

## FY 2013-14 Proposed Budget and Multi-Year Capital Plan

### THE FY 2013-14 PROPOSED BUDGET

Miami-Dade County's operating budget is a compilation of a number of budgets relating to distinct services, including regional area-wide services provided countywide, local services in the unincorporated area, referred to as the UMSA, library services provided by the Miami-Dade County Public Library System (Library System), and fire rescue services provided within the Miami-Dade Fire Rescue Service District, as well as numerous proprietary operations and special assessment district functions. Each is separated to ensure that public revenues are used only for their authorized purposes and that residents pay only for those services available to them. Various types of revenues support Miami-Dade County's operations: taxes on property, sales, motor fuel, and utility bills; fees and service charges; federal and state grants; and others. Many of these revenues are restricted in their use, which complicates the process of balancing the budget. Summary information describing major revenue sources and operating expenditure by strategic area as well as information for each department showing the activities by supporting revenue source and the categories of expenditures are included as Appendix A and B in this volume. Capital program revenue and expenditure summaries are included as Appendix C through D.

The Capital Budget and Multi-Year Plan (also known as the Capital Improvement Plan) is prepared pursuant to state growth management legislation and the Miami-Dade County Code and is prepared along with the operating budget. It is used as the basis for updating the Capital Improvement Element of the Comprehensive Development Master Plan, the Five-Year Transportation Improvement Plan, and the other major County capital planning documents. For the first time this year, we have combined the operating budget and capital budget details in each departmental narrative so that the entire story of each department is contained within a single section of the document. Emphasis has been placed on the operating impact of our capital improvement plans.

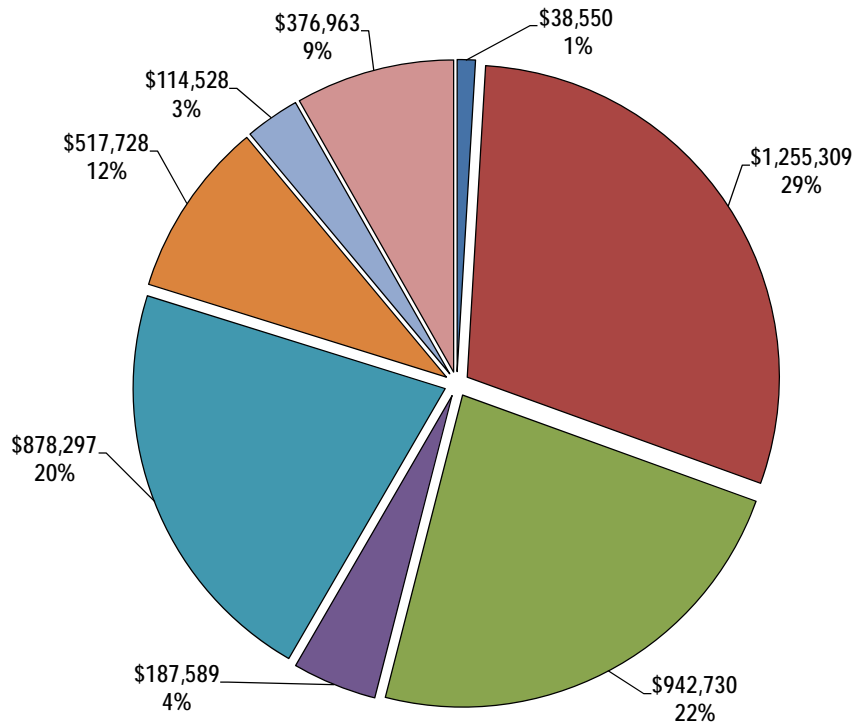
The FY 2013-14 Proposed Budget is balanced at \$6.358 billion, of which \$4.431 billion represents the direct operating budget and \$1.927 billion is funding for capital projects. The operating budget is 2.8 percent higher than the FY 2012-13 Adopted Budget of \$4.312 billion. The tax supported budgets, the Countywide General Fund, Unincorporated Municipal Services Area (UMSA) General Fund, Library System, and Fire Rescue Service District budgets, total \$1.935 billion, or 43.7 percent of the total operating budget. Unfunded needs in the operating budget total \$60.7 million.

#### OPERATING EXPENDITURES (EXCLUDING INTERAGENCY TRANSFER)

Funding Use	Actuals		Actuals		Actuals		Budget			
	FY 2009-10	%	FY 2010-11	%	FY 2011-12	%	FY 2012-13	%	FY 2013-14	%
Policy Formulation	\$ 45,042,000	1	\$ 44,023,000	1	\$ 40,157,000	1	\$ 38,550,000	1	\$ 41,500,000	1
Public Safety	\$ 1,306,355,000	30	\$ 1,314,680,000	31	\$ 1,256,754,000	28	\$ 1,255,309,000	29	\$ 1,311,175,000	30
Transportation	\$ 844,674,000	20	\$ 879,215,000	20	\$ 930,409,000	21	\$ 942,730,000	22	\$ 1,039,652,000	23
Recreation/Culture	\$ 236,328,000	5	\$ 221,594,000	6	\$ 213,655,000	5	\$ 187,589,000	4	\$ 193,798,000	4
Neighborhood/Infrastructure	\$ 824,199,000	19	\$ 836,218,000	19	\$ 867,773,000	19	\$ 878,297,000	20	\$ 950,461,000	21
Health and Human Services	\$ 595,391,000	14	\$ 575,135,000	13	\$ 557,713,000	12	\$ 517,728,000	12	\$ 404,717,000	9
Economic Development	\$ 161,719,000	4	\$ 137,511,000	3	\$ 228,241,000	5	\$ 114,528,000	3	\$ 125,340,000	3
General Government	\$ 287,983,000	7	\$ 291,397,000	7	\$ 378,208,000	8	\$ 376,963,000	9	\$ 364,655,000	8
<b>Total</b>	<b>\$4,301,691,000</b>		<b>\$4,299,773,000</b>		<b>\$4,472,910,000</b>		<b>\$4,311,694,000</b>		<b>\$4,431,298,000</b>	

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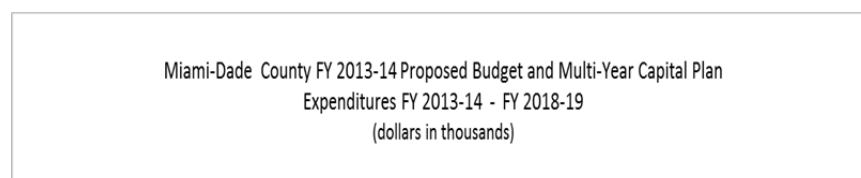
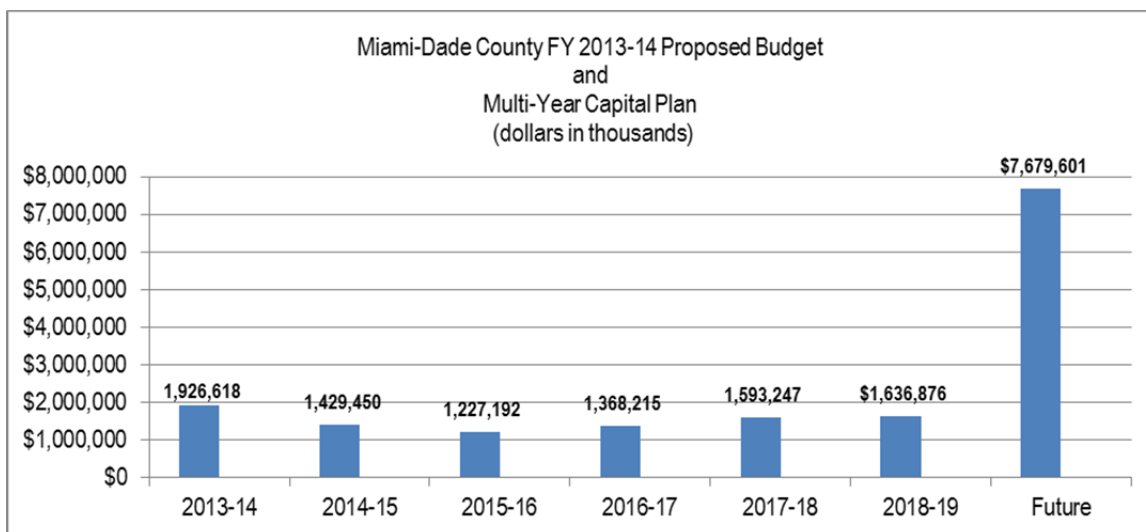
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The Capital Budget and Multi-Year Plan outlines revenues and expenditures for current and new capital projects necessary to maintain, improve, and expand public facilities and infrastructure to support County operations and meet the service demands of residents and visitors to Miami-Dade County. The Capital Budget has projects in each of the County's Strategic Areas: Public Safety, Transportation, Recreation and Culture, Neighborhoods and Infrastructure, Health and Human Services, Economic Development, and General Government.

The County's Proposed Multi-Year Capital Improvement Plan totals \$20.492 billion and includes 644 capital projects across all strategic areas. The graph below details the annual programmed expenditures. The funding sources for the Proposed Capital Improvement Plan include 49.95 percent from revenue bonds or special obligation bonds, 16.57 percent from County proprietary operations, 15.49 percent from other County sources and other non-County sources, 11.70 percent from general obligation bonds, 2.4 percent from the state grants, 2.08 percent from impact fees, and 1.81 percent from federal grants.

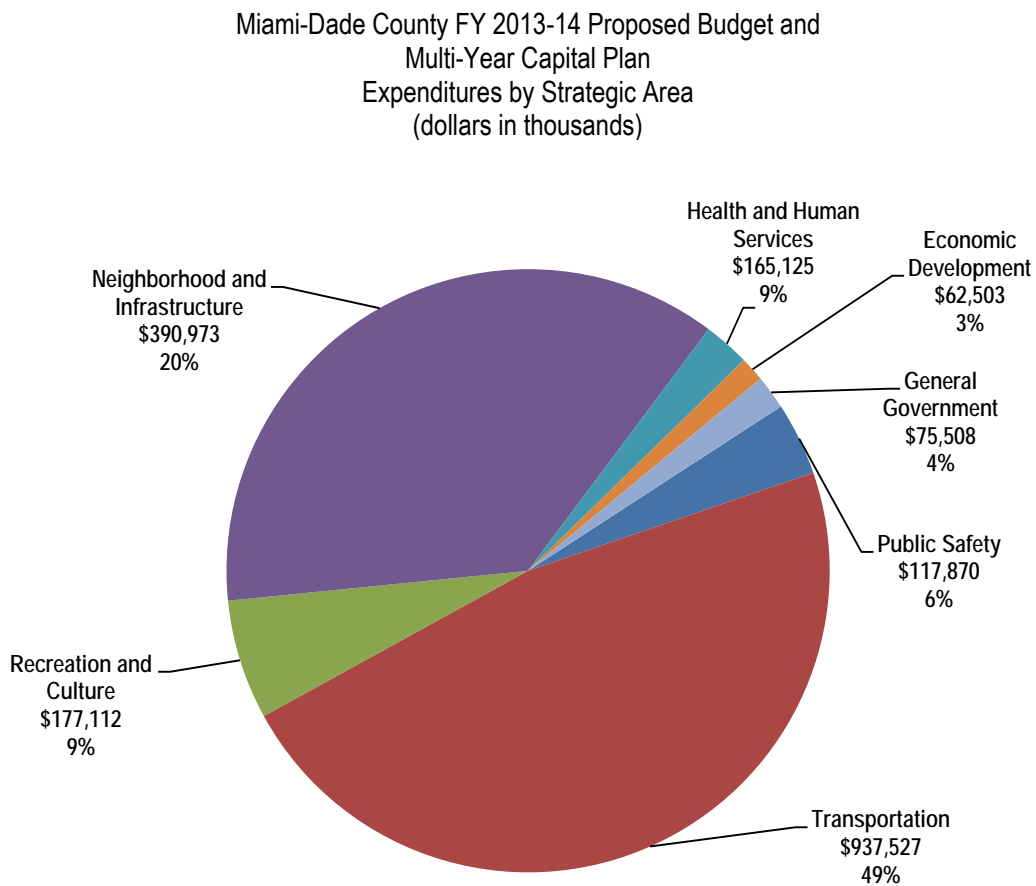
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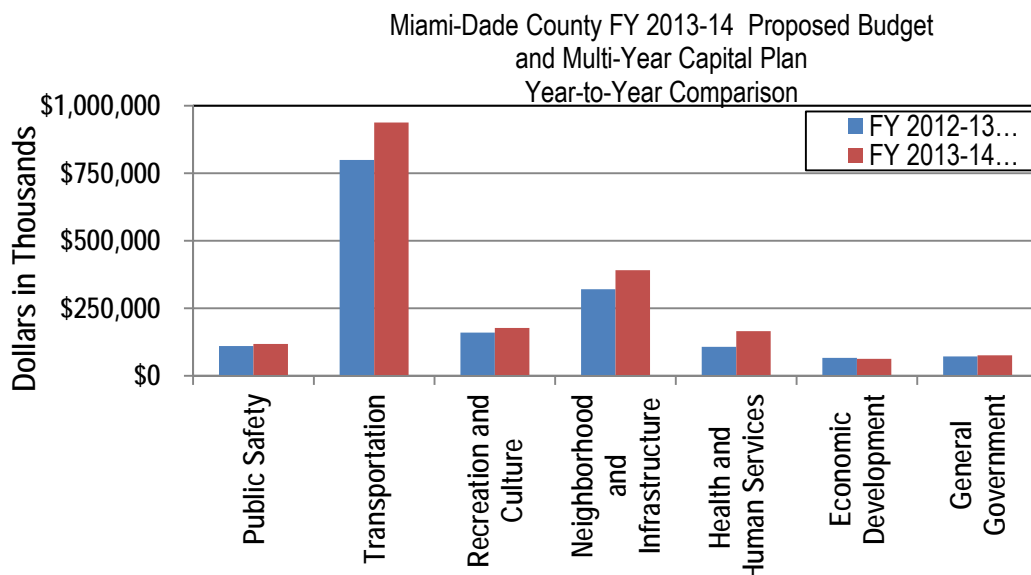
The FY 2013-14 Proposed Capital Budget, the first programmed year of the Proposed Multi-Year Plan, totals \$1.927 billion, which is approximately 15.17 percent higher than the FY 2012-13 Adopted Budget of \$1.634 billion, due to various major capital projects including the Children's Courthouse, the Miami-Dade Courthouse Façade Renovations, Countywide Radio Rebanding, Miami-Dade Public Safety Training Institute, MIA North Terminal Development, MIA Support Facility and Airside Improvements, various Port of

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Miami dredging projects, the Seaport Tunnel, the Advanced Traffic Management System Phase III, Rickenbacker West Bridge/Bear Cut Rehabilitation, Street Lighting Maintenance, track and guideway rehabilitation, bus enhancements and replacements, affordable housing projects, Joseph Caleb parking improvements, Miami Science Museum, Northeast Library, Zoo Miami Florida Exhibit, Pump Station Improvements, wastewater system maintenance and upgrades, Jackson Health System facility and critical infrastructure improvements. The Proposed Capital Budget was developed with the intent to fund projects that support economic development, livability and sustainability of our community. For presentation purposes in the FY 2013-14 Proposed Budget and Multi-Year Capital Plan, for ongoing or recurring yearly projects, prior year revenues that were expended are not shown in most cases to avoid artificially inflating the overall capital plan by showing cumulative expenditures that have already occurred.



## FY 2013-14 Proposed Budget and Multi-Year Capital Plan



### *Revenues*

The most significant source of discretionary operating revenue to local governments in Florida is property tax revenue. The estimated countywide tax roll change (from the 2012 preliminary roll) for FY 2013-14 is an increase of 3.39 percent. In accordance with Amendment 10 to the State Constitution, the increase in property assessments for 2012 homestead residential properties was set at 1.7 percent. Due to the increases in property values and the voter-supported millage increase to support animal services, ad valorem revenue is budgeted at \$50.893 million more than the FY 2012-13 Adopted Budget. Funding to be directed to animal services totals \$19.088 which includes a continuation of \$727,000 of general fund support included in the FY 2013-14 Proposed Budget. Non-ad valorem revenues are projected to increase for FY 2012-13 as the weak economy begins to rebound. The use of one-time revenues to support on-going operations has been reduced to \$26 million from \$42 million, a decrease of 38 percent.

Proprietary agencies are supported entirely from fees and charges generated by their operations (as in the case of Aviation); by a special property tax (i.e. Miami-Dade Fire Rescue Service District and Library System); a special assessment (e.g. solid waste collection services in Public Works and Waste Management); or by proprietary revenue, including grants, which augment a General Fund subsidy (e.g. Parks, Recreation and Open Spaces). Certain proprietary revenues also support functions in multiple departments, such as storm water utility revenues, tourist tax revenues, and local option gas taxes (as described in Appendix L and M). Proprietary operations, such as the Port of Miami and the Water and Sewer Department, will grow to the extent that their activity and operating revenues permit. The residential solid waste collection fee is held flat at \$439 per year and solid waste disposal fees are adjusted by the consumer price index. Water and wastewater retail fees for operations and debt service requirements will increase by eight percent, as approved by the Board of County Commissioners (BCC) on June 4, 2013 (Resolution 444-13), the bill of the average retail water and sewer customer (6,750 gallons per month) will increase to approximately \$45.39 or by \$3.36 per month. The landing fee for Miami International Airport is estimated to increase to \$2.07 from \$1.75. Miami-Dade Transit fares will increase from \$2.00 to \$2.25. A small number of other miscellaneous rate adjustments are included in the budget, such as terminal, concourse and rental, parking, admissions to Vizcaya Museum and Gardens, and animal services fees.

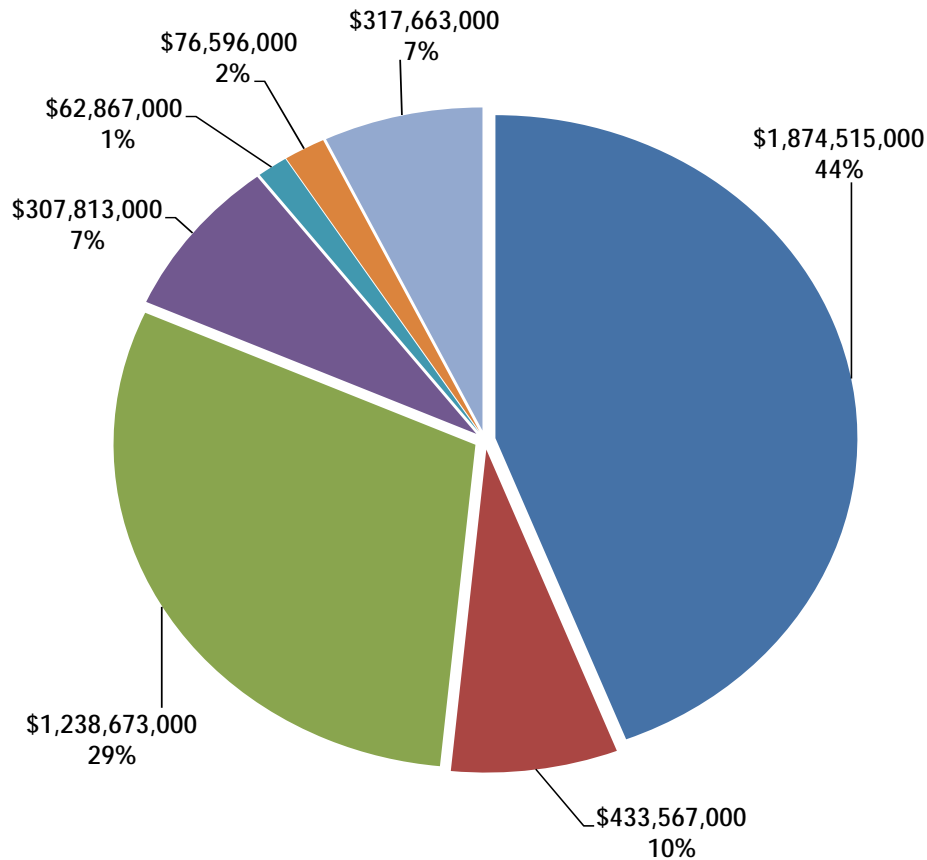
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The proprietary departments pay an administrative reimbursement payment to the general fund. The administrative reimbursement payment is calculated by determining the percentage of the entire general fund represented by the internal support functions that serve the whole County and all departments. This percentage is then applied to the budget of the proprietary functions. This rate has been adjusted to 3.3 percent from 2.42 percent last year. The payment from the Aviation Department is calculated utilizing a unique basis determined in concert with the Federal Aviation Administration. Consistent with past practices, administrative reimbursement revenue has been allocated between the countywide and unincorporated area budgets in the same proportion as the administrative expenses they support: 73 percent Countywide and 27 percent UMSA.

### OPERATING REVENUES (EXCLUDING INTERAGENCY TRANSFER)

Funding Source	Actuals		Actuals		Actuals		Budget			
	FY 2009-10	%	FY 2010-11	%	FY 2011-12	%	FY 2012-13	%	FY 2013-14	%
Proprietary	\$2,600,513,000	49	\$2,756,751,000	51	\$3,189,118,000	45	\$1,874,515,000	43	\$1,955,253,000	44
Federal and State Grants	\$ 477,376,000	9	\$ 497,339,000	9	\$ 443,413,000	10	\$ 433,567,000	10	\$ 329,731,000	7
Property Tax	\$1,477,230,000	28	\$1,423,698,000	26	\$1,242,485,000	28	\$1,238,673,000	29	\$1,335,300,000	30
Sales Tax	\$ 287,759,000	5	\$ 249,882,000	5	\$ 294,219,000	6	\$ 307,813,000	7	\$ 352,236,000	8
Gas Taxes	\$ 64,157,000	1	\$ 66,485,000	1	\$ 64,378,000	1	\$ 62,867,000	1	\$ 61,114,000	1
Misc. State Revenues	\$ 81,761,000	2	\$ 82,974,000	2	\$ 85,908,000	2	\$ 76,596,000	2	\$ 82,231,000	2
Miscellaneous	\$ 342,082,000	6	\$ 332,707,000	6	\$ 359,474,000	8	\$ 317,663,000	7	\$ 315,433,000	7
Total	\$5,330,878,000		\$5,409,836,000		\$5,678,995,000		\$4,311,694,000		\$4,431,298,000	

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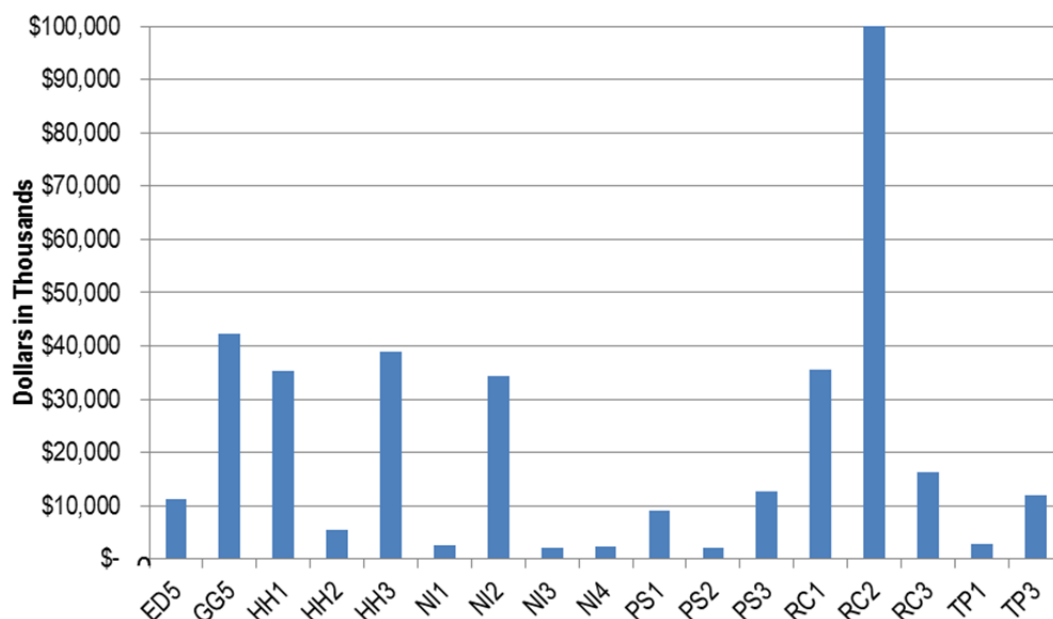
### *General Obligation Bond (GOB) Programs*

General obligation bonds are general obligations of the County and are payable from unlimited ad valorem taxes on all taxable real and tangible personal property within the County (excluding exempt property as required by Florida law). The full faith, credit, and taxing power of the County is irrevocably pledged to the prompt payment of both principal of and interest on the Bonds as they become due and payable. Pursuant to the Florida Constitution, there is no limit on the amount of ad valorem taxes a county may levy for the payment of general obligation bonds. Although titled as a Special Obligation Bond Program, this same rule of law applies to the voted debt for the Fire District Bonds, but only for taxable real and tangible personal property within the Fire Rescue District.

The FY 2013-14 Proposed countywide voted debt millage for general obligation bonds is increased to 0.422 mills. In order to more efficiently manage project cash flow requirements and to optimize the County's capacity to do more projects, a commercial paper-type program was implemented in FY 2012-13. The FY 2013-14 Proposed Fire Rescue District voted debt service millage, which funds principal and interest payments for the 2002 Fire District Special Obligation Bond Program is 0.0127 mills. The chart below shows expenditures in the BBC-GOB program for FY 2013-14 by strategic goal.

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### FY 2013-14 GOB Proposed Expenditures By Strategic Goal



#### Strategic Goals

ED5: Revitalized communities

GG5: Goods, services and assets that support County operations

HH1: Healthy Communities

HH2: Basic needs of vulnerable Miami-Dade County residents are met

HH3: Self-sufficient population

NI1: Responsible growth and a sustainable built environment

NI2: Effective infrastructure services

NI3: Protected and restored environmental resources

NI4: Safe, healthy and attractive neighborhoods and communities

PS1: Reduced crime

PS2: Reductions in preventable death, injury and property loss

PS3: Effective emergency and disaster management

RC1: Recreation and cultural locations and facilities that are sufficiently distributed throughout Miami-Dade County

RC2: Attractive and inviting venues that provide world-class recreational and cultural enrichment opportunities

RC3: Wide array of outstanding programs and services for residents and visitors

TP1: Efficient transportation network

TP3: Well-maintained transportation system and infrastructure

### Planned Financings

The Proposed Capital Budget includes capital financings that are planned for the remainder of FY 2012-13 and during FY 2013-14. The financial markets are very unpredictable so final amounts for these will be determined when the authorizing legislation is presented to the Board of County Commissioners for approval:

- Aviation, Seaport, and Water and Sewer Revenue and Revenue Refunding Bonds (Summer 2013)
- Capital Asset Revenue and Revenue Refunding (Fall 2013)
- Special Obligation Court Facilities Revenue and Revenue Refunding Bonds (Fall 2013)
- Rickenbacker Causeway Toll Revenue Bonds (Fall 2013)
- Stormwater Utility Revenue Refunding Bonds (Fall 2013) General Obligation Bonds Building Better Communities Program Flexible Drawdown Bonds (Spring 2014)
- Seaport Revenue Bonds (Summer 2014)
- Aviation Revenue Refunding Bonds (Summer 2014)
- Special Obligation Refunding Bonds (Miami-Dade Fire and Rescue Service District) (Winter 2014)



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### *Expenditures*

The FY 2013-14 Proposed Budget provides resources to continue the same level of service for the majority of departments, along with certain targeted enhancements. With an overarching goal of supporting economic development and attracting and retaining jobs, this Proposed Budget funds critical services to make the community livable and sustainable. Provided that our personnel costs as governed by our collective bargaining agreements do not increase, the cost of health care is controlled, efficiencies are implemented as planned in Miami-Dade Transit, costs are carefully controlled throughout our organization and savings continue to be identified, and unanticipated expenditures that local governments are forced to bear by actions of the State Legislature are not imposed, the level of service as proposed may be supported for two years by the rates established in the FY 2013-14 Proposed Budget.

### *Public Safety*

Public safety functions are the core service for every local government. By the end of FY 2012-13, we will have had three classes for certified police officers and one basic law enforcement class for non-certified officers to begin to strengthen our ranks of sworn personnel. It is anticipated in FY 2013-14, should we be successful in obtaining a COPS grant from the federal government, that we will hold three basic law enforcement classes and increase the total number of sworn officers by 27. Funding will be advanced from the Fleet Trust Fund to purchase replacement police vehicles. The entire population of female inmates at the Women's Detention Center has been moved to the Turner Guilford Knight (TGK) facility to allow for reduced operating costs. Intake has been relocated to a modernized facility at the TGK facility and additional sworn positions have been converted to civilian positions to save money. Several projects called for by the Federal Settlement Agreement will be initiated in FY 2013-14. No suppression or rescue units will be eliminated in the Fire Department, recruit classes will be held as needed and the Fire Department will begin a five year vehicle replacement plan. General fund subsidy to the Juvenile Services Department has been increased to offset grant funding that has been eliminated. The Medical Examiner will hire all additional positions needed to address weaknesses that would impact accreditation. We will continue to work through the fiscal year with the State Attorney, Public Defender, Clerk of Courts, and Chief Judge to make sure that our court system's responsibilities are addressed within the limited revenues we have available.

Capital projects in the Public Safety strategic area accounts for six percent of the County's overall FY 2013-14 Proposed Capital Budget (\$117.870 million). Major projects include the Children's Courthouse, the Miami-Dade Courthouse Façade Renovations, Countywide Radio Rebanding, Miami-Dade Public Safety Training Institute improvements, Pre-Trial Detention Center renovations, construction of the Mental Health Diversion Facility, and construction and renovations of various Fire Rescue stations.

### *Economic Development*

The structure of the Department of Regulatory and Economic Resources continues to be tweaked to ensure the combination key elements of the key functions involved with economic development and business and environmental regulation gel seamlessly. The new department is focused on making Miami-Dade County a place where people want to do business and can be successful, from the small Mom and Pop business to the international conglomerate. In FY 2013-14, the Internal Services Department will continue to manage the various affordable housing projects within each Commission District. The Economic Development strategic area represents three percent of the County's overall FY 2013-14 Proposed Capital Budget (\$62.503 million).

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### *Neighborhoods and Infrastructure*

Spending in this area, both in the operating and capital budgets grows dramatically in the Proposed Budget. An additional \$19.088 million in support of animal services is included to address the no-kill plan adopted by the Board of County Commissioners, funded by an increase in the countywide millage rate approved overwhelmingly in a straw ballot in November 2012. As well, significant increases are seen in the capital expenditures in the Water and Sewer Department to begin to address the issues raised in the Federal Consent Decree and projects needed to stabilize and expand our water and sewer infrastructure. Traffic and street sign replacement and NEAT team efforts remain at current year levels, including median maintenance cycles and roadside maintenance cycles. Residential fees for garbage and trash collection are not increased, but fees for water and sewer services will be increased to support additional costs of debt service. The Neighborhood and Infrastructure strategic area represents 20 percent of the County's overall FY 2013-14 Proposed Capital Budget (\$390.973 million).

### *Recreation and Culture*

Library services remain the same, supported by an increased Library District millage rate intended to continue services at this level for two years. Funding for County majors grants and cultural grants continue at the same level and operating subsidies for the Miami Art Museum, Museum of Science, HistoryMiami, Vizcaya Museum and Gardens are increased to support the costs of our expanding institutions. Parks, Recreation and Open Spaces Department resources are held steady. Capital projects for the Recreation and Culture strategic area accounts for nine percent of the County's overall FY 2013-14 Proposed Capital Budget (\$177.112 million) - major projects include the construction of the new Miami Science Museum, the Northeast Library, and the Zoo Miami Florida Exhibit.

### *Health and Human Services*

County support for services provided to the elderly remains at current year levels. This proposed budget reflects the elimination of the grant from the Early Learning Coalition and includes funding for Head Start and Early Head Start for services provided by delegate agencies. Again adjustments to administration and overhead in the social services area allowed for expenditure reductions without impacts to direct service for County funded programs. The FY 2013-14 Proposed Capital Budget in the Health and Human Services strategic area includes projects such as the design and construction of the Second Domestic Violence Shelter, the purchase of 16 new buses for the Community Action and Human Services Department, and various critical infrastructure and facility improvements at Jackson Health System. The Health and Human Services strategic area represents nine percent of the County's over FY 2013-14 Proposed Capital Budget for a total of \$165.125 million.

Funding for most community-based organizations (CBOs) remains at FY 2012-13 levels with continuation funding provided to currently contracted CBOs.

The maintenance of effort payment to the Public Health Trust will be \$137.901 million for FY 2013-14, \$124.858 million from the millage calculation and \$13.043 million as a percentage of the non-ad valorem revenue in the general fund. PHT will expend \$44.2 million in FY 2013-14 to address capital needs in their facilities and on their campuses. Beginning in FY 2013-14, the maintenance of effort payment to the Public Health Trust from Miami-Dade County will be the equivalent of 0.6667 mills of the countywide property tax roll and 11.873% of the following non-ad valorem revenues in the Countywide General Fund: business taxes, state shared revenues, interest income, and other discretionary miscellaneous income. The payment

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will be adjusted based on actual revenue collection and shall be no lower than \$140.8 million beginning in FY 2014-15. To the extent that state law changes impact this calculation, the minimum guarantee may be revisited.

### *Transportation*

In FY 2013-14, the Port of Miami will continue work on the Port Tunnel and the Deep Dredge – projects. Miami International Airport will see the conclusion of the North Terminal Development and the beginning of joint development occurring on Airport property throughout the system. The Transit Department will continue with its track and guideway rehabilitation and its bus enhancements and replacements program. The AirportLink service, as well as continuation of all other Transit services is funded by federal grants, passenger revenues, the People's Transportation Plan surtax and the general fund maintenance of effort of \$167.869 million. Capital projects in the Transportation strategic area account for \$937.527 million and represent 49 percent of the County's overall FY 2013-14 Proposed Capital Budget.

### *General Government and Policy Formulation*

General Government and Policy Formulation funding is continued at levels to support current services. The funding for the Board of County Commissioners, the County Attorney's Office, and the Office of the Mayor has been budgeted to support the current level of staffing, adjusted only for changes in personnel costs. The Office of the Inspector General will continue to hold vacant two positions.

The Elections Department budget is funded to address issues identified and recommendation made by the Mayor's Elections Task Force. Funding is allocated to support facility and asset needs in Internal Services, information technology resources in the Information Technology Department, and the 311 Answer Center at current levels of service. The implementation of the Enterprise Resource Planning system will begin in FY 2013-14. The Proposed Budget includes a separate Human Resources Department combining the payroll, recruitment, training and labor relations functions of the Internal Services Department with the fair employment and human rights functions of the Office of Human Rights and Fair Employment Practices. This repositioning is intended to enhance the importance of these functions and improve direct contact with the Office of the Mayor. Capital projects in the General Government strategic area represent four percent of the County's overall FY 2013-14 Proposed Capital Budget for a total of \$75.508 million.

The Budget maintains our reserves, particularly the Countywide Emergency Contingency Reserves as noted before. Budgeted reserves as a portion of the General Fund budget remain at 5.5 percent. The first payment of \$5 million from the general fund for the loan from the Water and Sewer Department is included in the FY 2013-14 Proposed Budget.