

# Memorandum

MIAMI-DADE  
COUNTY

**Date:** February 5, 2008

**To:** Honorable Chairman Bruno A. Barreiro  
and Members, Board of County Commissioners

**From:** George M. Burgess  
County Manager

**Subject:** FY 2006-07 Year-End Budget Amendment and Supplemental Budget

Agenda Item No. 12(B)6

On today's agenda are two related items, the FY 2006-07 Year-End Budget Amendment and FY 2006-07 Year-End Supplemental Budget. The Miami-Dade County Charter and State law provide that the Board of County Commissioners approve the County's annual budget. These laws also require that expenditures not exceed the authorized budget. However, because it is, by definition, impossible to budget for extraordinary or unplanned events, it is sometimes necessary to make adjustments to the authorized budget. These adjustments are only necessary if expenditures exceed the authorized budget; revenues in excess of budget that are not going to be spent in the current year will be carried over into FY 2006-07 and do not require authorization.

## **FY 2006-07 Year-End Budget Amendment**

A budget amendment is necessary to cover additional personnel and operating expenses for the Animal Services and Elections departments, as well as the Metro-Miami Action Plan Trust. Additionally, various departments including Team Metro, Procurement Management - Small Business Unit, and the Housing Agency are being amended to cover expenditures in excess of operating revenues. The budget amendment also includes adjustments for reallocating previously appropriated funds from reserves for payments related to Community Development Block Grant FY 2006 Public Service activities and for the extension of time and awards to community-based organizations contracts. After making the required adjustments to the general fund as stated in the related end-of-year items, the general fund carryover into FY 2007-08 will be as budgeted. The adjustments included in this item equal 1.28 percent of the total general fund budget.

Pursuant to Ordinance 07-45, this item also includes budget line item transactions that must be approved (transfers from the personnel line item or transfers in excess of ten percent) and those that must be reported. The average of all these adjustments is less than two percent of the adopted budget.

## **FY 2006-07 Year-End Supplemental Budget**

For departments whose fiscal activity occurs in a fund separate from the general fund, and who are at least in part supported by revenues from non-general fund sources, a supplemental budget is required if expenditures exceed the authorized budget. These higher expenditures may be funded by revenues that are higher than budgeted, unbudgeted carryover, or by an additional general fund subsidy. The adjustments included in this item equal 1.5 percent of the total budget, not including the acquisition of the Jackson North Medical Center which is included in the Public Health Trust budget, and which alone represents 3.9 percent of the total operating budget.

The revisions incorporated in this supplemental budget include adjustments for federal, state, and other grants (Homeless Trust, Community Action Agency, and Legal Aid), increased expenses due to higher

than anticipated or budgeted demand for services or contractual obligations (Enterprise Technology Services Department, Metrozoo and Miami-Dade Police Department), expenses in programs or projects that carried over from FY 2005-06 into FY 2006-07 (Mom and Pop and Clerk of the Court), and higher than budgeted expenditures in the Housing Agency Public Housing Division. Other supplements are the result of large capital acquisitions that had not been contemplated (Public Health Trust) or that had been anticipated to be accomplished through debt financing rather than through "pay as you go" funding (People's Transportation Plan).

Some of the adjustments included in the supplemental budget are technical in nature. As an example, the tourist development tax/surtax and professional sports facility tax revenues, which were higher than anticipated in the budget, must be transferred to the appropriate accounts pursuant to ordinances governing the use of these funds.

The supplemental budget increased the General Fund budget by \$10.386 million. The additional funds are used to cover various expenses and one-time adjustments such as the continuation funding for CBOs, allocation of unspent office funds, and special elections.

The attached schedule details, by department, the reasons for the adjustments that are to be made, the source of funding supporting the adjustment, and within which item the adjustment is being made. The budget amendment and supplemental budget items include explanations of each of the line items within the context of the approved budget.

**Informational Item:**

At the December 6, 2007, Board of County Commission meeting, questions were raised regarding the Seaport's use of funds from the dredging litigation settlement agreement between the department and Safeco/Dutra. As was stated at the meeting, approximately \$15.9 million of the settlement agreement funds have been used to pay debt service obligations in lieu of operational proceeds. The disposition of these funds was disclosed in the adopted FY 2006-07 and FY 2007-08 budget books. Of the total amount received, approximately \$5.4 million remains in the department's capital working fund, and the final payment of \$625,000 will be received January 2008.

I hope that this report clarifies these items. If you have any questions prior to the meeting, please feel free to contact Jennifer Glazer-Moon or me.

Attachment



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Jennifer Glazer-Moon  
Director, Office of Strategic Business Management

Summary of End-of-Year Budget Amendment and Supplemental

Department	Description	Adjustments	Value	Source of funds	Supplemental Budget	Value	General Fund Amendment Value
General Fund	Increase General Fund budget with unallocated carryover supplement and distribute said funds in the amendment		4,169,000	Additional carryover		4,169,000	(4,169,000)
	Increase General Fund budget with interest earnings supplement and distribute said funds in the amendment		6,199,000	Additional interest earnings		6,199,000	(6,199,000)
	Reallocate unused portion of Tax Equalization Reserve		(1,474,000)				(1,474,000)
	Reallocate unused portion of Housing Rental Subsidy Program		(3,147,000)				(3,147,000)
	Reallocate unused portion of Reserve for Prior Year Encumbrance		(2,100,000)				(2,100,000)
	Reallocate unused portion of Grant Match Reserve		(1,420,000)				(1,420,000)
	Reallocate unused portion of Management Consulting Reserve		(481,000)				(481,000)
	Reallocate unused portion of Wage Adjustment, FRS, Separation Reserve		(4,915,000)				(4,915,000)
			10,368,000			10,368,000	(23,905,000)
Non-Departmental Health and Human Services Community-based Organizations	Pay three months of funding for community-based organizations		5,956,000				5,956,000
Animal Services	Increase expenditure authority due to reclassification of three veterinarians		10,000				10,000
Board of County Commissioners	Increase expenditure authority to allocate FY 2006-06 carryover		3,724,000				3,724,000
Elections	Increase expenditure authority to cover operating costs associated with the unbudgeted elections of Dec. 2006 and Jan. 2007		1,381,000				1,381,000
Housing Agency	Increase expenditure authority to cover costs associated with prior year expenses charged in FY 2006-07		2,178,000	Additional General Fund subsidy		2,178,000	2,178,000
	Increase expenditure authority to cover operating costs related to the operation of the Helen Sawyer Assisted Living Facility		841,000	Additional General Fund subsidy		841,000	841,000
	Increase expenditure authority to cover operating costs associated with Low-Income Public Housing security		1,850,000	Additional General Fund subsidy		1,850,000	1,850,000
	Increase expenditure authority to cover operating costs associated with Low-Income Public Housing miscellaneous contracts and other operating expenses		2,129,000	Additional General Fund subsidy		2,129,000	2,129,000
	Unrealized Revenue (Revenue Shortfall)		969,000	Additional General Fund subsidy		969,000	969,000
	Move operating expense capacity from unused programs to Low Income Public Housing		(969,000)	Unused expenditure authority in other programs		(969,000)	0
			6,998,000			6,998,000	7,967,000

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Summary of End-of-Year Budget Amendment and Supplemental

Department	Description	Adjustments	Value	Source of funds	Supplemental Budget	Value	General Fund Amendment Value
Metro-Miami Action Plan Trust	Increase expenditure authority to cover operating costs associated with the Martin Luther King, Jr. Academy		42,000				42,000
Community and Economic Development	Increase expenditure authority to cover operating costs associated with Community Development Block Grant (CDBG) Line of Credit Increase expenditure authority to cover operating costs CDBG Public Service Cap for CY 2006		797,000 <u>3,684,000</u> 4,481,000				797,000 <u>3,684,000</u> 4,481,000
Team Metro	Revenue shortfall in code enforcement Increased direct sales revenue Reduction of operating expenses Required amendment		910,000 (333,000) <u>(233,000)</u> 344,000				344,000
Community Action Agency	Increase expenditure authority to cover operating costs associated with Head Start Program Increase expenditure authority to cover operating costs associated with Low Income Energy Assistance Program		755,000 <u>2,128,000</u> 2,883,000	Additional Head Start Grant revenue Additional Low Income Energy Assistance Program Grant revenue		755,000 <u>2,128,000</u> 2,883,000	
Enterprise Technology Services Department	Increase expenditure authority to cover operating costs associated with higher than budgeted telephone, radio, and other telecommunications service charges Increase expenditure authority to cover operating costs associated with telecommunications, radio communication services, and application development and support		8,271,000 <u>396,000</u> 8,657,000	Additional charge-back and passthrough revenue Additional radio communications traffic ticket surcharge		8,271,000 <u>396,000</u> 8,657,000	
Homeless Trust	Increase expenditure authority to cover operating costs associated with the U.S. HUD Supportive Housing Program Increase expenditure authority to cover operating costs associated with Aids Prevention and Crisis Outplacement Bed programs Increase expenditure authority to cover operating costs associated with Homeless HUD Initiatives Program		169,000 101,000 <u>125,000</u> 395,000	Additional grant revenue Additional grant revenue Additional grant revenue		169,000 101,000 <u>125,000</u> 395,000	
Legal Aid	Increase expenditure authority to cover operating costs associated with Domestic Violence Victim Services		118,000	Additional grant revenue		118,000	

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Summary of End-of-Year Budget Amendment and Supplemental

Department	Description	Adjustments	Value	Source of funds	Supplemental Budget	Value	General Fund Amendment Value
Mom and Pop Program	Increase expenditure authority to cover operating costs associated with disbursement of prior year allocations		212,000	Prior year carryover of unspent allocation		212,000	
Clerk of the Court	Increase expenditure authority to cover operating costs associated with implementation of the redaction project		485,000	Clerk fees and charges carried over from prior year		485,000	
Park and Recreation	Increase expenditure authority to cover operating costs associated with Metrozoo operations		336,000	Metrozoo operating revenue		336,000	
Miami-Dade Police	Additional police services to the Town of Oyster Bay		488,000	Contract with the Town of Oyster Bay		488,000	
	Additional police services to Florida City		11,000	Contract with Florida City		11,000	
	Police services in the vicinity of the City of Hialeah Gardens		11,000	Additional mitigation payments by the City of Hialeah Gardens		11,000	
	Police services in the vicinity of the Town of Medley		215,000	Additional mitigation payments by the Town of Medley		215,000	
	Police services in the vicinity of the City Of Doral		726,000	Additional mitigation payments by the City Of Doral		726,000	
	Police services in the vicinity of the Town Of Miami Lakes		77,000	Additional mitigation payments by the Town Of Miami Lakes		77,000	
	Police services in the vicinity of the Village Of Palmetto Bay		72,000	Additional mitigation payments by the Village Of Palmetto Bay		72,000	
	Police services in the vicinity of the City of North Miami		30,000	Additional mitigation payments by the City of North Miami		30,000	
	Police services in the vicinity of Florida City		20,000	Additional mitigation payments by Florida City		20,000	
				1,650,000			1,650,000
Miami-Dade Transit	Increase expenditure authority to cover additional expenses associated with paratransit expenses		154,000	Additional state grant revenues		154,000	
Public Works PTP	Increase Transfer to Public Works PTP fund to cover expenses for projects previously funded through financing (Fund 325)		15,002,000	Additional Transfer from PTP fund		14,402,000	
				Additional Road Impact Fee Revenue		600,000	
						15,002,000	

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Summary of End-of-Year Budget Amendment and Supplemental

Department	Description	Adjustments	Value	Source of funds	Supplemental Budget	Value	General Fund Amendment Value
Public Health Trust	Increase expenditure authority to cover costs associated with the operation of the newly acquired Jackson North Medical Center Increase expenditure authority to cover costs associated with the operation of the newly created programs in conjunction with the acquisition of the Jackson North Medical Center Increase expenditure authority to cover costs associated with operating expenses of various existing programs		89,218,000 53,426,000 <u>40,045,000</u> 182,689,000	Jackson North Medical Center Revenue Additional Program Revenue Additional Program Revenue		89,218,000 53,426,000 <u>40,045,000</u> 182,689,000	
Solid Waste Management	Increase expenditure authority to cover costs of equipment purchased previously planned to be funded through financing		22,205,000	Disposal Reserves		22,205,000	
Tourist Development Taxes and Professional Sports Franchise Fees	Increase expenditure authority associated with increased revenue collections		1,647,000	Additional Revenue Collections		1,647,000	