



Miami-Dade Board of County Commissioners  
Office of the Commission Auditor

**Board of County Commissioners -  
Committee of the Whole Meeting**

July 18, 2019  
9:30 A.M.  
Commission Chambers

Yinka Majekodunmi, CPA  
Commission Auditor  
Office of the Commission Auditor (OCA)  
111 N.W. First Street, Suite 1030  
Miami, FL 33128  
(305) 375-2524

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**BCC Meeting: July 18, 2019  
Research Notes**

**Item No. 8G1, 8G2, 8G3, 8G4, and 8G5**  
**File No. 191819, 191820, 191821, 191823, and 191824**

**ISSUE/REQUESTED ACTION**

RESOLUTION SETTING THE PROPOSED FISCAL YEAR 2019-20 COUNTYWIDE OPERATING MILLAGE RATE, COUNTYWIDE DEBT SERVICE MILLAGE RATE, UNINCORPORATED MUNICIPAL SERVICE AREA OPERATING MILLAGE RATE, FIRE RESCUE DISTRICT OPERATING MILLAGE RATE, AND LIBRARY DISTRICT OPERATING MILLAGE RATE

**PROCEDURAL HISTORY**

**Prime Sponsor: N/A**  
**Department/Requester: N/A**

**ANALYSIS**

The Countywide millage is proposed to remain flat. It is estimated that an additional revenue of \$120.334 million will be generated in the proposed FY 2019-20 budget when compared to the FY 2018-19 budget due to an improved tax roll.

The detail by taxing jurisdiction is as follows:

<b>Taxing Jurisdiction</b>	<b>FY 2018-19 Adopted Millage</b>	<b>FY 2018-19 Revenue</b>	<b>FY 2019-20 Proposed Millage</b>	<b>FY 2019-20 Proposed Revenue</b>	<b>Additional Revenue FY18-19 vs FY 19-20</b>
Countywide	4.6669	1,286,117,000	4.6669	1,368,379,000	<b>82,262,000</b>
UMSA	1.9283	140,638,000	1.9283	150,878,000	<b>10,240,000</b>
Fire	2.4207	375,084,000	2.4207	398,388,000	<b>23,304,000</b>
Library	0.2840	71,276,000	0.2840	75,804,000	<b>4,528,000</b>
Operating Millage/Revenue	<b>9.2999</b>	<b>1,873,115,000</b>	<b>9.2999</b>	<b>1,993,449,000</b>	<b>120,334,000</b>
Aggregate Millage	6.7969		6.7987		

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**Additional Information**

1. A consideration should be made for an alternative funding source of revenue if the 25 cents increase related to the consumer price index (CPI) for transit fares is reversed. The estimated impact is \$5.4 million.
2. The financial outlook based on a flat millage reflects a depletion of the carryover in 2021 and projected budget deficit in 2022 using current assumption for operational growth.
3. The tax proceeds reflected in the proposed budget book was \$2 million less than OCA’s calculation of \$1.993 billion. OMB has responded that this scrivener’s error will be updated in the adopted book.

**MILLAGE CALCULATIONS: PROPOSED AND ADOPTED RATES**

<b>Countywide Millage</b>	<b>Revenue</b>	<b>Increment/(Deficit) Revenue from Proposed</b>
4.3363	1,271,456,757	(96,922,121)
4.3863	1,286,117,226	(82,261,652)
4.4363	1,300,777,695	(67,601,183)
4.4863	1,315,438,164	(52,940,714)
4.5363	1,330,098,634	(38,280,244)
4.5863	1,344,759,103	(23,619,775)
4.6363	1,359,419,572	(8,959,306)
* 4.6669	1,368,378,878	0
4.7169	1,383,039,347	14,660,469
4.7669	1,397,699,817	29,320,938
4.8169	1,412,360,286	43,981,408
4.8669	1,427,020,755	58,641,877
4.9169	1,441,681,224	73,302,346
4.9669	1,456,341,694	87,962,815
5.0169	1,471,002,163	102,623,285
5.0669	1,485,662,632	117,283,754

*In accordance with State law, property tax revenue is budgeted at 95 percent of levy*

\* FY 2018-19 Adopted and FY 2019-20 Proposed Millage

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<b>UMSA Millage</b>	<b>Revenue</b>	<b>Increment/(Deficit) Revenue from Proposed</b>
1.7974	140,637,870	(10,239,775)
1.8474	144,550,063	(6,327,581)
1.8974	148,462,256	(2,415,388)
* 1.9283	150,877,644	0
1.9783	154,789,837	3,912,193
2.0283	158,702,031	7,824,386
2.0783	162,614,224	11,736,580
2.1283	166,526,417	15,648,773
2.1783	170,438,610	19,560,966
2.2283	174,350,803	23,473,159
2.2783	178,262,997	27,385,353
2.3283	182,175,190	31,297,546
2.3783	186,087,383	35,209,739

<b>Fire Millage</b>	<b>Revenue</b>	<b>Increment/(Deficit) Revenue from Proposed</b>
2.2791	375,084,522	(23,303,922)
2.3291	383,313,307	(15,075,136)
2.3791	391,542,093	(6,846,350)
* 2.4207	398,388,443	0
2.4291	399,770,879	1,382,436
2.4791	407,999,665	9,611,222
2.5291	416,228,451	17,840,008
2.5791	424,457,237	26,068,794
2.6291	432,686,023	34,297,580
2.6791	440,914,809	42,526,366
2.7291	449,143,595	50,755,152
2.7791	457,372,381	58,983,938

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<b>Library Millage</b>	<b>Revenue</b>	<b>Increment/(Deficit) Revenue from Proposed</b>
0.2670	71,276,768	(4,526,865)
0.2770	73,945,910	(1,857,723)
* 0.2840	75,803,633	0
0.2940	78,472,775	2,669,142
0.3040	81,141,917	5,338,284
0.3140	83,811,059	8,007,426
0.3240	86,480,201	10,676,568
0.3340	89,149,343	13,345,710
0.3440	91,818,485	16,014,852

*In accordance with State law, property tax revenue is budgeted at 95 percent of levy*  
 \* FY 2018-19 Adopted and FY 2019-20 Proposed Millage

**APPLICABLE LEGISLATION/POLICY**

**Florida Constitution, Article VII, Finance and Taxation, Section 6** governs homestead exemptions; every person who has the legal or equitable title to real estate and maintains thereon the permanent residence of the owner, or another legally or naturally dependent upon the owner, shall be exempt from taxation thereon, except assessments for special benefits, up to the assessed valuation of twenty-five thousand dollars and, for all levies other than school district levies, on the assessed valuation greater than fifty thousand dollars and up to seventy-five thousand dollars, upon establishment of right thereto in the manner prescribed by law. The real estate may be held by legal or equitable title, by the entireties, jointly, in common, as a condominium, or indirectly by stock ownership or membership representing the owner's or member's proprietary interest in a corporation owning a fee or a leasehold initially in excess of ninety-eight years.

<http://www.leg.state.fl.us/Statutes/index.cfm?Mode=Constitution&Submenu=3&Tab=statutes&CFID=59372775&CFTOKEN=5fa15fdf43e94b94-0AFA775A-5056-B837-1AC85422DB207EDB#A7S06>

**Florida Constitution, Article VII, Finance and Taxation, Section 9** governs local taxes, authorizing counties, school districts and municipalities to levy ad valorem taxes and may be authorized by general law to levy other taxes for their respective purposes, except ad valorem taxes on intangible personal property. Ad valorem taxes, exclusive of taxes levied for the payment of bonds and taxes levied for periods not longer than two years when authorized by vote of the electors who are the owners of freeholds therein not wholly exempt from taxation, shall not be levied in excess of the following millages upon the assessed value of real estate and tangible personal property: for all county purposes, ten mills; for all municipal purposes, ten mills; for all school purposes, ten mills; for water management purposes for the northwest portion of the state lying west of the line between ranges two and three east, 0.05 mill; for water management purposes for the remaining portions of the state, 1.0 mill; and for all other special districts a millage authorized by law approved by vote of the electors who are owners of freeholds therein not wholly exempt from

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taxation. A county furnishing municipal services may, to the extent authorized by law, levy additional taxes within the limits fixed for municipal purposes.

<http://www.leg.state.fl.us/Statutes/index.cfm?Mode=Constitution&Submenu=3&Tab=statutes&CFID=59372775&CFTOKEN=5fa15fdf43e94b94-0AFA775A-5056-B837-1AC85422DB207EDB#A7S06>

**Florida Statutes, Chapter 129, County Annual Budget**, sets forth a budget system for the control of the finances of the boards of county commissioners of the several counties of the state; the budget must be prepared, summarized and approved by the board of county commissioners of each county. The budget must be balanced, so that the total of the

estimated receipts available from taxation and other sources, including balances brought forward from prior fiscal years, equals the total of appropriations for expenditures and reserves.

[http://www.leg.state.fl.us/Statutes/index.cfm?App\\_mode=Display\\_Statute&URL=0100-0199/0129/0129.html](http://www.leg.state.fl.us/Statutes/index.cfm?App_mode=Display_Statute&URL=0100-0199/0129/0129.html)

**Florida Statutes, Chapter 200**, governs the determination of millage. Section 200.065 provides for the method of fixing millage and prescribes that upon preparation of a tentative budget, but prior to adoption thereof, each taxing authority shall compute a proposed millage rate necessary to fund the tentative budget other than the portion of the budget to be funded from sources other than ad valorem taxes.

The county commissioners shall determine the amount to be raised for all county purposes, except for county school purposes, and shall enter upon their minutes the rates to be levied for each fund respectively, together with the rates certified to be levied by the board of county commissioners for use of the county, special taxing district, board, agency, or other taxing unit within the county for which the board of county commissioners is required by law to levy taxes.

[http://www.leg.state.fl.us/Statutes/index.cfm?App\\_mode=Display\\_Statute&Search\\_String=&URL=0200-0299/0200/Sections/0200.065.html](http://www.leg.state.fl.us/Statutes/index.cfm?App_mode=Display_Statute&Search_String=&URL=0200-0299/0200/Sections/0200.065.html)

**Miami-Dade County Home Rule Amendment and Charter, Citizens' Bill of Rights**, provides that the County Mayor shall prepare a budget showing the cost of each program for each budget year. Prior to the County Commission's first public hearing on the proposed budget required by state law, the County Mayor shall make public a budget summary setting forth the proposed cost of each individual program and reflecting all major proposed increases and decreases in funds and personnel for each program, the purposes therefore, the estimated millage cost of each program and the amount of any contingency and carryover funds for each program.

**Section 5.03 of the Charter** provides that between June 1 and July 15, the County Mayor should prepare a proposed budget containing a complete financial plan, including capital and operating budgets, for the ensuing fiscal year. The budget prepared and recommended by the Mayor, shall be presented by the Mayor or his or her designee to the Commission on or before the Board adopts tentative millage rates for the ensuing fiscal year. A summary of the budget shall be published and the Board shall hold hearings on and adopt a budget on or before the dates required by law.

**Section 9.10 of the Charter** sets forth the Office of the Commission Auditor, providing that the Commission Auditor shall be a certified public accountant who reports directly to the County Commission. The Commission Auditor shall provide the Commission with independent budgetary, audit, management, revenue forecasting and fiscal analyses of commission policies and county services and contracts.

<https://www.miamidade.gov/charter/library/home-rule-charter.pdf>

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**Section 2-1795 of the County Code, Allocation of County Resources**, provides that commencing in calendar year 2016, no later than April 1st of each year, the Commission Auditor shall provide to the Commission a written report detailing, as of the commencement of the fiscal year, for each department, office, division or other unit of County government the services provided to the community, the resources allocated for the delivery of such services, and the achievement of performance measures with respect to the delivery of services. The report shall include the Commission Auditor's recommendations regarding adjustments to resource allocations to yield desired service delivery results. Each commission committee shall meet no later than May 1st of each year to: review and discuss the Commission Auditor's report; identify new service delivery priorities for the ensuing fiscal year for those services under the commission committee's jurisdiction; approve by motion new service delivery priorities for the ensuing

fiscal year; and forward its recommended priorities to the Commission. No later than June 1st of each year, the committee with jurisdiction over budgetary matters shall meet to: review and discuss the commission committees' recommended new service delivery priorities for the ensuing fiscal year; identify revenues and resources necessary to fund such priorities; and no later than June 15th, forward its findings to the Commission for its consideration at its regularly scheduled meeting immediately following June 15th or a special meeting called for such purpose. At such meeting, the Commission shall, by motion, approve those new service delivery priorities it wishes to implement in the ensuing fiscal year's County budget. The Board may by resolution or motion suspend the requirements imposed on the Commission Auditor and commission committees pursuant to this subsection.

The County shall adopt budgets and develop its long and short-term financial and capital improvement plans containing estimates developed utilizing a professional revenue estimating process. Participants in the process shall include, but not be limited to: the Director of the Office of Management and Budget (or its successor department), or his/her designee; the Director of the Finance Department or his/her designee; and the Commission Auditor or his/her designee. If there is not unanimity amongst the participants as to what an estimate should be, each participant's estimate shall be presented to the County Commission.

Commencing Fiscal Year 2012-13, prior to the Board's consideration of the resolution adopting its proposed millage rates for use in the preparation of the notice of proposed property taxes, a public hearing shall be held before a Committee of the Whole to discuss the proposed millage rates for the ensuing fiscal year, including, but not limited to, the impact of such proposed millage rates on funding for community-based organizations and the community.

[https://library.municode.com/fl/miami-dade\\_county/codes/code\\_of\\_ordinances?nodeId=PTIICOOR\\_CH2AD\\_ARTCXVIII.5GORE\\_S2-1795ALCORE](https://library.municode.com/fl/miami-dade_county/codes/code_of_ordinances?nodeId=PTIICOOR_CH2AD_ARTCXVIII.5GORE_S2-1795ALCORE)

**Section 2-1800A, Public Meetings Regarding New or Increased Taxes or Fees**, requires six public meetings to be conducted throughout the County whenever the proposed budget or the proposed budget ordinances for the ensuing fiscal year provide for new taxes or fees or for increases in the rates of ad valorem taxes, local option sales and gasoline taxes, water and sewer rates, franchise fees, utility service taxes, garbage/trash collection fees, mass transit fares, impact fees, or County imposed auto registration fees. Such meetings shall be conducted by county staff to solicit community input about the proposed new or increased taxes or fees.

[https://library.municode.com/fl/miami-dade\\_county/codes/code\\_of\\_ordinances?nodeId=PTIICOOR\\_CH2AD\\_ARTCXVIII.5GORE\\_S2-1800APUMERENEINTAFE](https://library.municode.com/fl/miami-dade_county/codes/code_of_ordinances?nodeId=PTIICOOR_CH2AD_ARTCXVIII.5GORE_S2-1800APUMERENEINTAFE)

**Ordinance No. 14-02**, adopted January 22, 2014, amends the Board's rules of procedure to require a separate vote for approval of each millage rate levied by the County at the time the Board considers the millage rates to be included in the Truth in Millage Notice to Taxpayers an approval of millage rates at its annual public budget hearings.



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<http://intra/gia/matter.asp?matter=132252&file=true&yearFolder=Y2013>

**Ordinance No. 07-45**, adopted March 6, 2007, standardized the resource allocation and reserve procedures to be followed in the preparation and adoption of the County's annual budget and requiring budget format to provide clear bases on which to hold management accountable for operating within adopted budget.

<http://intra/gia/matter.asp?matter=070515&file=true&yearFolder=Y2007>

**Ordinance No. 15-44**, adopted June 2, 2015, amends the Code to allow at the first and second budget hearings a separate motion and vote on certain amendments to the Mayor's proposed budget and to require the distribution of

changes memoranda no later than 48 hours prior to the first and second budget hearings by both the Administration and the Commission Auditor.

<http://intra/gia/matter.asp?matter=150301&file=true&yearFolder=Y2015>

**Ordinance No. 19-46**, adopted on June 4, 2019, amends the Code to eliminate a Committee of the Whole meeting to review and discuss the Mayor's proposed budget.

<http://intra/gia/matter.asp?matter=190961&file=true&yearFolder=Y2019>

**Resolution No. R-31-09**, adopted on January 22, 2009, approved a new investment policy for public funds and its associated implementation.

<http://intra/gia/matter.asp?matter=083625&file=true&yearFolder=Y2008>

**Resolution No. R-541-14**, adopted June 3, 2014, amended the Commission Auditor's Annual Work Program to include the task of analyzing the County's budget to identify savings that can be attained without impacting delivery of services.

<http://intra/gia/matter.asp?matter=141113&file=true&yearFolder=Y2014>

**Resolution No. R-530-10**, adopted May 4, 2010, directs the Commission Auditor to track all agenda items with a fiscal impact for the required financial budgetary impact analysis and identify for the Board those items which do not include the required information.

<http://intra/gia/matter.asp?matter=101189&file=false&yearFolder=Y2010>