

FY 2014 - 15 Proposed Budget and Multi-Year Capital Plan

Finance

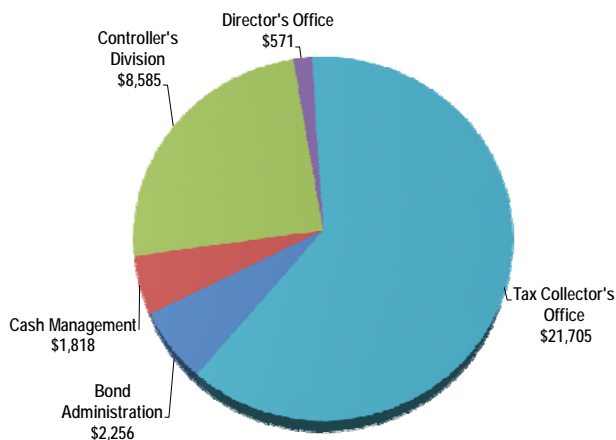
The Finance Department delivers financial services for sound management decision-making and is responsible for centralized accounting, cash management, financial and debt management, tax collection and distribution, and collection on delinquent accounts for various County departments.

As part of the General Government 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, vessel, mobile home, and 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.

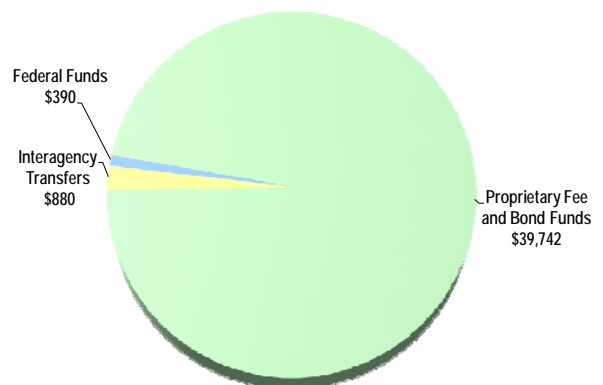
The Finance Department serves all County departments, as well as those entities conducting financial transactions with Miami-Dade County. The Department works closely with all departments and directly with the Office of the Mayor, the County Attorney's Office, the Office of the Clerk, the Office of Management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

FY 2014-15 Proposed Budget

Expenditures by Activity
(dollars in thousands)

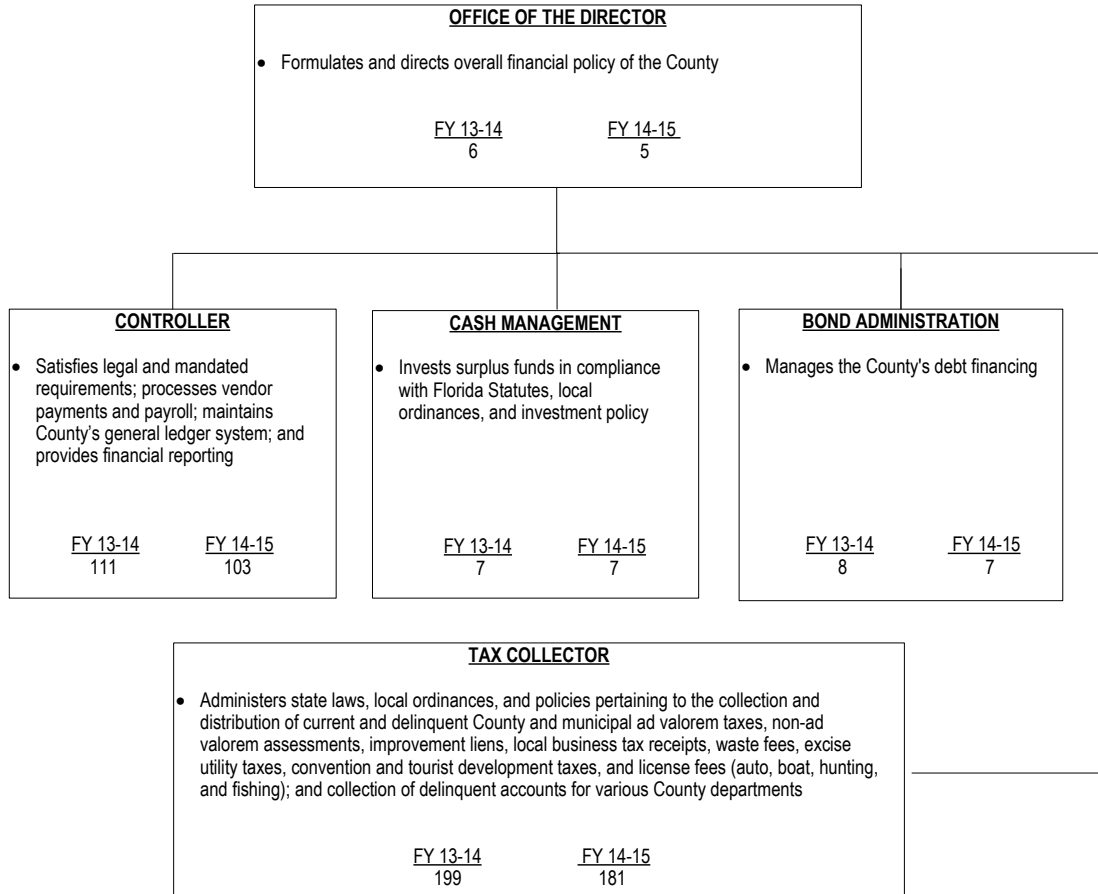


Revenues by Source
(dollars in thousands)



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TABLE OF ORGANIZATION



The FY 2014-15 total number of full-time equivalent position is 316.8 FTEs.

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FINANCIAL SUMMARY

(dollars in thousands)	Actual FY 11-12	Actual FY 12-13	Budget FY 13-14	Proposed FY 14-15
Revenue Summary				
Ad Valorem Fees	12,913	12,303	12,750	12,467
Auto Tag Fees	10,780	11,193	11,834	11,604
Bond Transaction Fees	805	1,490	820	976
Carryover	1,933	3,048	1,953	1,393
Credit and Collections	2,153	2,913	3,081	3,576
Local Business Tax Receipt	3,198	3,099	3,157	3,200
Other Revenues	3,751	3,591	2,746	3,096
Tourist Tax Fees	2,866	3,102	3,191	3,430
Federal Funds	421	373	615	390
Interdepartmental Transfer	666	510	1,123	880
Total Revenues	39,486	41,622	41,270	41,012

Operating Expenditures

Summary

Salary	17,421	17,853	19,329	19,245
Fringe Benefits	4,073	4,020	5,361	6,036
Court Costs	8	1	6	11
Contractual Services	266	498	704	712
Other Operating	5,163	4,472	5,890	5,534
Charges for County Services	2,617	2,426	2,760	2,651
Grants to Outside Organizations	0	0	0	0
Capital	2,024	1,681	913	746
Total Operating Expenditures	31,572	30,951	34,963	34,935

Non-Operating Expenditures

Summary

Transfers	4,866	7,535	6,307	6,077
Distribution of Funds In Trust	0	0	0	0
Debt Service	0	0	0	0
Depreciation, Amortizations and Depletion	0	0	0	0
Reserve	0	0	0	0
Total Non-Operating Expenditures	4,866	7,535	6,307	6,077

(dollars in thousands)	Total Funding		Total Positions	
Expenditure By Program	Budget FY 13-14	Proposed FY 14-15	Budget FY 13-14	Proposed FY 14-15
Strategic Area: General Government				
Director's Office	640	571	6	5
Controller's Division	8,661	8,585	111	103
Tax Collector's Office	21,737	21,705	199	181
Bond Administration	2,248	2,256	8	7
Cash Management	1,677	1,818	7	7
Total Operating Expenditures	34,963	34,935	331	303

SELECTED ITEM HIGHLIGHTS AND DETAILS

Line Item Highlights	(dollars in thousands)				
	Actual FY 11-12	Actual FY 12-13	Budget FY 13-14	Projection FY 13-14	Proposed FY 14-15
Advertising	87	85	155	153	120
Fuel	0	0	0	0	0
Overtime	55	87	92	116	96
Rent	1,942	1,756	1,910	1,910	2,197
Security Services	171	165	200	190	217
Temporary Services	749	706	331	411	337
Travel and Registration	12	19	46	50	59
Utilities	357	298	398	438	405

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DIVISION: DIRECTOR'S OFFICE

The Director's Office 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

DIVISION COMMENTS

- *The FY 2014-15 Proposed Budget includes the elimination of one vacant Assistant Director position (\$148,000)*

DIVISION: CONTROLLER'S DIVISION

The Controller's Division provides 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
- Records, reports on, and monitors the County's financial activities
- Maintains County financial accounting systems
- Processes vendor disbursements and County payroll
- Monitors County bank accounts to ensure timely reconciliations

Strategic Objectives - Measures

- ED4-2: Create a business friendly environment

Objectives	Measures			FY 11-12	FY 12-13	FY 13-14	FY 13-14	FY 14-15
				Actual	Actual	Budget	Projection	Target
Continue to improve accounts payable process countywide	Percentage of invoices paid within 45 calendar days	EF	↑	89%	92%	95%	90%	90%
	Percentage of invoices paid within 30 calendar days	EF	↑	69%	72%	70%	70%	70%

- GG4-1: Provide sound financial and risk management

Objectives	Measures			FY 11-12	FY 12-13	FY 13-14	FY 13-14	FY 14-15
				Actual	Actual	Budget	Projection	Target
Ensure compliance with financial laws and Generally Accepted Accounting Principles (GAAP)	Compliance with special audits and reports	OC	↑	100%	100%	100%	100%	100%

DIVISION COMMENTS

- *In FY 2013-14, the Department's savings plan included the elimination of six vacant positions: one Telephone Console Operator, three Account Clerk, one Finance Shared Services Specialist 1 and one Special Project Administrator (\$276,300); the reductions in the Controller's Division may impact the County's ability to pay vendors in a timely manner, require the increase of the audit thresholds to \$100,000 and affect the compliance with Payment Card Industry (PCI) requirements and the Red Flag Identity Theft Fraud Prevention Program*
- *The FY 2014-15 Proposed Budget includes the conversion of three full-time positions to part-time positions*
- *The FY 2014-15 Proposed Budget includes the transfer of one Finance Administrator Coordinator from Tax Collector Division to enhance procurement activities*

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DIVISION: TAX COLLECTOR'S OFFICE

The Tax Collector's 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; 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 and 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
- Collects delinquent accounts receivable
- Oversees 25 private auto tag agencies in the County

Strategic Objectives - Measures

- GG1-1: Provide easy access to information and services

Objectives	Measures			FY 11-12	FY 12-13	FY 13-14	FY 13-14	FY 14-15
				Actual	Actual	Budget	Projection	Target
Enhance Tax Collector customer service	Online vehicle/vessel registration renewals *	OP	↔	446,625	433,733	455,000	440,000	435,000

*The FY 2012-13 Actual performance measure has been corrected to reflect a scrivener's error

- GG4-1: Provide sound financial and risk management

Objectives	Measures			FY 11-12	FY 12-13	FY 13-14	FY 13-14	FY 14-15
				Actual	Actual	Budget	Projection	Target
Enhance collection efforts	Daily accounts worked per collector*	EF	↑	73	50	75	50	50
	Debt portfolio fees collected (in thousands)*	OC	↑	\$2,154	\$2,913	\$2,389	\$3,385	\$3,271
Enhance Tax Collector customer service	Tax Certificates sold**	OP	↔	43,723	41,430	45,000	36,000	36,000
Effectively collect Convention and Tourist Taxes	Convention Development Tax (CDT) collected (in millions)	OC	↑	\$51.2	\$63.9	\$67.6	\$68.1	\$73.8
	Homeless and Domestic Violence Tax collected (in millions)	OC	↑	\$18.7	\$19.5	\$21.9	\$21.2	\$23.1
	Professional Sports Franchise Facility Tax Revenues (PST) collected (in millions)	OC	↑	\$9.7	\$10.6	\$11.1	\$11.2	\$12.2
	Tourist Development Room Tax Revenues (TDT) collected (in millions)	OC	↑	\$19.3	\$21.2	\$22.2	\$22.7	\$24.5
	Tourist Development Surtax collected (in millions)	OC	↑	\$6.3	\$6.7	\$6.6	\$6.9	\$7.4

* The FY 2012-13 Actual performance measure has been corrected to reflect a scrivener's error

** Performance beginning in FY 2012-13 reflects a reduction in the number of certificates sold due to changes in State law

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DIVISION COMMENTS

- In FY 2013-14, the Department's savings plan included the elimination of eight vacant positions: two Account Clerk, two Accountant 1, two Accountant 2, one Tax Record Specialist 1 and one Tax Record Specialist 2 (\$428,400); the elimination of these positions will delay the reconciliation and distribution of revenues to the municipalities and taxing authorities between five to six weeks, depending on the peak of the tax season
- In FY 2013-14, the Department's savings plan included the elimination of one Tax Record Specialist 2 and one Assistant Tax Collector (\$216,700)
- The FY 2014-15 Proposed Budget includes outsourcing the County's collection of delinquent tangible personal property taxes which will allow the County to save approximately \$1 million by eliminating 11 positions to include one Supervisor 1, nine Finance Collection Enforcement Officers, one Tax Record Specialist 2
- In FY 2013-14, the Department added four overage positions: three Finance Collection Specialist and one Credit and Collection Supervisor to pursue payment for an increase of number of accounts handled by the Credit and Collection Section (\$279,000)

DIVISION: BOND ADMINISTRATION

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

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

Strategic Objectives - Measures

- GG4-1: Provide sound financial and risk management

Objectives	Measures			FY 11-12	FY 12-13	FY 13-14	FY 13-14	FY 14-15
				Actual	Actual	Budget	Projection	Target
Ensure sound asset management and financial investment strategies	Bond ratings evaluation by Fitch*	OC	↑	AA-	AA	AA-	AA	AAA
	Bond ratings evaluation by Moody's*	OC	↑	Aa3	Aa2	Aa3	Aa2	Aaa
	Bond ratings evaluation by Standard and Poor's*	OC	↑	AA-	AA-	AA-	AA	AAA

*Bond ratings shown are for bonds backed by the general fund. The FY 2012-13 Actual performance measure has been corrected to reflect a scrivener's error

DIVISION COMMENTS

- The FY 2014-15 Proposed Budget includes payments to the Office of Management and Budget (\$175,000) and the County Attorney's Office (\$450,000) for support related to bond issuances
- The FY 2014-15 Proposed Budget includes the conversion of one full-time position to one part-time position impacting the timelessness of debt service payments

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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; invests County funds, from \$3 billion to \$4 billion annually
- Monitors the daily diversification of the County's portfolio and distributes earnings on investments

Strategic Objectives - Measures

- GG4-1: Provide sound financial and risk management

Objectives	Measures			FY 11-12	FY 12-13	FY 13-14	FY 13-14	FY 14-15
				Actual	Actual	Budget	Projection	Target
Optimize earnings and portfolio size	General Fund interest earnings (in millions)	IN	↔	\$1.2	\$1.2	\$1.0	\$1.0	\$800k
	Total portfolio interest earnings (in millions)	IN	↔	\$14.8	\$13.6	\$10.5	\$12.6	\$9.5
	Average value of total portfolio (in billions)	IN	↔	\$3.039	\$3.369	\$3.500	\$3.500	\$3.200
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	↑	0.48%	0.40%	0.35%	0.35%	0.30%

ADDITIONAL INFORMATION

- The FY 2014-15 Proposed Budget includes (\$627,000) in reimbursements from other County departments and funding sources including: Water and Sewer Department (\$50,000) and Aviation (\$65,000) for cash management activities; Federal Emergency Management Agency (FEMA) grant revenue for administrative services (\$389,000); Miami-Dade Transit (MDT) (\$60,000), Metropolitan Planning Organization (\$43,000), and Tourist Development Tax (\$20,000) for accounting support

Department Operational Unmet Needs

Description	(dollars in thousands)		Positions
	Startup Costs/ Non Recurring Costs	Recurring Costs	
Fund two Account Clerk positions in Controller-Accounts Payable Unit to process refunds via Special Service Refund website	\$20	\$78	2
Fund one Account Clerk position in Tax Collector-Accounting Unit to reduce delays in the posting/reporting of daily financial activities	\$10	\$39	1
Purchase Optix Payment Processing Machine	\$500	\$0	0
Fund one Accountant 3 in Controller-Accounting and Reporting Unit to respond to statutorily mandated financial reports	\$2	\$83	1
Fund one Accountant 2 position in Tax Collector-Accounting unit to reduce the delays in posting/reporting of daily Auto Tag and Real Estate financial activities	\$10	\$72	1
Fund three Tax Records Specialist 2 positions in Tax Collector to account for collections on tourist taxes and local business accounts	\$6	\$126	3

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Description	(dollars in thousands)		Positions
	Startup Costs/ Non Recurring Costs	Recurring Costs	
Fund one Special Projects Administrator position in Controller-Systems to work in the Red Flag Identity Theft Fraud Prevention Program which is a Federal Trade Commission regulated requirement covering risks associated with the use of Social Security numbers, bank account numbers, system security, bank wire transfers, cash payments, ACH payments, etc.	\$10	\$81	1
Fund two Accountant 2 positions in Tax Collector-Auto Tag Unit to manage Auto Tag accounting for 29 Miami Dade County Auto Tag Agencies	\$10	\$144	2
Fund one Tax Collection Supervisor and one Senior Tax Records Specialist to promptly process tax payments received through mail	\$4	\$110	2
Fund three Account Clerks in Tax Collector-Auto Tag Unit to manage, process, and audit transactions processed at private Auto Tag agencies	\$6	\$117	3
Fund three Tax Collector Supervisor 1s, two Tax Record Specialist 1s, two Tax Record Specialist 2s, and one Finance Chief in Tax Collector to provide call center support for auto tag inquiries	\$16	\$443	8
Total	\$594	\$1,293	24

CAPITAL BUDGET SUMMARY

(dollars in thousands)	PRIOR	FY 14-15	FY 15-16	FY 16-17	FY 17-18	FY 18-19	FY 19-20	FUTURE	TOTAL
Revenue									
Department Operating Revenue	2,340	150	0	0	0	0	0	0	2,490
IT Funding Model	1,078	610	0	0	0	0	0	0	1,688
Total:	3,418	760	0	0	0	0	0	0	4,178
Expenditures									
Strategic Area: General Government									
Computer and Systems Automation	300	50	0	0	0	0	0	0	350
Computer Equipment	600	100	0	0	0	0	0	0	700
Improvements to County Processes	2,518	610	0	0	0	0	0	0	3,128
Total:	3,418	760	0	0	0	0	0	0	4,178

CAPITAL HIGHLIGHTS AND OPERATIONAL IMPACTS

- The FY 2014-15 Proposed Budget and Multi-Year Capital Plan includes funding from the IT Funding model to continue the expansion of the accounts payable invoice imaging and workflow system (\$610,000), which will reduce the time needed to process invoices and create efficiencies Countywide for departments accessing payable documents while reducing storage costs
- The Department's FY 2014-15 Proposed Budget and Multi-Year Capital Plan reflects funding (\$100,000) to replace 25 percent of existing computer hardware that has exceeded its useful life
- The FY 2014-15 Proposed Budget and Multi-Year Capital Plan reflects funding for an Electronic Data Management System (EDMS) (\$50,000) for the Tax Collector Division to capture, process, index, sort, reproduce, distribute, and dispose financial and tax records
- During the fourth quarter of FY 2013-14, the Tax Collector's Office will move to the West Lot facility which will also house ISD's Parking Management Office and a food court area; the facility earned the Leadership in Energy and Environmental Design (LEED) Gold Certification from the U.S. Green Building Council (USGBC); the project was funded with Building Better Communities General Obligation Bond (BBC GOB) proceeds as well as Capital Asset bonds (\$28 million)
- In FY 2013-14, the Department is projected to transfer \$6.484 million to the Capital Outlay Reserve (COR) to fund pay-as-you-go capital projects; in FY 2014-15, the Department will transfer \$5.197 million

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FUNDED CAPITAL PROJECTS

(dollars in thousands)

FINANCE TECHNOLOGY IMPROVEMENT FUND

PROJECT #: 65380



DESCRIPTION: Replace 25 percent, on a yearly basis, of existing computer hardware that has exceeded its useful life
 LOCATION: 140 W Flagler St District Located: 5
 City of Miami District(s) Served: Countywide

REVENUE SCHEDULE:	PRIOR	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	FUTURE	TOTAL
Department Operating Revenue	600	100	0	0	0	0	0	0	700
TOTAL REVENUES:	600	100	0	0	0	0	0	0	700
EXPENDITURE SCHEDULE:	PRIOR	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	FUTURE	TOTAL
Technology Hardware/Software	600	100	0	0	0	0	0	0	700
TOTAL EXPENDITURES:	600	100	0	0	0	0	0	0	700

ELECTRONIC DATA MANAGEMENT SYSTEM (EDMS)

PROJECT #: 67400



DESCRIPTION: Research, design, and implement an electronic data management strategy for the Finance Department in order to capture, process, index, sort, reproduce, distribute, and dispose of financial and tax records
 LOCATION: 140 W Flagler St District Located: 5
 City of Miami District(s) Served: Countywide

REVENUE SCHEDULE:	PRIOR	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	FUTURE	TOTAL
Department Operating Revenue	300	50	0	0	0	0	0	0	350
TOTAL REVENUES:	300	50	0	0	0	0	0	0	350
EXPENDITURE SCHEDULE:	PRIOR	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	FUTURE	TOTAL
Planning and Design	80	0	0	0	0	0	0	0	80
Technology Hardware/Software	220	50	0	0	0	0	0	0	270
TOTAL EXPENDITURES:	300	50	0	0	0	0	0	0	350

A/P CONSOLIDATED INVOICE IMAGING AND WORKFLOW

PROJECT #: 69450



DESCRIPTION: Implement a countywide consolidated A/P invoice imaging and workflow process including the acquisition of hardware, software, and personnel required for its successful execution
 LOCATION: 111 NW 1 St District Located: 5
 City of Miami District(s) Served: Countywide

REVENUE SCHEDULE:	PRIOR	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	FUTURE	TOTAL
Department Operating Revenue	1,440	0	0	0	0	0	0	0	1,440
IT Funding Model	1,078	610	0	0	0	0	0	0	1,688
TOTAL REVENUES:	2,518	610	0	0	0	0	0	0	3,128
EXPENDITURE SCHEDULE:	PRIOR	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	FUTURE	TOTAL
Technology Hardware/Software	2,518	610	0	0	0	0	0	0	3,128
TOTAL EXPENDITURES:	2,518	610	0	0	0	0	0	0	3,128

Estimated Annual Operating Impact will begin in FY 2014-15 in the amount of \$1,070,000