BOARD OF COUNTY COMMISSIONERS
OFFICE OF THE COMMISSION AUDITOR

MEMORANDUM

TO: Honorable Chairman Dennis C. Moss
and Members, Board of County Commissioners

FROM: Charles Anderson
Commission Auditor

DATE: May 28, 2010

SUBJECT: Revenue Estimating Conference Report

On April 21, 2010, the Office of the Commission Auditor (OCA) met with the Finance Department and the Office of Strategic Business Management (OSBM) for a second Revenue Estimating Conference. The current fiscal year revenue streams and the FY 10-11 proposed revenue budget were discussed.

OCA has prepared two revenue reports for your review. The first report (Attachment 1) contains General Fund (GF) data only. The second report (Attachment 2) includes information on selected proprietary revenues. Both reports have columns displaying two prior years of actual data, the current year budget and projections, and the FY 10-11 proposed revenues. Additionally, the reports show variances, in dollars and percentages, beginning with the FY 09-10 adopted budget to FY 09-10 projections, and from the FY 09-10 adopted budget to FY 10-11 proposed budget. The key issues are listed below:

FY 09-10 (FY 09-10 Adopted Budget to FY 09-10 Projections)

- GF Communications Services Tax revenue is $4 million less than the adopted budget. The revenue line item has declined primarily due to three factors: weak consumer spending, high unemployment and foreclosures, which are still among the highest in the nation. The April 2010 report issued by Miami-Dade County Office of Economic Development Coordination states, "Consumer spending remains a weak spot in the local economy."
- The GF Local Government Half-Penny Sales Tax revenue is $7.5 million below the adopted budget. Revenue has been affected by the three previously mentioned factors: weak consumer spending, high employment, and foreclosures.
- GF Carryover revenue of $38 million was utilized because of the delay in negotiating the collective bargaining agreements.
- GF Interest revenue has decreased by $1.5 million due to the Federal Reserve maintaining federal investment rates at historic lows.

- The following Proprietary departments have all shown declining revenue in the amounts indicated.
  - Aviation Fees and Charges - $2.331 million
  - Building Permits - $4.117 million
  - DERM Plan Review Fees - $1.587 million
  - DERM Stormwater Utility - $1.133 million
  - Finance Ad Valorem Fees - $1.983 million
  - MDPD 911 Fees - $1.157 million
  - MDT Fares - $12.952 million
  - Seaport Cargo Fees - $1.504 million
  - SWM Disposal Fees - $2.609 million
  - WASD Wastewater Fees - $4.356 million

FY 10-11 (FY 09-10 Adopted Budget to FY 10-11 Proposed Budget)

- GF revenues were reduced by an estimated $259,718 million from FY 09-10 adopted budget.
- Countywide/UMSA Ad Valorem is projected to be 12-13% below the FY 09-10 adopted budget.
- The revenue decline continues for the following Proprietary departments, in the amounts indicated:
  - Building Permits - $4.917 million
  - Charter County Transit Surtax - $6.873 million
  - Office of the Clerk - $1.115 million
  - DERM Plan Review Fees - $2.299 million
  - Finance Ad Valorem Fees - $2.357 million
  - Park and Recreation Golf Courses Fees - $1.353 million
  - MDPD 911 Fees - $1.532 million
  - Public Hospital Sales Surtax - $6.873 million
  - SWM Collection Fees - $1.288 million
  - SWM Disposal Fees - $7.616 million
  - MDT Fares - $12.540 million

We will continue to report any changes in revenue projections to the Board of County Commissioners as more information becomes available.

Thanks to OSBM for the information provided and their cooperation. Please contact me with any questions you may have concerning the attached reports or if additional information is required.

Attachments

c: Honorable Carlos Alvarez, Mayor
George M. Burgess, County Manager
R.A. Cuevas, Jr., County Attorney
Jennifer Glazer-Moon, Special Assistant/OSBM Director
Carter Hammer, Director, Finance Department
Diane Collins, Acting Division Chief, Clerk of the Board
Jess McCarty, County Attorney's Office

Attachment 1

REVENUE ESTIMATING CONFERENCE (REC):
General Fund
($000s)

Revenue item	FY 07-08 Actual	FY 08-09 Actual	FY 09-10 Adopted	FY 09-10 Projections REC-2	FY 10-11 Proposed Budget REC-2	Variance between FY09-10 Adopted and FY09-10 Projection REC-2	Variance between FY09-10 Adopted and FY10-11 Proposed REC-2	% Variance between FY09-10 Adopted and FY09-10 Projection REC-2	% Variance between FY09-10 Adopted and FY10-11 Proposed REC-2
CW Ad Valorem	$1,070,967	$1,116,032	$1,020,964	$1,020,964	$890,081	$0	-$130,883	0.00%	-12.82%
UMSA Ad Valorem	$152,405	$146,941	$130,186	$130,186	$114,564	$0	-$15,622	0.00%	-12.00%
Communications Service Tax	$49,689	$43,481	$43,796	$39,771	$38,349	-$4,025	-$5,447	-9.19%	-12.44%
Franchise Fees (FPL)	$48,668	$44,241	$52,407	$52,407	$50,533	$0	-$1,874	0.00%	-3.58%
Local Govt Half-Cent Sales Tax	$134,017	$113,846	$112,179	$104,644	$100,406	-$7,535	-$11,773	-6.72%	-10.49%
Local Option Gas Tax	$47,198	$41,121	$40,667	$41,204	$39,535	$537	-$1,132	1.32%	-2.78%
Ninth Cent Gas Tax	$11,205	$10,513	$10,439	$10,775	$10,338	$336	-$101	3.22%	-0.97%
State Gas Tax	$14,849	$12,646	$12,130	$12,537	$12,030	$407	-$100	3.36%	-0.82%
Utility Tax	$73,274	$66,477	$66,798	$65,918	$63,561	-$880	-$3,237	-1.32%	-4.85%
Administrative Reimbursement	$45,574	$46,626	$49,470	$49,531	$42,479	$61	-$6,991	0.12%	-14.13%
Carryover (General Fund 010)	$109,671	$104,680	$21,313	$38,641	$0	$17,328	-$21,313	81.30%	-100.00%
Interest	$14,261	$5,393	$4,500	$3,000	$2,870	-$1,500	-$1,630	-33.33%	-36.22%
County Revenue Sharing	$31,444	$27,753	$26,449	$26,449	$25,378	$0	-$1,071	0.00%	-4.05%
Municipal Revenue Sharing Program	$48,210	$48,210	$45,800	$48,210	$45,800	$2,410	$0	5.26%	0.00%
Transfer from Emrgncy Contingency Reserve (1)	$0	$0	$58,544	$58,544	$0	$0	-$58,544	0.00%	-100.00%
Other (2)	N/A	N/A	$16,038	$16,038	$16,038	$0	$0	0.00%	0.00%
GF Total	*$1,851,432*	*$1,827,960*	*$1,711,680*	*$1,718,819*	*$1,451,962*	*$7,139*	*-$259,718*	*0.42%*	*-15.17%*

Note:

1-OSBM did not provide worksheet on Emergency Contingency Reserve, therefore, adopted budget is assumed for FY 09-10 projection

2-OSBM did not provide worksheet on Other revenue, therefore, adopted budget is assumed for FY 09-10 projection and FY 10-11 proposed budget

Attachment 2

REVENUE ESTIMATING CONFERENCE (REC)

Proprietary

($000s)

Revenue item	FY 07-08 Actual	FY 08-09 Actual	FY 09-10 Adopted	FY 09-10 Projections REC-1	FY 09-10 Projections REC-2	FY 10-11 Proposed Budget REC-2	Variance between FY09-10 Adopted and FY09-10 Projection REC-2	Variance between FY09-10 Adopted and FY10-11 Proposed REC-2	% Variance between FY09-10 Adopted and FY09-10 Projection REC-2	% Variance between FY09-10 Adopted and FY10-11 Proposed REC-2
Library Ad Valorem	$81,583	$80,260	$73,469	$73,469	$73,469	$64,653	$0	($8,816)	0.00%	-12.00%
Fire Ad Valorem	$313,524	$306,750	$274,370	$274,370	$274,370	$241,500	$0	($32,870)	0.00%	-11.98%
Convention Development Tax (CDT)	$46,966	$40,702	$36,586	$42,014	$39,390	$37,608	$2,804	$1,022	7.66%	2.79%
Professional Sports Facilities Franchise Tax	$8,862	$7,169	$6,567	$7,097	$6,571	$6,274	$4	($293)	0.06%	-4.46%
Tourist Development Tax (TDT)	$17,723	$14,338	$13,133	$14,194	$13,142	$12,547	$9	($586)	0.07%	-4.46%
TD Surtax-Food & Beverages	$5,663	$4,615	$4,412	$4,569	$4,242	$4,050	($170)	($362)	-3.85%	-8.20%
Fines (ADA)	$290	$289	$271	$269	$272	$279	$1	$8	0.37%	2.95%
Code Violation Fines, Citation Surcharges, and Deposits (Animal Services)	$1,613	$1,138	$1,150	$1,368	$1,210	$1,200	$60	$50	5.22%	4.35%
Animal License Fees, Shelter Fees, Dealer Fees, and Permits	$5,390	$6,690	$5,984	$6,345	$6,345	$6,694	$361	$710	6.03%	11.86%
Commercial Operations (Aviation)	$175,592	$171,723	$179,259	$179,259	$179,201	$183,351	($58)	$4,092	-0.03%	2.28%
Fees and Charges (Aviation)	$258,865	$239,933	$276,286	$276,286	$273,955	$330,882	($2,331)	$54,596	-0.84%	19.76%
Rentals (Aviation)	$102,641	$95,626	$101,946	$101,946	$102,088	$122,435	$142	$20,489	0.14%	20.10%
Permitting Trades Fees (BNC)	$20,615	$18,930	$20,122	$16,005	$16,005	$15,205	($4,117)	($4,917)	-20.46%	-24.44%
Code Fines/Lien Collections (BNC)	$7,081	$6,707	$6,330	$8,385	$8,385	$7,966	$2,055	$1,636	32.46%	25.85%
Contractor Renewals (BCCO)	$1,200	$883	$1,100	$1,125	$1,125	$895	$25	($205)	2.27%	-18.64%
Contractor Certificates/Exams (BCCO)	$973	$762	$785	$669	$669	$687	($116)	($98)	-14.78%	-12.48%
Product Approval-Control Certification (BCCO)	$3,798	$2,618	$2,200	$2,041	$2,294	$2,475	$94	$275	4.27%	12.50%
Surcharge-Code Compliance (BCCO)	$3,069	$1,679	$2,100	$1,440	$1,440	$1,635	($660)	($465)	-31.43%	-22.14%
Other Fees-Codes Fines, Liens, Board Fees, Book Sales, and Interest (BCCO)	$1,067	$1,542	$810	$1,154	$919	$916	$109	$106	13.46%	13.09%
Grants (CAA)	$64,946	$69,432	$84,135	$95,274	$92,111	$78,945	$7,976	($5,190)	9.48%	-6.17%
Charter County Transit System Surtax	$186,501	$172,700	$169,700	$169,700	$169,700	$162,827	$0	($6,873)	0.00%	-4.05%
Fees and Charges (Office of the Clerk)	$16,727	$10,980	$11,291	$10,400	$10,400	$10,176	($891)	($1,115)	-7.89%	-9.88%
Fees and Charges (Consumer Services)	$6,192	$6,453	$6,620	$6,620	$7,710	$6,774	$1,090	$154	16.47%	2.33%
Code Fines/Liens (Consumer Services)	$998	$1,345	$667	$900	$940	$877	$273	$210	40.93%	31.48%
Grants (DERM)	$8,951	$6,284	$5,581	$6,000	$6,000	$5,750	$419	$169	7.51%	3.03%
Operating Permit Fees (DERM)	$6,119	$7,040	$7,269	$7,526	$7,526	$7,150	$257	($119)	3.54%	-1.64%
Plan Review Fees (DERM)	$7,183	$7,034	$8,893	$7,763	$7,306	$6,594	($1,587)	($2,299)	-17.85%	-25.85%
Utility Service Fee (DERM)	$20,581	$22,002	$21,250	$22,910	$23,352	$23,359	$2,102	$2,109	9.89%	9.92%
Stormwater Utility (DERM)	$32,315	$31,517	$32,965	$31,832	$31,832	$32,150	($1,133)	($815)	-3.44%	-2.47%
Auto Tag Fees (Finance)	$10,935	$10,539	$11,600	$10,698	$10,698	$10,699	($902)	($901)	-7.78%	-7.77%
Ad Valorem Fees (Finance)	$27,279	$23,347	$22,516	$21,600	$20,533	$20,159	($1,983)	($2,357)	-8.81%	-10.47%

REVENUE ESTIMATING CONFERENCE (REC)
Proprietary
($000s)

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Tourist Tax Fees (Finance)	$2,403	$2,089	$2,330	$2,190	$2,168	$2,068	($162)	($262)	-6.95%	-11.24%
Credit and Collections (Finance)	$3,021	$2,176	$1,564	$1,684	$1,684	$1,665	$120	$101	7.67%	6.46%
Local Business Tax Receipts (Finance)	$8,269	$8,165	$8,200	$8,251	$8,072	$8,395	($128)	$195	-1.56%	2.38%
Transport Fees (Fire)	$19,945	$29,008	$24,000	$24,000	$24,320	$24,000	$320	$0	1.33%	0.00%
Federal Grants-Capital Fund Program (MDPHA)	$8,323	$19,401	$7,916	$12,500	$12,500	$11,458	$4,584	$3,542	57.91%	44.74%
Federal Subsidy-Operating Fund (MDPHA)	$32,897	$35,435	$34,711	$37,530	$34,737	$34,711	$26	$0	0.07%	0.00%
Fed Subsidy-Housing Assistance Payments (Section 8) (MDPHA)	$154,488	$121,285	$161,252	$152,319	$157,878	$165,779	($3,374)	$4,527	-2.09%	2.81%
Federal Grants-Section 8 Administrative Fee	$14,710	$16,491	$15,689	$16,825	$15,771	$16,218	$82	$529	0.52%	3.37%
Grants HOME (HCD)	$6,419	$7,079	$7,030	$6,725	$7,030	$6,678	$0	($352)	0.00%	-5.01%
Federal CDBG (HCD)	$17,982	$17,957	$19,579	$17,060	$19,579	$18,601	$0	($978)	0.00%	-5.00%
Emergency Shelter-Grant (HCD)	$799	$801	$789	$760	$789	$749	$0	($40)	0.00%	-5.07%
Documentary Stamp Surtax (HCD)	$20,982	$8,614	$10,000	$10,000	$10,000	$12,000	$0	$2,000	0.00%	20.00%
Documentary Stamp Surtax (MDEAT)	$1,825	$749	$870	$870	$870	$1,044	$0	$174	0.00%	20.00%
Grant-State Housing Initiative Program (HCD)	$8,960	$7,062	$732	$732	$732	$696	$0	($36)	0.00%	-4.92%
Food and Beverage Tax for Homeless and Domestic Violence (Homeless Trust)	$14,419	$14,511	$13,262	$14,517	$14,700	$14,035	$1,438	$773	10.84%	5.83%
Grants (Human Services)	$167,484	$171,420	$173,446	$172,109	$172,109	$173,565	($1,337)	$119	-0.77%	0.07%
Technology Recording Fee-$2 per page	$4,164	$2,372	$2,500	$2,184	$2,184	$2,137	($316)	($363)	-12.64%	-14.52%
Golf Courses (Parks)	$8,798	$8,275	$8,672	$8,673	$7,704	$7,319	($968)	($1,353)	-11.16%	-15.60%
Marinas (Parks)	$7,987	$8,036	$7,855	$8,138	$7,786	$7,397	($69)	($458)	-0.88%	-5.83%
Metro Zoo Fees and Charges (Parks)	$6,549	$9,161	$8,320	$8,320	$8,320	$8,356	$0	$36	0.00%	0.43%
Planning Revenue (P&Z)	$2,305	$853	$774	$774	$774	$611	$0	($163)	0.00%	-21.06%
Zoning Revenue (P&Z)	$7,481	$7,115	$7,773	$7,773	$7,773	$7,938	$0	$165	0.00%	2.12%
Impact Fee Section (P&Z)	$789	$391	$963	$736	$736	$554	($227)	($409)	-23.57%	-42.47%
MDPD 911 Fees (MDPD)	$16,478	$14,440	$14,961	$13,804	$13,804	$13,429	($1,157)	($1,532)	-7.73%	-10.24%
Parking Surcharge (MDPD)	$1,886	$1,958	$2,114	$2,030	$2,030	$2,008	($84)	($106)	-3.97%	-5.01%
Sheriff Fees (MDPD)	$4,915	$4,197	$4,241	$3,914	$3,914	$3,932	($327)	($309)	-7.71%	-7.29%
User Access Program (UAP) (DPM)	$10,807	$10,529	$9,547	$9,547	$9,547	$9,547	$0	$0	0.00%	0.00%
Public Hospital Sales Surtax (PHT)	$186,726	$172,766	$169,700	$169,700	$169,700	$162,827	$0	($6,873)	0.00%	-4.05%
Causeway Toll (PWD)	$9,694	$9,219	$8,906	$9,332	$9,216	$9,307	$310	$401	3.48%	4.50%
Construction/Plat Fees (PWD)	$3,673	$2,273	$2,400	$1,513	$1,800	$2,090	($600)	($310)	-25.00%	-12.92%
Special Taxing District (PWD)	$20,900	$23,180	$29,623	$27,904	$27,904	$29,623	($1,719)	$0	-5.80%	0.00%
Cargo (Seaport)	$20,498	$19,116	$24,304	$23,500	$22,800	$24,500	($1,504)	$196	-6.19%	0.81%

Attachment 2

REVENUE ESTIMATING CONFERENCE (REC)

Proprietary

($000s)

Revenue item	FY 07-08 Actual	FY 08-09 Actual	FY 09-10 Adopted	FY 09-10 Projections REC-1	FY 09-10 Projections REC-2	FY 10-11 Proposed Budget REC-2	Variance between FY09-10 Adopted and FY09-10 Projection REC-2	Variance between FY09-10 Adopted and FY10-11 Proposed REC-2	% Variance between FY09-10 Adopted and FY09-10 Projection REC-2	% Variance between FY09-10 Adopted and FY10-11 Proposed REC-2
Cruise (Seaport)	$39,688	$40,260	$42,656	$42,100	$41,800	$43,381	($856)	$725	-2.01%	1.70%
Collection Fees and Charges (SWM)	$141,822	$141,080	$136,297	$136,297	$142,058	$135,009	$5,761	($1,288)	4.23%	-0.94%
Disposal Fees and Charges (SWM)	$123,192	$116,815	$106,347	$106,047	$103,738	$98,731	($2,609)	($7,616)	-2.45%	-7.16%
Resource Recovery Kilowatt-Hours (SWM)	$28,001	$27,959	$29,918	$29,918	$31,493	$29,918	$1,575	$0	5.26%	0.00%
Utility Service Fee (SWM)	$18,067	$19,559	$17,666	$20,046	$20,046	$20,127	$2,380	$2,461	13.47%	13.93%
Fares (MDT)	$97,590	$99,142	$113,413	$105,883	$100,461	$100,873	($12,952)	($12,540)	-11.42%	-11.06%
Wastewater (WASD)	$236,844	$241,834	$264,556	$263,855	$260,200	$274,465	($4,356)	$9,909	-1.65%	3.75%
Water (WASD)	$177,705	$212,481	$225,068	$225,709	$225,428	$237,489	$360	$12,421	0.16%	5.52%