1011	<b>Enterprise Resource Planning (ERP)</b> Cynthia Torres	305-416-2027
<b>Chief Information Officer</b> Peter W. Korinis	305-416-1550	<b>Finance</b> Diana M. Gomez	305-416-1324
<b>Chief of Operations</b> Luis Cabrera	305-416-1003	<b>Fire-Rescue</b> Maurice Kemp	305-416-5401
<b>Audio Visual Broadcasting Operations</b> Mario Riquelme	305-416-1048	<b>General Services Administration</b> Jose Camero	305-329-4854
<b>Auditor General</b> Victor I. Igwe	305-416-2044	<b>Grants &amp; Sustainable Initiatives</b> Lillian Blondet	305-416-1536
<b>Budget</b> Mirtha Dziedzic	305-416-1503	<b>NET</b> Haydee Wheeler	305-416-2091
<b>Capital Improvements &amp; Transportation</b> Alice Bravo	305-416-1225	<b>Parks &amp; Recreation</b> Ernest Burkeen Jr.	305-416-1320
<b>Building Department</b> Orlando Toledo	305-416-1102	<b>Planning</b> Francisco Garcia	305-416-1470
<b>City Attorney</b> Julie O. Bru	305-416-1816	<b>Police</b> Miguel Exposito	305-603-6100
<b>City Clerk</b> Priscilla A. Thompson	305.250-5360	<b>Public Works</b> Nzeribe Ihekweba	305-416-1050
<b>Civil Service Board</b> Tishria L. Mindingall	305-416.2020	<b>Purchasing</b> Ken Robertson	305-416-1910
<b>Civilian Investigative Panel</b> Carol Abia	305-960-4950	<b>Risk Management</b> Gary Reshefsky	305-416-1716
<b>Code Enforcement</b> Sergio Guadix	305-416-2089	<b>Solid Waste</b> Fred Hobson	305-960-2802
		<b>Zoning</b> Barnaby Min	305-416-1491

This report, as well as a variety of other information, can be obtained by visiting the City's web-site on the world wide web at:

<http://miamigov.com/Finance/Index.asp>



Questions, comments, or suggestions regarding this report can be directed to

**Diana M. Gomez**

Finance Director

305-416-1324

[dgomez@miamigov.com](mailto:dgomez@miamigov.com)

