

FY 2009 - 10 Adopted Budget and Multi-Year Capital Plan

Finance

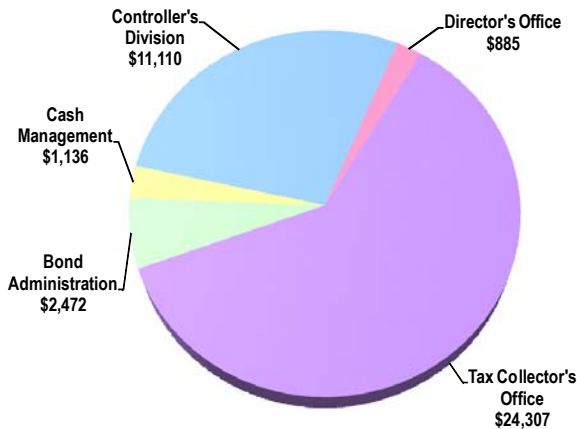
The Finance Department delivers financial services for sound management decision-making and is responsible for centralized accounting, cash management, financial and debt management services, tax collection and distribution, and the collection of delinquent accounts for various County departments.

As part of the Enabling Strategies strategic area, the Finance Department provides fiscal and accounting controls over resources by processing vendor payments and payroll checks, maintaining the County's general ledger system, and providing financial reports. The Department collects and distributes current and delinquent real and personal property taxes, non-ad valorem special assessments for all local taxing authorities within Miami-Dade County, local business tax receipts, and convention and tourist taxes. The Department also acts as an agent on behalf of the State of Florida to issue automobile, boat, hunting and fishing licenses; invests surplus funds and maintains sufficient cash balances in compliance with Florida Statutes and County ordinances; and manages the County's debt financing and debt issuances.

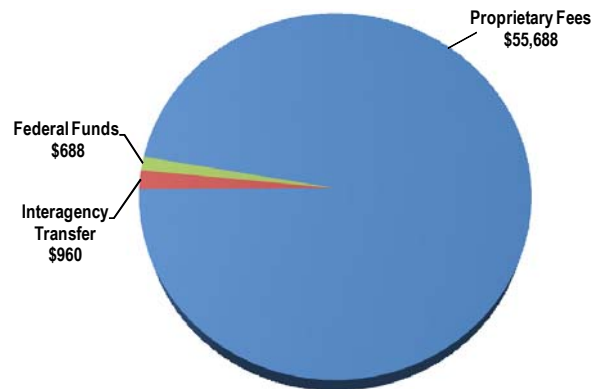
The Finance Department serves all County departments as well as those entities conducting financial transactions with Miami-Dade County. The Department works closely with all departments and directly with the County Executive Office, the County Attorney's Office, the Office of the Clerk, the Office of Strategic Business Management, the Office of the Property Appraiser, the Human Resources Department and outside financial consultants.

FY 2009-10 Adopted Budget

Expenditures by Activity
(dollars in thousands)

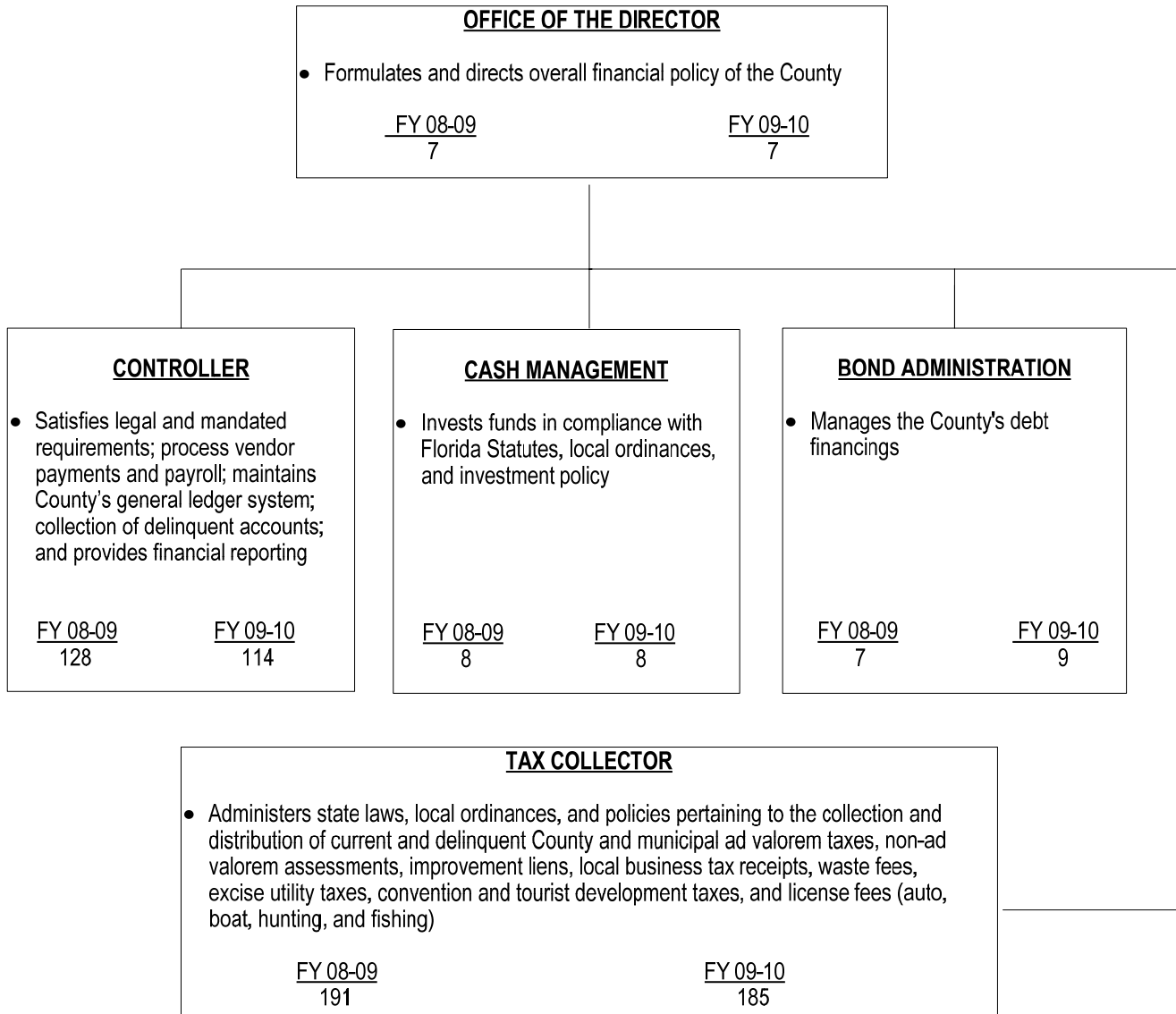


Revenues by Source
(dollars in thousands)



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TABLE OF ORGANIZATION



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FINANCIAL SUMMARY

(dollars in thousands)	Actual FY 07-08	Budget FY 08-09	Adopted FY 09-10
Revenue Summary			
Ad Valorem Fees	24,331	17,197	22,516
Auto Tag Fees	10,935	11,950	11,594
Bond Transaction Fees	1,895	947	1,259
Carryover	12,367	12,795	10,777
Credit and Collections	3,021	4,133	1,564
Local Business Tax Receipt	1,076	3,350	3,286
Other Revenues	2,908	2,640	2,262
QNIP Bond Proceeds	100	100	100
Tourist Tax Fees	2,403	2,726	2,330
Federal Funds	511	661	688
Interagency Transfers	0	0	960
Total Revenues	59,547	56,499	57,336
Operating Expenditures Summary			
Salary	18,675	20,303	18,634
Fringe Benefits	5,860	6,682	6,109
Other Operating	8,567	9,376	10,493
Capital	877	3,919	4,674
Total Operating Expenditures	33,979	40,280	39,910
Non-Operating Expenditures Summary			
Reserve	0	4,447	3,478
Transfers	10,551	11,772	13,948
Total Non-Operating Expenditures	10,551	16,219	17,426

(dollars in thousands)	Total Funding		Total Positions	
Expenditure By Program	Budget FY 08-09	Adopted FY 09-10	Budget FY 08-09	Adopted FY 09-10
Strategic Area: Enabling Strategies				
Bond Administration	2,113	2,472	7	9
Cash Management	1,836	1,136	8	8
Controller's Division	11,623	11,110	128	114
Director's Office	866	885	7	7
Tax Collector's Office	23,842	24,307	191	185
Total Operating Expenditures	40,280	39,910	341	323

CAPITAL BUDGET SUMMARY

(dollars in thousands)	PRIOR	FY 09-10	FY 10-11	FY 11-12	FY 12-13	FY 13-14	FY 14-15	FUTURE	TOTAL
Revenue									
Department Operating Revenue	2,791	4,503	4,220	5,305	0	0	0	0	16,819
Total:	2,791	4,503	4,220	5,305	0	0	0	0	16,819
Expenditures									
Strategic Area: Enabling Strategies									
Computer and Systems Automation	551	2,835	3,890	5,145	0	0	0	0	12,421
Computer Equipment	240	200	200	160	0	0	0	0	800
Departmental Information Technology Projects	0	50	0	0	0	0	0	0	50
Facility Improvements	0	0	130	0	0	0	0	0	130
Improvements to County Processes	2,000	1,418	0	0	0	0	0	0	3,418
Total:	2,791	4,503	4,220	5,305	0	0	0	0	16,819

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SELECTED ITEM HIGHLIGHTS AND DETAILS

Line Item Highlights	(dollars in thousands)				
	Actual FY 06-07	Actual FY 07-08	Budget FY 08-09	Actual FY 08-09	Budget FY 09-10
Contract Temporary Employees	375	382	337	460	317
Rent	1,220	1,516	1,438	1,650	1,750
Travel	82	78	115	48	46
Transfers and Reimbursements					
• Office of Strategic Business Management - Bond Administration Support	175	175	175	175	175
• County Attorney's Office - Legal Services	450	450	450	450	450
• Capital Outlay Reserve Fund - Pay-as-you-go Capital Projects	4,800	10,511	11,772	13,772	12,988
• Government Information Center - Community Periodical Program	10	10	10	10	10
• Surtax Accounting Support	0	75	150	150	150

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DIVISION: DIRECTOR'S OFFICE

This Division is responsible for formulating and directing overall financial policy of the County.

- Controls accounting and automated financial systems to provide the fiscal integrity depended upon by the public, private sector, and financial markets
- Provides overall administration of departmental operations

Strategic Plan Outcome - Measures

- ES5-3: Motivated, dedicated workforce team aligned with organizational priorities

Objectives	Measures			FY 07-08		FY 08-09		FY 09-10
				Target	Actual	Target	Actual	Target
Implement Succession Plan	Mission critical positions in need of being filled	IN	↔	2	2	3	2	2

DIVISION HIGHLIGHTS AND BUDGET ENHANCEMENTS OR REDUCTIONS



As part of the County's sustainability initiatives, the Finance Department is pursuing initiatives and programs with a more ecologically, economically, and socially sensitive approach to transacting business with the County; this includes recycling efforts and using technology, resulting in a more streamlined process that utilizes less paper or storage space

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DIVISION: TAX COLLECTOR'S OFFICE

The Tax Collector's Office primary responsibility is to collect, account for, and distribute current and delinquent real and personal property taxes, and non-ad valorem special assessments for all local taxing authorities.

- Administers state laws, local ordinances, and policies pertaining to the collection and distribution of taxes and distributes all tax revenues and assessment fees to the taxing authorities
- Collects and distributes Tourist and Convention Development taxes and all tourist taxes (including bed, food, and beverage taxes), and issues Local Business Tax Receipts for businesses located in the County
- Serves as an agent of the Florida Department of Highway Safety and Motor Vehicles and the Florida Fish and Wildlife Conservation Commission by issuing State motor vehicle, vessel and mobile home licenses, tag renewals and title applications for automobiles, trucks, and mobile homes, in addition to collecting and remitting sales tax to the State for the above transactions and selling various hunting and fishing licenses and permits
- Provides oversight to all twenty-five private auto tag agencies in the County

Strategic Plan Outcome - Measures

- ES8-4: Cohesive, standardized countywide financial systems and processes

Objectives	Measures			FY 07-08		FY 08-09		FY 09-10
				Target	Actual	Target	Actual	Target
Enhance Tax Collector customer service	Certificates sold*	OP	↔	50,000	55,500	50,000	62,614	62,000
	Online vehicle/vessel registration renewals	OP	↔	366,000	351,000	360,000	407,256	370,000
	Percentage of real estate payments processed as exceptions	OC	↓	15%	10%	8%	10%	5%

*Due to the economic downturn and its effect on the housing market, the FY 2008-09 actual reflects a higher certificate sale than in prior years

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- ES8-4: Cohesive, standardized countywide financial systems and processes

Objectives	Measures			FY 07-08		FY 08-09		FY 09-10
				Target	Actual	Target	Actual	Target
Effectively collect Convention and Tourist Tax Collections	Convention Development Tax (CDT) collected (in millions)*	OC	↑	\$48.7	\$47.2	\$50.5	\$40.7	\$41.7
	Homeless and Domestic Violence Tax collected (in millions)*	OC	↑	\$15.2	\$14.4	\$14.5	\$14.5	\$13.9
	Professional Sports Tax Revenues (PST) collected (in millions)*	OC	↑	\$9.5	\$8.8	\$9.4	\$7.1	\$7.1
	Tourist Development Room Tax Revenues (TDT) collected (in millions)*	OC	↑	\$19.0	\$17.7	\$18.8	\$14.3	\$14.3
	Tourist Development Surtax collected (in millions)*	OC	↑	\$5.8	\$5.7	\$6.0	\$4.6	\$4.6

*FY 2009-10 target represents 100% of the collections; the FY 2008-09 actual and FY 2009-10 targets reflect a decrease due to the economic downturn's impact to tourism

DIVISION HIGHLIGHTS AND BUDGET ENHANCEMENTS OR REDUCTIONS

- The FY 2009-10 Adopted Budget includes the purchase of a new tax system over three years to replace the current legacy system (\$9 million)
- The FY 2009-10 Adopted Budget includes the purchase of an Electronic Data Management System (EDMS) for the Tax Collector's Office (\$820,000) to electronically store documents and reduce the need for additional paper storage space
- During FY 2009-10, the Tax Collector's Office will continue to streamline the existing mail and payment processes by replacing two existing fast payment processors with one new unit (\$600,000)
- As part of the Department's Succession Planning Program, the FY 2009-10 Adopted Budget includes full year funding for a Computer Technician 2 position (\$89,000) in the Tax Collector's division; this position is responsible for hardware and system maintenance, system testing, vendor interface, and work process planning for the Fast Payment Processing unit; the FY 2009-10 Adopted Budget includes the correction of one Tax Collector Paralegal not included in the Proposed Budget
- *Due to the economic downturn, the FY 2009-10 Adopted Budget includes the closure of the Tax Collector's division South Dade Public Service Office (\$610,000, eight positions)*

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DIVISION: BOND ADMINISTRATION

This Division is responsible for managing the County's debt financing and coordinating all debt issuances, including swap transactions.

- Provides administrative support to peripheral debt issuing authorities of the County including the Educational Facilities Authority and Health Facilities Authority
- Makes payments of bonds/loan debt service
- Accesses the capital markets to provide capital funding as needed by County departments in the most effective manner while providing for stable debt coverage levels
- Analyzes outstanding debt and the needs of the departments to determine the most advantageous financing vehicle
- Prepares and submits the Annual Report to Bondholders encompassing all of the County's outstanding bond issues from inception through the fiscal year end

Strategic Plan Outcome - Measures

- ES8-1: Sound asset management and financial investment strategies

Objectives	Measures			FY 07-08		FY 08-09		FY 09-10
				Target	Actual	Target	Actual	Target
Ensure sound asset management and financial investment strategies	Bond ratings evaluation by Fitch	OC	↑	AA-	AA-	AA-	AA-	AA-
	Bond ratings evaluation by Moody's	OC	↑	Aa3	Aa3	Aa3	Aa3	Aa3
	Bond ratings evaluation by Standard and Poor's	OC	↑	AA-	AA-	AA-	AA-	AA-

DIVISION HIGHLIGHTS AND BUDGET ENHANCEMENTS OR REDUCTIONS

- As part of the Department's Succession Planning program, the FY 2009-10 Adopted Budget includes full year funding for one Bond Analyst position (\$117,000) and one Accountant 1 position (\$40,000) in the Bond Administration Division; these positions will be responsible for financial and analytical duties related to the County's debt management programs

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DIVISION: CONTROLLER'S DIVISION

The Controller's Division is responsible for providing support functions to County operations through fiscal and accounting controls over resources and related appropriations.

- Satisfies legal and mandated reporting requirements including the Comprehensive Annual Financial Report (CAFR), State Controller's Report, state and federal audit reports, and the indirect cost allocation plan
- Collects delinquent accounts receivables
- Records, reports, and monitors on the County's financial activities
- Maintains County financial accounting systems
- Processes vendor disbursements and County payroll
- Monitors County bank accounts to ensure timely bank reconciliations

Strategic Plan Outcome - Measures

- ES8-3: Compliance with financial laws and generally accepted accounting principles, etc.

Objectives	Measures			FY 07-08		FY 08-09		FY 09-10
				Target	Actual	Target	Actual	Target
Ensure compliance with Financial Laws and Generally Accepted Accounting Principles (GAAP)	Incidence of IRS penalties/interest (payroll)	OC	↓	0	0	0	0	0
	Compliance of special audits and reports	OC	↑	100%	100%	100%	100%	100%
Enhance collection efforts	Daily accounts worked per collector*	EF	↑	95	85	95	78	85
	Portfolio fees collected (in thousands)*	OC	↑	\$3,237	\$3,021	\$4,060	\$2,176	\$1,636
	Outside agency collections portfolio assignments*	OP	↔	20	20	50	32	100

*In FY 2008-09, additional revenue was anticipated from the placement of additional accounts from various departments; however, there were no placements and revenues were also impacted by the current economic downturn; this is expected to affect collections in FY 2009-10

- ES9-3: Achievement of performance targets (priority outcome)

Objectives	Measures			FY 07-08		FY 08-09		FY 09-10
				Target	Actual	Target	Actual	Target
Continue to improve Accounts Payable process countywide	Percentage of invoices paid within 45 calendar days	EF	↑	87%	89%	89%	92%	90%
	Percentage of invoices paid within 30 calendar days	EF	↑	N/A	N/A	N/A	75%	70%

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DIVISION HIGHLIGHTS AND BUDGET ENHANCEMENTS OR REDUCTIONS

- The FY 2009-10 Adopted Budget includes funding to complete the installation of a data warehouse for the Controller's Division (\$1.6 million), which will facilitate the storage of data and prepare the department for future ERP implementation
- The FY 2009-10 Adopted Budget includes full year funding for five additional positions in the Controller's division: two Account Clerks (\$81,000) for the continued implementation of the Electronic Data Management System (EDMS) capital project; two positions for the implementation of a pilot Accounts Payable (AP) Workflow capital project, one Accountant 3 and one Accountant 4 (\$190,000); all positions are funded by the respective capital projects; and one Accountant 2 position for the construction payment unit due to increase workload associated with Building Better Communities Bond issues, arbitrage calculations, audits, and the baseball stadium project (\$66,000)
- During FY 2009-10, the Department of Human Services will fund the following four positions in the Controller's Division: one Accountant 3, one Accountant 1, and two Account Clerks (\$318,000); these positions support the vendor payment processing associated with two state-funded subsidized childcare programs (School Readiness and Voluntary Pre-Kindergarten)
- In an effort to reduce overtime and temporary help expenditures, the FY 2009-10 Adopted Budget includes two positions that were converted from part-time to full-time status: one Accountant 3 and one Account Clerk (\$98,000) in the Controller's Division
- *As a result of underperforming revenues in the Credit and Collection unit of the Controller's Division, the FY 2009-10 Adopted Budget includes the reduction of 21 positions (\$1.302 million)*

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DIVISION: CASH MANAGEMENT

The Cash Management Division is responsible for investing surplus funds in compliance with Florida Statutes, ordinances, and the County's investment policy while maintaining sufficient cash balances to honor the obligations of the County.

- Handles all banking transactions for the County and is responsible for investing County funds, from \$3 to \$4 billion annually
- Monitors the daily diversification of the County's portfolio and distributes earnings on investments

Strategic Plan Outcome - Measures

- ES8-1: Sound asset management and financial investment strategies

Objectives	Measures			FY 07-08		FY 08-09		FY 09-10
				Target	Actual	Target	Actual	Target
Optimize earnings and portfolio size	General Fund interest earnings (in millions) *	OC	↑	\$18.0	\$14.7	\$11.0	\$5.3	\$3.0
	Total portfolio interest earnings (in millions)*	OC	↑	\$204.6	\$146.8	\$92.0	\$61.0	\$75.0
	Securities lending earnings (in thousands)**	OC	↑	\$2,397	\$2,063	\$1,226	\$268	\$0
	Average value of total portfolio size (in billions)	OC	↑	\$4.176	\$4.004	\$4.064	\$3.775	\$3.800
Ensure sound asset management and financial investment strategies	Compliance with investment policy and guidelines	OC	↑	100%	100%	100%	100%	100%
	Average rate of return earned from County investments***	OC	↑	4.9%	3.7%	2.0%	1.6%	1.5%

* FY 2008-09 actual is less than target due to sharp decline in interest rate; the FY 2009-10 target could be impacted from current economic downturn

** Due to the housing market problems and investors moving away from Mortgage Backed securities, the program was suspended during the second quarter of FY 2008-09

***FY 2008-09 actual is less than target due to sharp decline in interest rate; the FY 2009-10 target could be impacted from the current economic downturn

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BUDGET ENHANCEMENTS OR REDUCTIONS AND ADDITIONAL COMMENTS

- In FY 2009-10, the Department will transfer \$13.948 million to the Capital Outlay Reserve (COR) to fund pay-as-you-go capital projects in other County departments
- The FY 2009-10 Adopted Budget includes \$1.028 million in reimbursements from other County departments and funding sources: Metropolitan Planning Organization (\$40,000), Quality Neighborhood Improvements Program (\$100,000), Federal Emergency Management Agency grant revenue for administrative services (\$688,000), Tourist Development Tax (\$20,000) and Housing Surtax (\$150,000) for accounting support; and Non-Departmental General Fund (\$30,000) for audit support

Department Operational Unmet Needs

Description	(dollars in thousands)		Positions
	Startup Costs/ Non Recurring Costs	Recurring Costs	
Hire two Compliance Specialists in the Controller's Compliance Unit to assist with the maintenance of internal controls	\$0	\$239	2
Hire two Tax Collector Supervisor 2, two Tax Collector Supervisor 1, four Senior Tax Record Specialists, and seven Tax Record Specialist 2 positions	\$0	\$1,159	15
Total	\$0	\$1,398	17