

FY 2018 - 19 Adopted Budget and Multi-Year Capital Plan

Finance

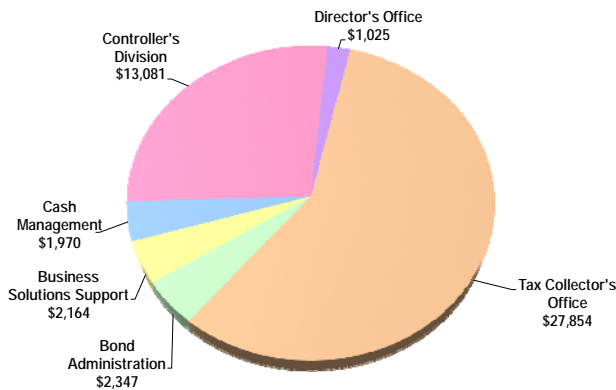
The Finance Department delivers financial services for sound management decision-making and is responsible for financial compliance and guidance, centralized accounting, cash management, business systems solutions, financial and debt management, tax collection and distribution, and collection on delinquent 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.

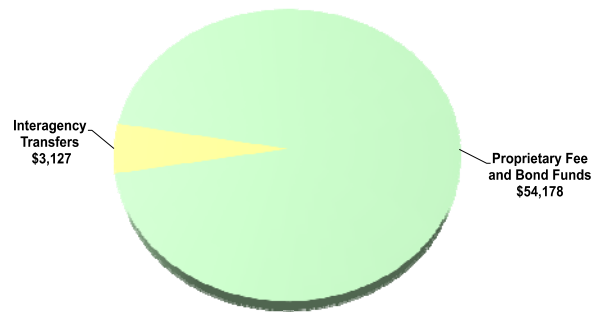
The Finance Department serves all County departments, as well as those entities conducting financial transactions with Miami-Dade County. The Department works closely with all departments and directly with the Office of the Mayor, the County Attorney's Office, the Office of the Clerk, the Office of Management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

FY 2018-19 Adopted Budget

Expenditures by Activity (dollars in thousands)

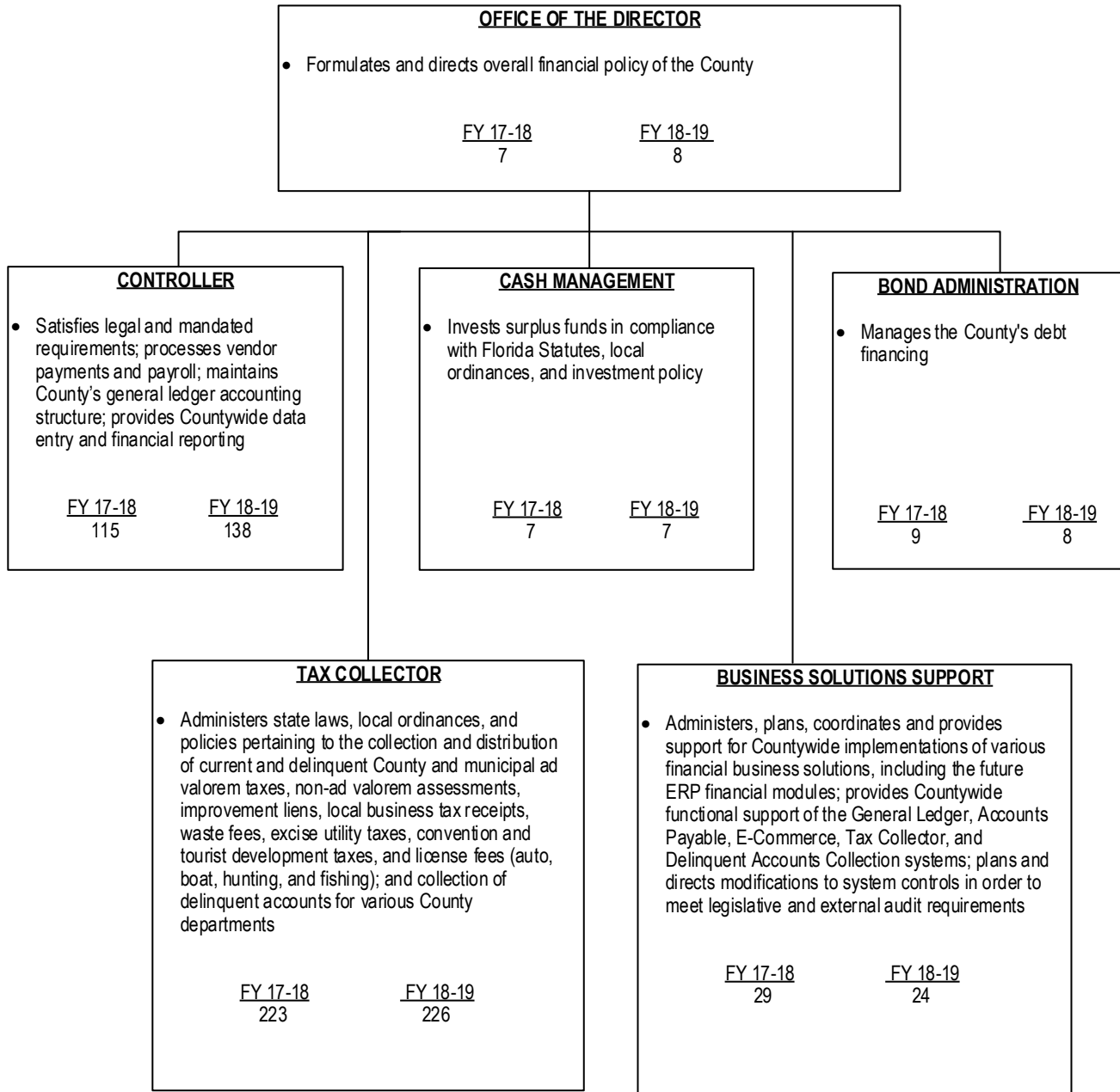


Revenues by Source (dollars in thousands)



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TABLE OF ORGANIZATION



The FY 2018-19 total number of full-time equivalent positions is 418 FTEs

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FINANCIAL SUMMARY

| (dollars in thousands) | Actual FY 15-16 | Actual FY 16-17 | Budget FY 17-18 | Adopted FY 18-19 |
|----------------------------|--------------------|--------------------|--------------------|---------------------|
| Revenue Summary | | | | |
| Ad Valorem Fees | 11,570 | 13,402 | 12,507 | 13,951 |
| Auto Tag Fees | 13,795 | 13,651 | 13,881 | 14,435 |
| Bond Transaction Fees | 3,358 | 1,253 | 645 | 600 |
| Carryover | 6,975 | 11,636 | 6,937 | 6,672 |
| Credit and Collections | 3,788 | 4,067 | 6,095 | 6,441 |
| Local Business Tax Receipt | 3,964 | 3,913 | 3,975 | 4,000 |
| Other Revenues | 3,962 | 4,060 | 3,702 | 3,862 |
| Tourist Tax Fees | 3,788 | 3,806 | 3,760 | 4,217 |
| Interdepartmental Transfer | 576 | 557 | 749 | 164 |
| Other | 2,787 | 2,287 | 2,516 | 2,963 |
| Total Revenues | 54,563 | 58,632 | 54,767 | 57,305 |

Operating Expenditures

| Summary | | | | |
|---------------------------------|--------|--------|--------|--------|
| Salary | 21,556 | 21,529 | 23,384 | 25,200 |
| Fringe Benefits | 6,459 | 7,753 | 8,962 | 10,102 |
| Court Costs | 16 | 17 | 17 | 26 |
| Contractual Services | 720 | 1,007 | 1,418 | 1,037 |
| Other Operating | 5,585 | 5,937 | 6,686 | 6,872 |
| Charges for County Services | 3,455 | 4,428 | 4,982 | 4,911 |
| Grants to Outside Organizations | 0 | 0 | 0 | 0 |
| Capital | 128 | 8 | 769 | 293 |
| Total Operating Expenditures | 37,919 | 40,679 | 46,218 | 48,441 |

Non-Operating Expenditures

| Summary | | | | |
|---|-------|-------|-------|-------|
| Transfers | 5,009 | 8,742 | 8,549 | 8,864 |
| 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 |
| Other Non-Operating | 0 | 0 | 0 | 0 |
| Adjustments | | | | |
| Total Non-Operating Expenditures | 5,009 | 8,742 | 8,549 | 8,864 |

| (dollars in thousands) Expenditure By Program | Total Funding | | Total Positions | |
|--|--------------------|---------------------|--------------------|---------------------|
| | Budget FY 17-18 | Adopted FY 18-19 | Budget FY 17-18 | Adopted FY 18-19 |
| Strategic Area: General Government | | | | |
| Director's Office | 701 | 1,025 | 7 | 8 |
| Controller's Division | 11,118 | 13,081 | 115 | 138 |
| Tax Collector's Office | 26,800 | 27,854 | 223 | 226 |
| Bond Administration | 3,044 | 2,347 | 9 | 8 |
| Cash Management | 1,880 | 1,970 | 7 | 7 |
| Business Solutions Support | 2,675 | 2,164 | 29 | 24 |
| Total Operating Expenditures | 46,218 | 48,441 | 390 | 411 |

SELECTED ITEM HIGHLIGHTS AND DETAILS

| Line Item Highlights | (dollars in thousands) | | | | |
|-------------------------|------------------------|--------------------|--------------------|--------------------|--------------------|
| | Actual FY 15-16 | Actual FY 16-17 | Budget FY 17-18 | Actual FY 17-18 | Budget FY 18-19 |
| Advertising | 52 | 59 | 95 | 54 | 94 |
| Fuel | 0 | 0 | 0 | 0 | 0 |
| Overtime | 83 | 123 | 99 | 93 | 103 |
| Rent | 2,014 | 2,255 | 2,453 | 2,431 | 2,402 |
| Security Services | 241 | 235 | 261 | 252 | 306 |
| Temporary Services | 739 | 320 | 477 | 328 | 422 |
| Travel and Registration | 40 | 34 | 111 | 47 | 133 |
| Utilities | 202 | 165 | 200 | 155 | 198 |

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DIVISION: DIRECTOR'S OFFICE

The Director's Office is responsible for formulating and directing the 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
- Monitors Countywide financial regulatory compliance

DIVISION COMMENTS

- The FY 2018-19 Adopted Budget includes the addition of one Personnel Specialist 3 to address increased responsibilities assigned to the Finance Department HR section

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 15-16 | FY 16-17 | FY 17-18 | FY 17-18 | FY 18-19 |
|---|---|----|---|----------|----------|----------|----------|----------|
| | | | | Actual | Actual | Budget | Actual | Target |
| Monitor and report timely payment of invoices | Percentage of invoices paid within 45 calendar days | EF | ↑ | 87% | 87% | 90% | 91% | 90% |
| | Percentage of invoices paid within 30 calendar days | EF | ↑ | 70% | 67% | 70% | 79% | 70% |

- GG4-1: Provide sound financial and risk management

| Objectives | Measures | | | FY 15-16 | FY 16-17 | FY 17-18 | FY 17-18 | FY 18-19 |
|--|---|----|---|----------|----------|----------|----------|----------|
| | | | | Actual | Actual | Budget | Actual | Target |
| Certificate of Achievement for Excellence in Financial Reporting | Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officers Association (GFOA)* | OC | ↑ | Awarded | Awarded | Awarded | Pending | Award |

* The judging and award process takes place after completion of the County's Consolidated Annual Financial Report (CAFR); the certificate is generally awarded in September of the following fiscal year

DIVISION COMMENTS

- *During FY 2017-18, one Finance Section Manager position was eliminated*
-  During FY 2017-18, five positions were transferred from the Business Solutions Support Division to enhance the County's Consolidated accounts payable invoice Imaging and Workflow Automation (IWA) system
- During FY 2017-18, one Accountant 3 position overage was approved for succession planning and overall continuity of operations in the Accounting and Reporting Section

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- During FY 2017-18, three overages were approved to assist with the FEMA cost reimbursement process from Hurricane Irma; these positions will be funded from the FEMA grant
- During FY 2017-18, three overage positions were approved to assist with the County's consolidated accounts payable IWA system; these positions will be funded from the IT Funding Model
- The FY 2018-19 Adopted Budget includes the addition of one Finance Section Manager, one Finance Section Assistant Manager, three Accountant 4s, one Accountant 3, and one Accountant 2 for succession planning and overall continuity of operations
- The FY 2018-19 Adopted Budget includes the addition of five Finance Shared Services Technician positions to assist with the County's consolidated accounts payable IWA system; these positions will be funded from the IT Funding Model

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, tag renewals and title applications for automobiles, trucks, and mobile homes; collecting and remitting sales tax to the State for the above transactions; and selling various hunting and fishing licenses and permits
- Oversees operation of 25 private auto tag agencies in the County
- Collects delinquent accounts receivable for various County departments

Strategic Objectives - Measures

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

| Objectives | Measures | | | FY 15-16 | FY 16-17 | FY 17-18 | FY 17-18 | FY 18-19 |
|---|---|----|---|-------------|-------------|-------------|-------------|-------------|
| | | | | Actual | Actual | Budget | Actual | Target |
| Expand access to County government by placing information and transactions online | Total dollar-value of web-enabled transactions completed using the online services portal (dollars in thousands)* | OC | ↑ | \$1,243,750 | \$1,453,477 | \$1,547,160 | \$1,678,542 | \$1,625,000 |

* The FY 2016-17 figure was changed to reflect updated Actuals

- GG4-1: Provide sound financial and risk management

| Objectives | Measures | | | FY 15-16 | FY 16-17 | FY 17-18 | FY 17-18 | FY 18-19 |
|---|--|----|---|----------|----------|----------|----------|----------|
| | | | | Actual | Actual | Budget | Actual | Target |
| Process distributions of taxes collected to each taxing authority | Total number of distributions processed* | OP | ↔ | 17 | 17 | 14 | 16 | 14 |
| Enhance collection efforts | Debt portfolio fees collected (in thousands)** | OC | ↑ | \$3,788 | \$4,067 | \$6,095 | \$6,777 | \$6,441 |
| Maximize revenues through intensive collection activity | Total revenue collected on all delinquent debts, inclusive of fees (Countywide; in thousands)*** | OC | ↑ | \$12,114 | \$13,093 | \$16,406 | \$22,123 | \$20,869 |
| | Average number of accounts worked per day per collector | EF | ↑ | 45 | 43 | 50 | 46 | 50 |

* The distribution of taxes has a statutorily-required minimum of 14 distributions per year; the Tax Collector may process additional distributions for convenience of operations or as additional customer services

** The FY 2016-17 figure was changed to reflect updated Actuals

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DIVISION COMMENTS

- The FY 2018-19 Adopted Budget includes the addition of three Tax Revenue Specialist positions to enhance the Auto Tag Customer Service Unit in the Tax Collector Division
- During FY 17-18, the Division hired 14 Finance Collections Specialists generating annualized additional gross revenues of \$439,000 per position

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 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 15-16 | FY 16-17 | FY 17-18 | FY 17-18 | FY 18-19 |
|----------------------------------|---|----|---|----------|----------|----------|----------|----------|
| | | | | Actual | Actual | Budget | Actual | Target |
| Monitor County-wide Bond Ratings | Percentage of debt service payments made timely | OC | ↔ | 100% | 100% | 100% | 100% | 100% |
| | Bond ratings evaluation by Moody's* | OP | ↑ | Aa2 | Aa2 | Aa2 | Aa2 | Aa2 |
| | Bond ratings evaluation by Standard and Poor's* | OP | ↑ | AA | AA | AA | AA | AA |

* Bond ratings shown are for General Obligation Bonds

DIVISION COMMENTS

- *The FY 2018-19 Adopted Budget includes the elimination of a Senior Bond Analyst*

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 surplus County funds, averaging between \$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 15-16 | FY 16-17 | FY 17-18 | FY 17-18 | FY 18-19 |
|---|---|----|---|----------|----------|----------|----------|----------|
| | | | | Actual | Actual | Budget | Actual | Target |
| 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 | ↑ | 0.52% | 0.90% | 1.00% | 1.59% | 1.46% |

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DIVISION: BUSINESS SOLUTIONS SUPPORT

The Business Solutions Support Division is responsible for administering, planning, coordinating and providing support for the Countywide implementations of various financial business solutions, including the future ERP financial modules.

- Provides Countywide functional support of the General Ledger, Accounts Payable, E-Commerce, Tax Collection and Delinquent Account Collection Systems and other related financial systems
- Supports creation and maintenance of chart of accounts fields and budget controls, application access to ensure proper segregation of duties, financial report generation and validation, training, customer support, implementation support for upgrades, fixes and enhancements
- Plans and directs required modifications to above financial systems to meet legislative (BCC, state and federal) requirements
- Assesses departmental business processes, developing and implementing strategic plans and projects that align information technology needs with the department's financial business functions
- Ensures proper system controls are maintained for the General Ledger, Accounts Payable and Purchasing systems to respond to the annual external financial audit; monitors and provides support to over 5,700 users of these systems
- Coordinates with the Information Technology Department (ITD) and departments in the implementation of new financial technologies to support Countywide and departmental initiatives as they relate to financial systems, such as ERP implementation, which includes over 14 financial modules

DIVISION COMMENTS

- During FY 2017-18, five positions were transferred to the Controller's Division to enhance the County's Consolidated Accounts Payable Invoice IWA System

ADDITIONAL INFORMATION

- The FY 2018-19 Adopted Budget includes \$3.713 million in reimbursements from other County departments and funding sources including: Water and Sewer Department (\$6,000) and Aviation (\$42,000) for cash management activities; Transportation and Public Works (\$360,000), Transportation Planning Organization (\$43,000), Office of Management and Budget (\$50,000), Parks, Recreation and Open Spaces (\$126,000), Regulatory and Economic Resources (\$9,000), Seaport (\$8,000), Internal Services (\$7,000), Tourist Development Tax (\$20,000), Aviation (\$64,000) and Water and Sewer Department (\$15,000) for accounting and compliance support; and an Information Technology Department transfer from the IT Funding Model (\$2.963 million) to support the operations of Image and Workflow Automation (IWA)
- In FY 2017-18, the Department is expected to transfer \$7.8 million to Capital Improvement Fund (CIF) to fund pay-as-you-go capital projects; the FY 2018-19 Adopted Budget includes an \$8.7 million transfer to CIF
- In FY 2017-18, Finance along with the Information Technology Department, Office of Management and Budget, Human Resources and Internal Services Department began implementation of the Enterprise Resource Planning (ERP) System; the FY 2018-19 Adopted Budget includes funding from the ERP Project budget to support the implementation of the ERP system (\$1.812 million)

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CAPITAL BUDGET SUMMARY

| (dollars in thousands) | PRIOR | FY 18-19 | FY 19-20 | FY 20-21 | FY 21-22 | FY 22-23 | FY 23-24 | FUTURE | TOTAL |
|---------------------------------|-------|----------|----------|----------|----------|----------|----------|--------|-------|
| Revenue | | | | | | | | | |
| Finance Operating Revenues | 1,745 | 200 | 0 | 0 | 0 | 0 | 0 | 0 | 1,945 |
| Total: | 1,745 | 200 | 0 | 0 | 0 | 0 | 0 | 0 | 1,945 |
| Expenditures | | | | | | | | | |
| Strategic Area: GG | | | | | | | | | |
| Computer and Systems Automation | 345 | 200 | 0 | 0 | 0 | 0 | 0 | 0 | 545 |
| Facility Improvements | 0 | 400 | 1,000 | 0 | 0 | 0 | 0 | 0 | 1,400 |
| Total: | 345 | 600 | 1,000 | 0 | 0 | 0 | 0 | 0 | 1,945 |

CAPITAL HIGHLIGHTS AND OPERATIONAL IMPACTS

- The Department's FY 2018-19 Adopted Budget and Multi-Year Capital Plan includes the acquisition and installation of an automated mail opener, extractor, scanner, and payment processing software to replace aging equipment no longer being supported by the vendor; the Department is projecting the installation of the system to be completed by close of FY 2018-19 (total project cost \$545,000)

FUNDED CAPITAL PROJECTS

(dollars in thousands)

AUTOMATED PAYMENT PROCESSING SYSTEM

PROJECT #: 200000701

| | | | |
|--------------|--|---------------------|------------|
| DESCRIPTION: | Replace aging payment processing system to include hardware and software | District Located: | 5 |
| LOCATION: | 200 NW 2 Ave City of Miami | District(s) Served: | Countywide |

| REVENUE SCHEDULE: | PRIOR | 2018-19 | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 | FUTURE | TOTAL |
|------------------------------|------------|------------|----------|----------|----------|----------|----------|----------|------------|
| Finance Operating Revenues | 345 | 200 | 0 | 0 | 0 | 0 | 0 | 0 | 545 |
| TOTAL REVENUES: | 345 | 200 | 0 | 0 | 0 | 0 | 0 | 0 | 545 |
| EXPENDITURE SCHEDULE: | PRIOR | 2018-19 | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 | FUTURE | TOTAL |
| Technology Hardware/Software | 345 | 200 | 0 | 0 | 0 | 0 | 0 | 0 | 545 |
| TOTAL EXPENDITURES: | 345 | 200 | 0 | 0 | 0 | 0 | 0 | 0 | 545 |

RECONFIGURE - 25TH AND 26TH FLOORS

PROJECT #: 200000975

| | | | |
|--------------|--|---------------------|------------|
| DESCRIPTION: | Reconfigure the Finance area of the 25th and 26th floors to improve work flow and maximize the usage of space to meet current departmental needs | District Located: | 5 |
| LOCATION: | 111 NW 1 St City of Miami | District(s) Served: | Countywide |

| REVENUE SCHEDULE: | PRIOR | 2018-19 | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 | FUTURE | TOTAL |
|----------------------------------|--------------|------------|--------------|----------|----------|----------|----------|----------|--------------|
| Finance Operating Revenues | 1,400 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1,400 |
| TOTAL REVENUES: | 1,400 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1,400 |
| EXPENDITURE SCHEDULE: | PRIOR | 2018-19 | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 | FUTURE | TOTAL |
| Furniture Fixtures and Equipment | 0 | 400 | 1,000 | 0 | 0 | 0 | 0 | 0 | 1,400 |
| TOTAL EXPENDITURES: | 0 | 400 | 1,000 | 0 | 0 | 0 | 0 | 0 | 1,400 |