



ADOPTED
**BUDGET
IN BRIEF**

FISCAL YEAR 2018-19

*Serving, enhancing, and
transforming our community*



FRANCIS X. SUAREZ

Mayor

(305) 250-5300 • fsuarez@miamigov.com

FROM THE
MAYOR

Last year was a turning point for the City of Miami. We demonstrated our unwavering commitment to addressing some of our most pressing issues. This year, we will build upon that progress to further elevate our standing as a world class city and drive us forward with a renewed sense of purpose.

The evidence is clear that the City is heading in a new and exciting direction. With the help of the City Commission, we repealed the regressive red light camera program, expanded ShotSpotter, the City's high tech gunfire detection system, and made the City more livable by setting aside \$2 million in last year's Mid-Year Budget Amendment for Citywide beautification projects. We have also fostered a global, entrepreneurial technology hub by uniting with the shared workspace startup WeWork and formed strategic partnerships with several other companies and events like Endeavor Miami to create economic opportunities and prepare our residents for the jobs of tomorrow. Most importantly, I appointed Dr. Emilio T. Gonzalez as our City Manager to encourage professional responsiveness to our citizens.

This budget, as properly amended and passed by the City Commission, extends those initiatives into the new fiscal year. Through hard work, dedication, and compromise, we have provided the framework to achieve what continues to be our ultimate goal - enhancing the quality of life for all City of Miami residents. For instance, this budget contains an additional \$5 million for citywide beautification projects. Our residents saw the first of our beautification initiatives when we lit up the City for the holidays, with additional longer-lasting projects to come in the following months. All great cities are defined by their public spaces. These are the spaces we share as residents. Making sure that our public spaces are a source of pride is a key part of creating a city that we are all proud to call home.

As a service city, efficiency, convenience, and accessibility continue to be at the core of everything that we do. We have consolidated departments and aligned other similar functions in order to provide greater coordination and "wrap-around" human services for those residents who need it most. In addition, the budget includes technological advances that further streamline services such as an expanding Electronic Plans Review system, as well as the beginnings of the new Code Compliance system.

This budget further reflects my commitment to our employees. We have chosen to partner with our labor unions in order to attract and retain public servants, enter into new and fair contracts with our labor unions, and eliminate legal liabilities that have long plagued the City of Miami, all while leaving the City with a strong financial future. This is a huge win for both our residents and employees.

The City of Miami is also leading the charge and serves as a model for others who strive to live up to the name "Safe City." Last year we reached a more than 50 year low in homicides. We also had a 9% reduction in overall crime. These are more than just numbers. This is personal. It represents lives saved, as well as our commitment to tackling crime in strategic and innovative ways. This budget builds upon the progress we have made by recommitting resources, technology, and smart policing to drive violent crime down and safety up.

This is also a resilient budget for a resilient city as it invests in building a more robust capital plan, strategically prioritizing and allocating resources to projects that address mobility, affordable housing, safety, and economic opportunity. Miamians have also invested in their city's future through the Miami Forever Bond. Just recently, tranche one of the Miami Forever Bond was approved by the City Commission. Included were shovel-ready projects that strategically invest in roadways, parks and cultural facilities, public safety, and sea level rise and flood prevention. These projects set the foundation for future bond tranches that will incorporate resources like the City's much-anticipated Stormwater Masterplan and FIU Affordable Housing Masterplan. Together we will build a stronger, more resilient future for the City of Miami.

While preparing for the future, we are also addressing the present, which includes the need for more localized transportation options. Our residents need safe and reliable transportation alternatives to move around the city. With this in mind, the Transportation Trust Fund, which I started as commissioner and continue to support, will fund the gap that would have otherwise required the City to eliminate or cut back on trolley routes and services. Our trolley system is the largest municipal trolley system regionally, and with the help of the Trust Fund, we will continue to expand it across the City of Miami.

It is time we put the tools this budget provides to use and continue our proactive efforts to give all City of Miami residents the quality of life they deserve. Together, we can continue to demonstrate why there is no better place to live, work, or visit than the City of Miami.

Respectfully,

A handwritten signature in blue ink that reads "Francis X. Suarez". The signature is fluid and cursive, with the first name "Francis" and last name "Suarez" clearly legible.

Francis X. Suarez



EMILIO T. GONZALEZ, Ph.D.

City Manager

(305) 250-5400

egonzalez@miamigov.com

FROM THE
CITY MANAGER

I am pleased to present the FY 2018-19 Adopted Budget for the City of Miami, Florida. This message outlines the key priorities of the City, provides a brief description of the four funds that form the operating budget, serves as a summary of the operations funded in the budget, highlights select accomplishments, and presents a view of the current and future operational and financial outlook.

Our budget follows the key priorities of the City's Strategic Plan:

- **MOBILITY SOLUTIONS** - Increasing and improving mobility and transit options for our residents
- **HOUSING OPTIONS** - Increasing the supply of housing that is affordable and increasing home ownership
- **PUBLIC SAFETY** - Keeping our residents and City safe
- **INTERNAL SERVICES** - Improving the way we deliver municipal services to our citizens
- **SHARED CIVIC SPACES** - Enhancing the public realm

We have aligned each City department to a primary priority area and goal with specific objectives. Department Directors are held accountable for meeting those goals and staying within their approved budgets. Although challenging, we are the guardians of the public purse and will ensure that the City not only spends within its means but also invests in the areas most important to our citizens.

Our total **Operating Budget** is \$1.099 billion and is broken-down into:

- \$763.002 million in the **General Fund** (the City's primary operating fund that is also the property tax-supported fund)
- \$161.838 million in the **Special Revenue Funds** (accounts for revenues that are restricted to a specific purpose such as the Tree Trust Fund, the County Surtax for Trolley service, or the grant for after-school snacks for kids)
- \$100.316 million in the **Internal Service Fund** (accounts for internal cost allocation across various City cost centers such as insurance or information technology systems used by all departments)
- \$73.823 million in the **Debt Service Funds** (accounts for proceeds of City-issued general obligation debt or special obligation debt and repayment of the associated principal and interest)

The total six-year funded amount of the **Capital Budget** is \$537.863 million with \$25.874 million of new capital appropriations included in the current fiscal year. It is important to note that the Capital Budget, when adopted, did not include any projects in the Miami Forever Bond, which has since been approved by the City Commission and will require additional appropriations during the year

Our General Fund budget for FY 2018-19 of \$763.002 is only \$36.174 million higher than last year's adopted General Fund budget of \$726.828 million, just less than a five percent increase. This is the part of the budget that funds the largest number of City functions or activities, has the least number of restrictions on how the funds can be spent, and therefore has the most pressure upon it. It is important to note that the Operating Budget, when adopted, did not include the collective bargaining agreements which has since been approved by the City Commission and will require budget amendments during the year.

It is also important to note that this budget does not use any prior year accumulated fund balance as was done in the prior budget for FY 2017-18. That is, it does not reach into the previous year for funding – it is balanced on its own in the current year and contains a \$5 million one-year reserve, as required by the City's Financial Integrity Principles.

Through this budget, we have been able to fund several priorities. Following are some highlights:

- To increase efficiencies and provide a greater breadth of wrap-around services to the City's most vulnerable, the Budget includes the creation of a new Department of Human Services without adding any new positions or growing costs in any way. Rather, by re-organizing the functions of homeless services, workforce opportunity centers, veterans affairs, childcare services, and Live Healthy Little Havana, the City can create synergies and provide better services to those most in need. The new Director, Milton Vickers and his team, immediately showed the value of this move when the City worked to clean out the drug den that had developed over time under I-395 in Overtown.
- The Budget includes a Labor Negotiations and Mediations Reserve of \$27.353 million that fully funds the reoccurring amount of negotiations with all three open collective bargaining units (Fire, AFSCME General, and Police) and includes a plan to use \$37.1 million of prior year unrestricted fund balance to pay for prior year expenditures and damages associated with these negotiations.
- This has allowed the City to close the long-standing Financial Urgency cases with the Fire and Police Unions and close contracts with all four unions.
- For the first time in many years, the City is not currently negotiating with any collective bargaining unit.
- We have merged the Office of Film and Entertainment into the existing Communications Department to combine strengths and improve coordination.
- We have completed the reconfiguration of the Resilience and Public Works Department (RPW) and the Department of Innovation and Technology (DoIT).
- The Budget has refocused and renamed the Department of Housing and Community Development.
- There is no increase in the total property tax rate; however, the operating property tax millage is increased by 0.15 mills and the debt millage rate is reduced by the same amount.
- Every employee that is due a raise has that raise funded in this budget (that is the "Normal Step Progression" included for all employees).

- The Budget absorbs slowed property tax roll growth and the reduction of select revenues when compared to the year before.
- The Budget absorbs the full-year cost of the FY 2017-18 Mid-Year Budget Adjustments.
- The Budget absorbs increased costs for health care, workers compensation claims and insurance premiums, and known legal fees that have all increased dramatically from the previous budget.
- The Budget funds select operating and capital enhancements for life and safety concerns or prior commitments.
- Certain Departments are implementing targeted reductions that have a lesser impact on City services. Such as opening the Grapeland Water Park one week later in the year and closing several weeks sooner will save our taxpayers approximately half a million dollars.
- The Budget includes the elimination of 59 vacant, non-sworn positions from almost every department. Most of these positions had been vacant for more than a year, reducing the impact on services.
- More than 200 employees have been trained in the Miami Innovation Academy on the principles and application of LEAN thinking, bringing greater efficiency and discovering new ways to deliver better services at a lower cost.
- The Budget no longer accepts the grant from CareerSource South Florida and allows the City to place a broader range of individuals into employment and ultimately save the City money.

For a full list of changes to positions (additions, reductions, freezing of funding, and transfers between Departments), please see the "Personnel Overview" pages at the end of the Introductory Section of this Budget.

We have also prepared our City to face several future challenges – both financial and non-financial. While the constitutional amendment enacting a third homestead exemption for homeowners did not pass, the City is still facing a projected deficit of \$14 million in FY 2019-20. Current funding from Miami-Dade County alone cannot pay for the existing Trolley system. Therefore, we will need to seek additional funding from every opportunity and partner possible.

While we work to enhance the revenue side of the equation, we are also aggressively scrutinizing our expenditures. As such, each of our departments must contain costs in the current year. Our goal is to not need a Mid-Year Budget Amendment for FY 2018-19. Directors should try to save money as a normal course of action, but we need to see how efficient we can be while still providing excellent service.

I have been very clear that this is not a problem for the Budget Office to solve, rather I have challenged every Department Director and Chief to explore ways to increase revenues or reduce expenses. To date, we have held two off-site meetings with these leaders and have begun culling and defining a long list of ideas. More information will be forthcoming as the budget develops.

We conclude with a thank you to Deputy City Manager, Joseph Napoli, Assistant City Managers Sandra Bridgeman, Nzeribe Ihekwa, and Fernando Casamayor, Budget Director Christopher Rose, Deputy Director Leon Michel, and all of the budget staff that worked to complete this budget process.

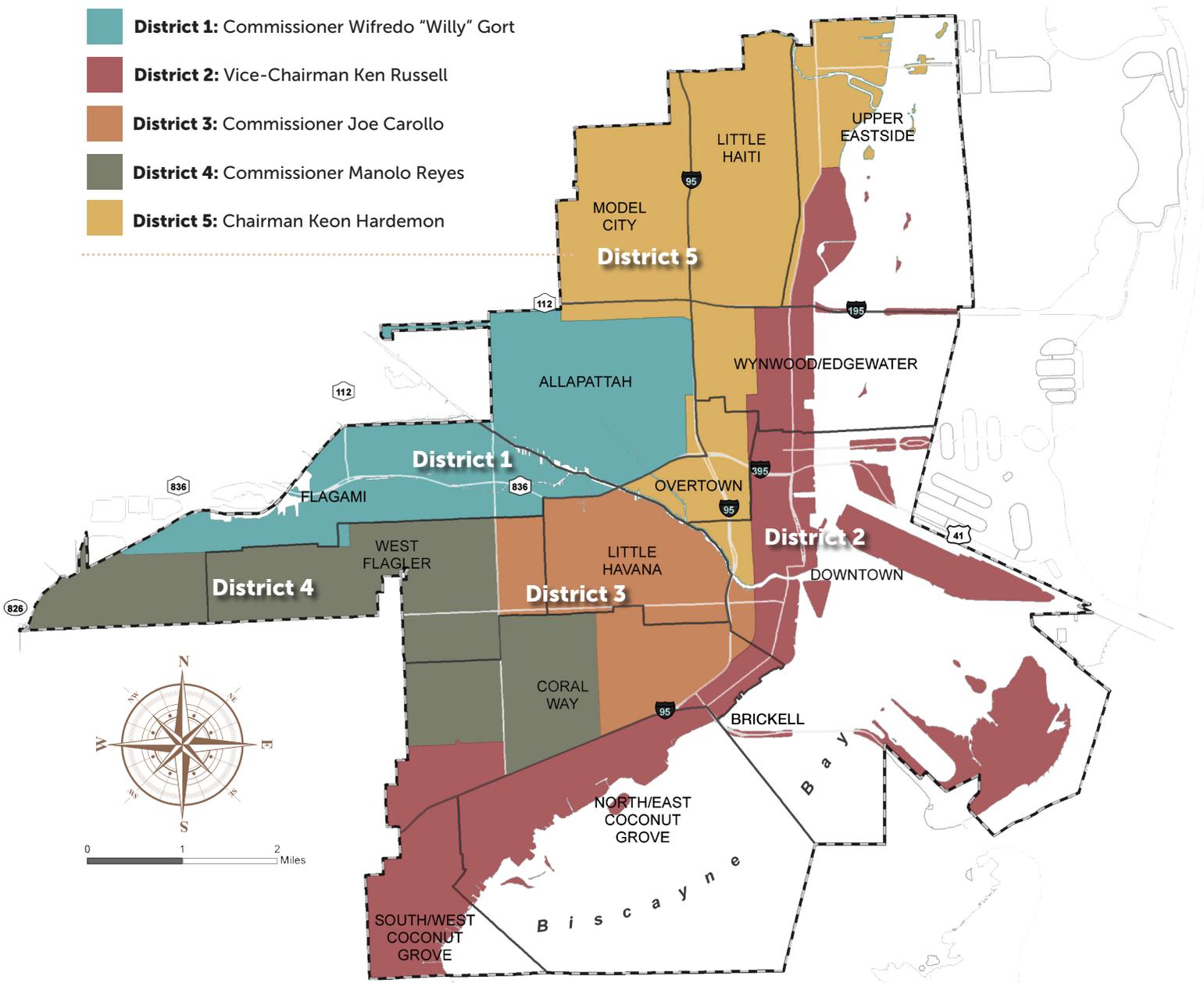
Respectfully yours,



Emilio T. González, Ph.D.

Commission Districts

- District 1:** Commissioner Wifredo "Willy" Gort
- District 2:** Vice-Chairman Ken Russell
- District 3:** Commissioner Joe Carollo
- District 4:** Commissioner Manolo Reyes
- District 5:** Chairman Keon Hardemon



CITY OF MIAMI

VISION STATEMENT

Miami is a modern and diverse city that is a global leader in technology, innovation, and resiliency.

MISSION STATEMENT

The City of Miami is committed to elevating the quality of life of its residents by improving public safety, housing, mobility, diverse shared spaces that foster community, and efficient and transparent government.

VALUES

- Innovative
- Morality
- Professionalism
- Accountability
- Compassionate
- Teamwork



Francis X. Suarez
Mayor



Keon Hardemon
Commissioner - District 5
Chairman



Ken Russell
Commissioner - District 2
Vice-Chairman



Wifredo (Willy) Gort
Commissioner - District 1



Joe Carollo
Commissioner - District 3



Manolo Reyes
Commissioner - District 4

APPOINTED OFFICIALS



Emilio T. González
City Manager



Victoria Méndez
City Attorney



Todd B. Hannon
City Clerk



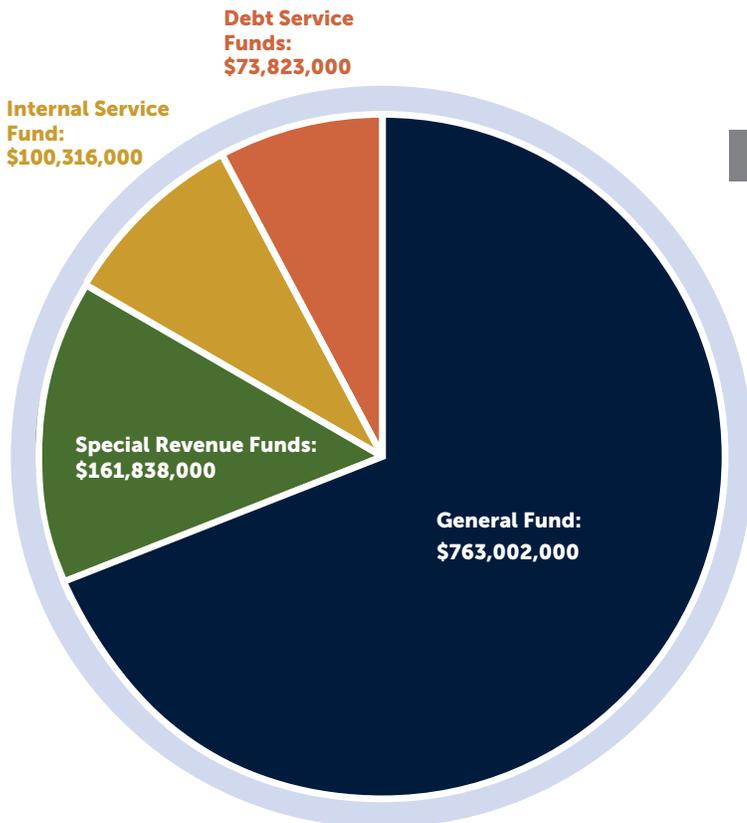
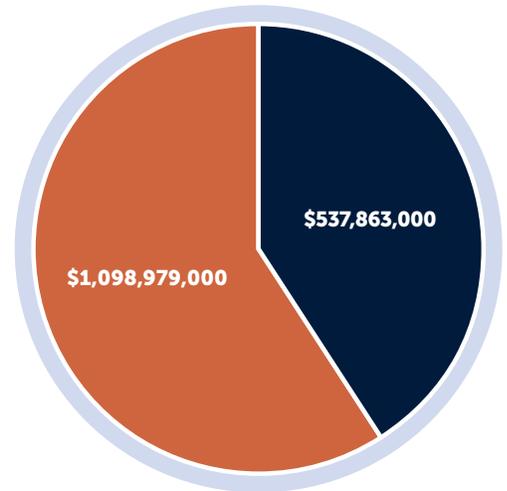
Theodore Guba
Auditor General

BUDGET OVERVIEW

The City adopts two budgets every year - an Operating Budget and a Capital Budget.

The City's Adopted **Operating** Budget for FY 2018-19: **\$1,098,979,000**

The City's Adopted **Capital** Budget for FY 2018-19: **\$537,863,000** with **\$25,874,000** newly appropriated.

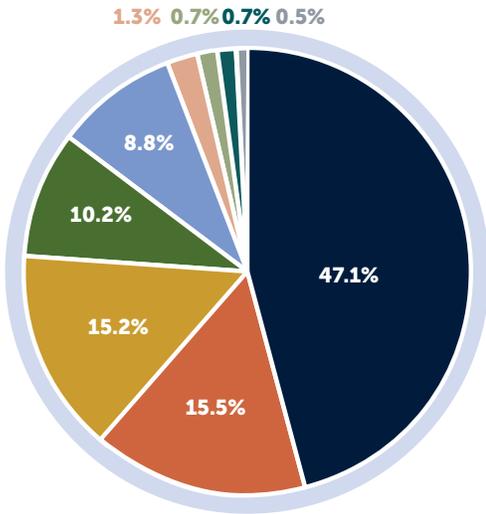


FY 2018-19 Adopted Operating Budget

The City's Operating Budget is comprised of four separate fund groups:

- **General Fund** - City's primary operating fund
- **Special Revenue Funds** - accounts for revenues that are restricted to a specific purpose
- **Debt Service Funds** - accounts for proceeds of City issued debt and repayment of principal and interest
- **Internal Service Fund** - accounts for internal cost allocation between various City cost centers

REVENUES AND EXPENDITURES ADOPTED BUDGET

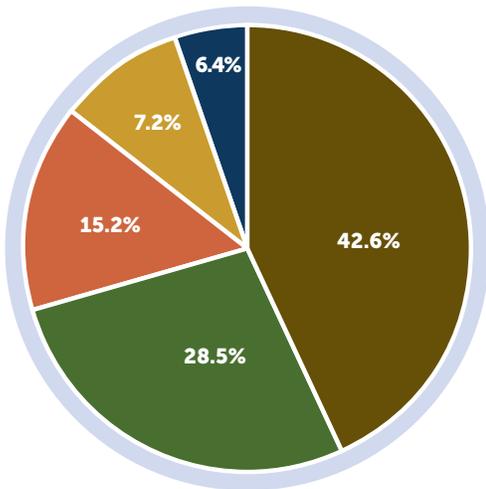


Where the Money Comes From:

General Fund Revenue Sources Total: \$763,002,000

- Property Taxes • \$359.7 million • **47.1%**
- Franchise Fees and Other Taxes • \$115.8 million • **15.2%**
- Charges for Services • \$118.3 million • **15.5%**
- Intergovernmental Revenues • \$77.6 million • **10.2%**
- Licenses and Permits • \$67.0 million • **8.8%**
- Other Revenues (Inflows) • \$10.3 million • **1.3%**
- Fines and Forfeitures • \$5.5 million • **0.7%**
- Transfers In • \$5.4 million • **0.7%**
- Interest • \$3.6 million • **0.5%**

The General Fund includes revenues from a variety of sources, including fees, fines, and state and local taxes. Property tax revenue comprises 47.1% of total General Fund revenues and represents the largest source of funding for general operations.

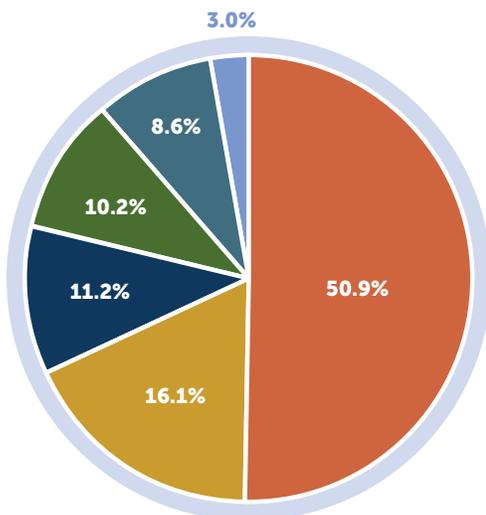


Where the Money Goes:

Expenditures by Category

- Salaries and Wages • \$325.4 million • **42.6%**
- Employee Benefits • \$217.7 million • **28.5%**
- Other Expenses • \$116.0 million • **15.2%**
- Budget Reserve • \$48.9 million • **6.4%**
- Transfer Out • \$54.9 million • **7.2%**
 - Transfer to Capital • \$11.2 million
 - Transfer to Special Revenue • \$13.7 million
 - Transfer to Debt Service • \$28.1 million
 - Transfer to the Transportation Trust • 1.8 million

Personnel costs, including wages and employee benefits, represent the largest **General Fund expenditure** category. These costs account for almost three-quarters of the total General Fund expenditure budget.



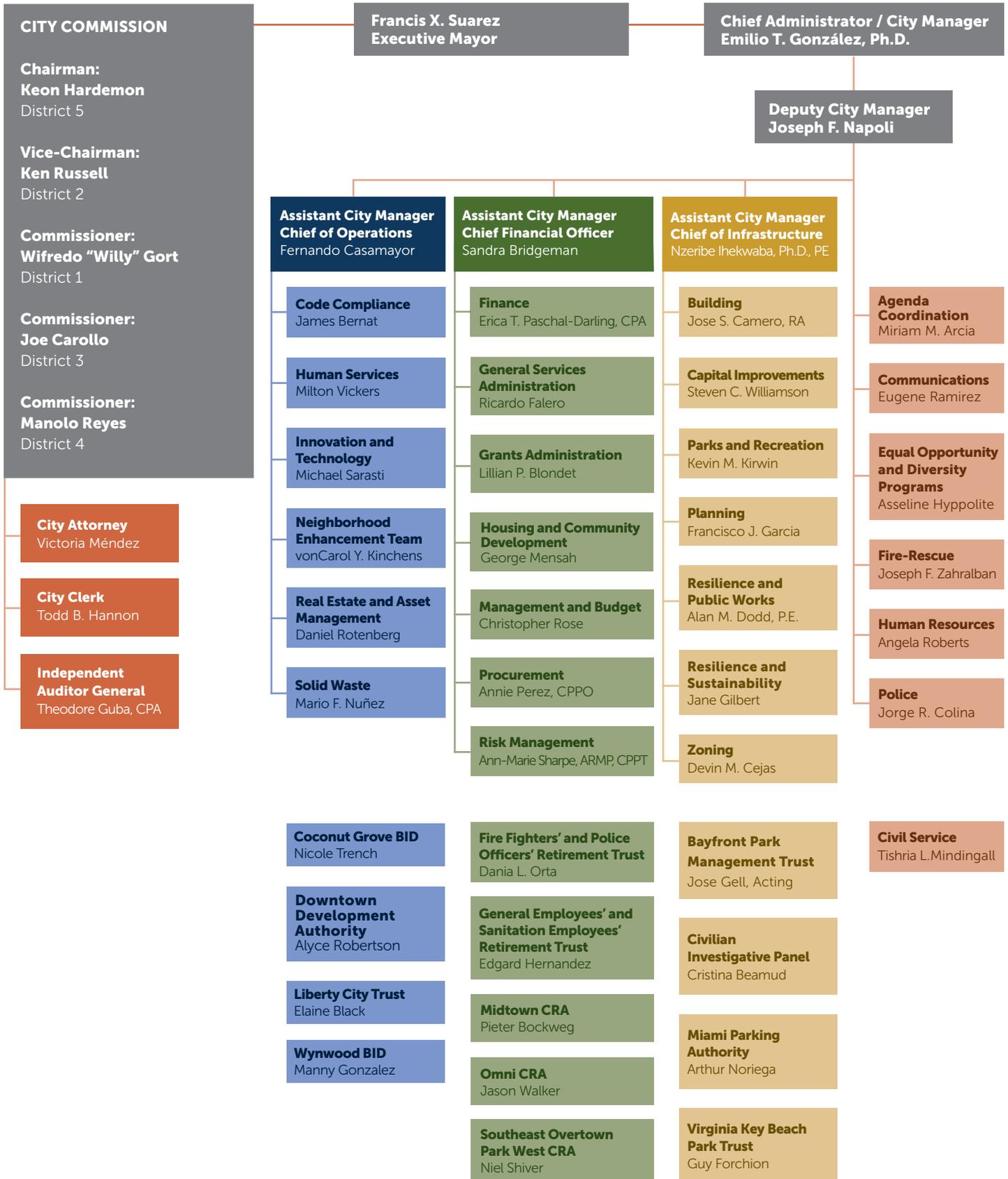
Where the Money Goes:

Expenditures by Function

- Public Safety • \$388.4 million • **50.9%**
- Resilience and Public Works • \$85.2 million • **11.2%**
- General Government • \$78.1 million • **10.2%**
- Other Departments • \$65.5 million • **8.6%**
- Planning and Development • \$23.2 million • **3.0%**
- Non-Departmental Accounts • \$122.7 million • **16.1%**

More than half of **General Fund spending** is allocated to the provision of public safety services. The Police Department and the Fire-Rescue Department together comprise 50.9% of the General Fund expenditure budget.

CITY ORGANIZATION



GENERAL FUND BUDGET BY DEPARTMENT

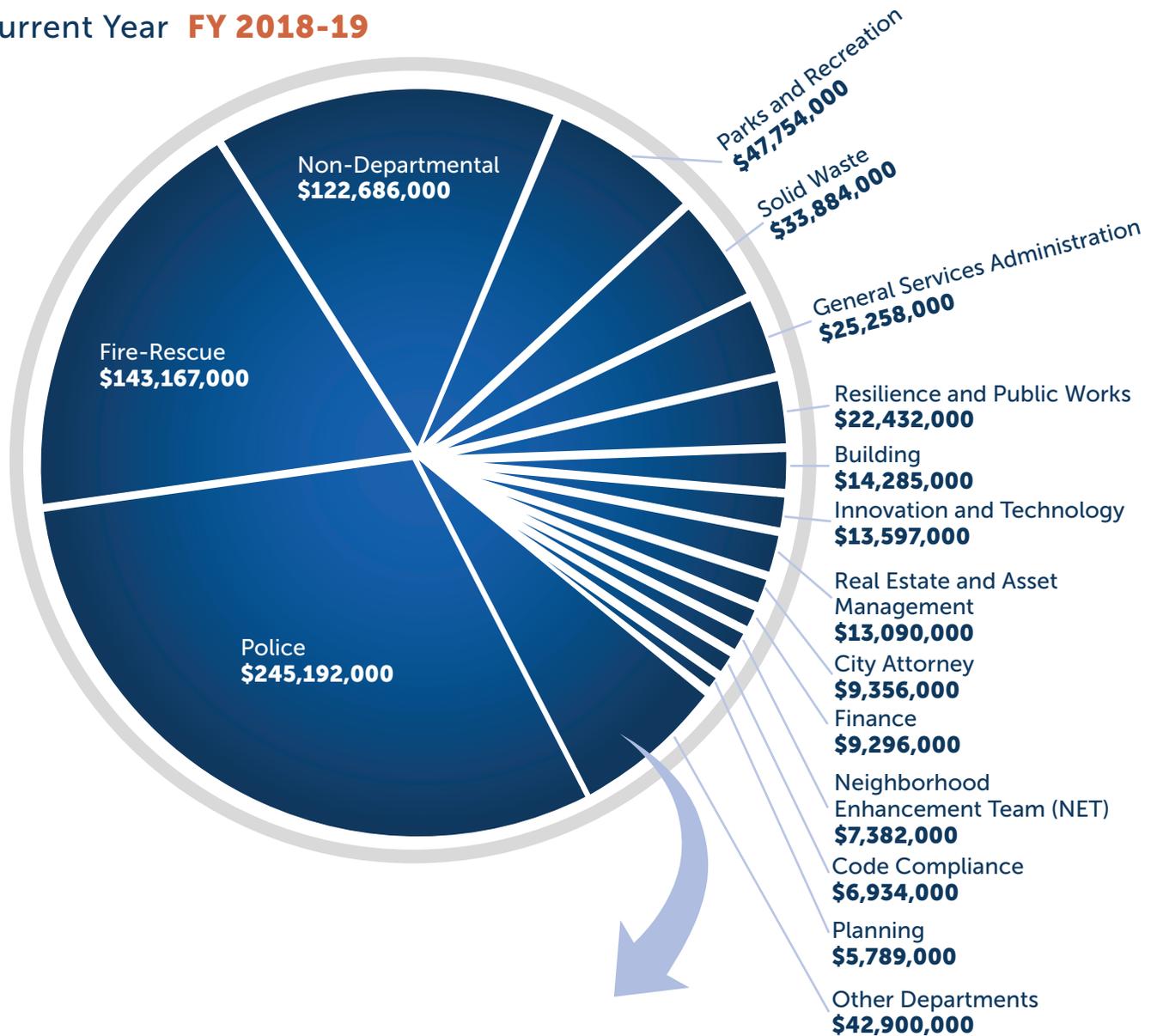
	FY 2017-18 Adopted BUDGET	FY 2018-19 Adopted BUDGET	FY 2017-18 Adopted POSITIONS	FY 2018-19 Adopted POSITIONS
Public Safety				
Fire-Rescue	\$130,864,000	\$143,167,000	847	863
Police	\$235,486,000	\$245,192,000	1,752	1,785
Public Works				
Capital Improvements	\$3,252,000	\$3,658,000	45	52
General Services Administration	\$23,067,000	\$25,258,000	141	140
Resilience and Public Works	\$21,111,000	\$22,432,000	140	154
Solid Waste	\$33,291,000	\$33,884,000	236	237
Transportation Management	\$0	\$0	10	0
General Government				
Agenda Coordination	\$397,000	\$402,000	3	3
City Attorney	\$8,418,000	\$9,356,000	60	60
City Clerk	\$1,753,000	\$1,845,000	13	12
City Manager	\$3,916,000	\$2,850,000	22	14
Civil Service	\$428,000	\$445,000	3	3
Code Compliance	\$6,728,000	\$6,934,000	59	61
Commissioners	\$3,602,000	\$3,912,000	36	36
Communications	\$1,592,000	\$2,149,000	13	17
Equal Opportunity and Diversity Programs	\$438,000	\$464,000	3	3
Film and Entertainment	\$424,000	\$0	5	0
Finance	\$8,873,000	\$9,296,000	70	69
Grants Administration	\$1,741,000	\$1,712,000	41	10
Human Resources	\$4,603,000	\$4,736,000	39	38
Human Services	\$0	\$4,381,000	0	64
Independent Auditor General	\$1,126,000	\$1,368,000	9	9
Innovation and Technology	\$10,956,000	\$13,597,000	93	85
Management and Budget	\$2,843,000	\$2,499,000	19	17
Mayor	\$1,333,000	\$1,454,000	13	13
Neighborhood Enhancement Team (NET)	\$6,514,000	\$7,382,000	79	80
Procurement	\$2,701,000	\$2,572,000	21	20
Resilience and Sustainability	\$785,000	\$723,000	5	4
Veterans Affairs and Homeless Services	\$1,722,000	\$0	48	0
Other Departments				
Housing and Community Development	\$2,411,000	\$1,689,000	35	35
Parks and Recreation	\$44,752,000	\$47,754,000	300	294
Real Estate and Asset Management	\$12,052,000	\$13,090,000	63	59
Risk Management	\$2,920,000	\$2,952,000	20	20
Planning and Development				
Building	\$12,533,000	\$14,285,000	97	104
Planning	\$4,763,000	\$5,789,000	49	48
Zoning	\$2,305,000	\$3,089,000	23	27
Non-Departmental Accounts	\$127,128,000	\$122,686,000	0	0
TOTAL	\$726,828,000	\$763,002,000	4,412	4,436

**Budget amounts are General Fund only. Position counts are for all funds.*

OPERATING BUDGET BY DEPARTMENT

GENERAL FUND AMOUNTS

Current Year **FY 2018-19**



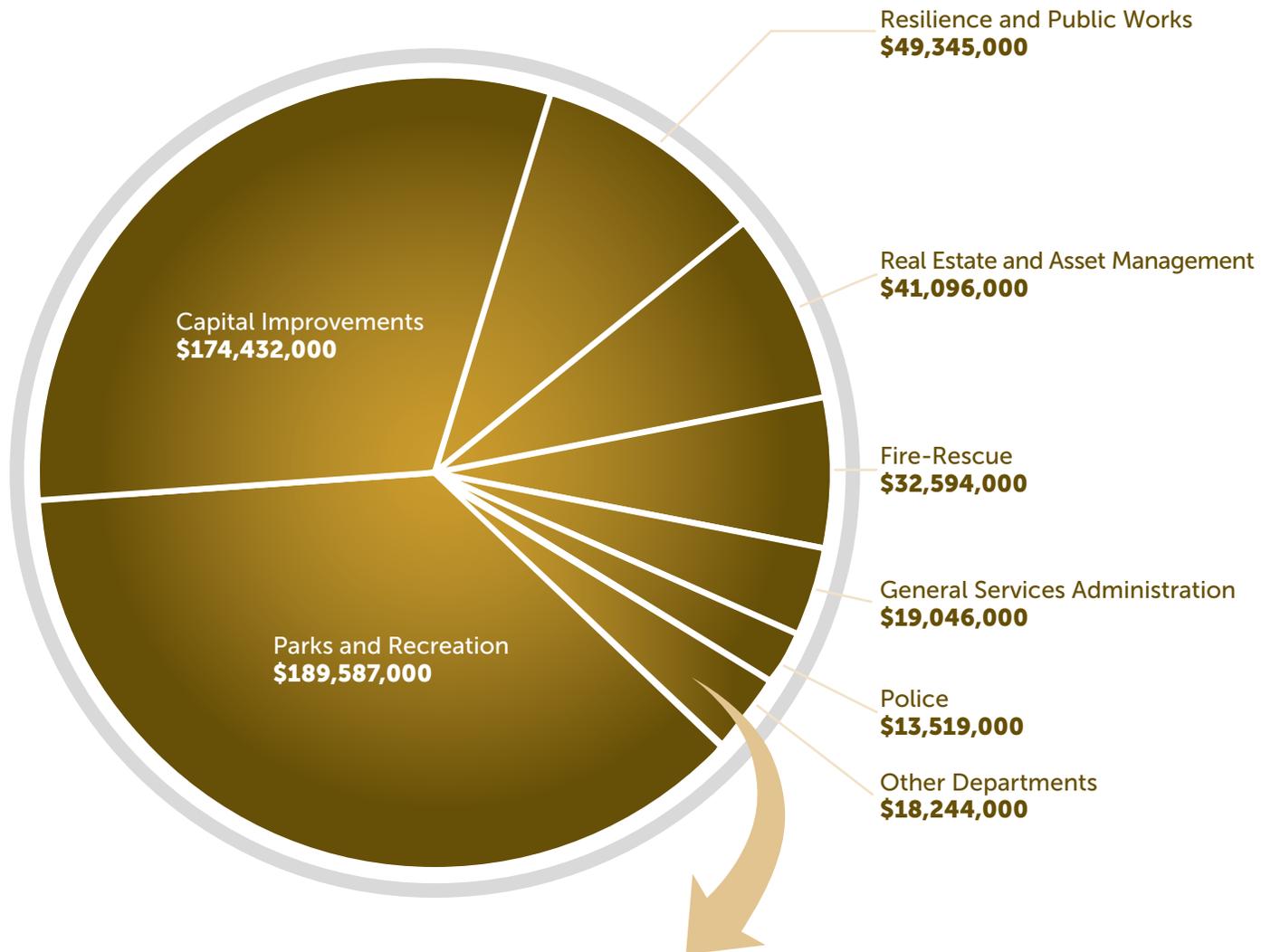
Departments with Operating Budgets less than \$5 million

Human Resources	\$4,736,000	City Clerk.....	\$1,845,000
Human Services	\$4,381,000	Grants Administration.....	\$1,712,000
Commissioners	\$3,912,000	Housing and Community Development ...	\$1,689,000
Capital Improvements	\$3,658,000	Mayor	\$1,454,000
Zoning.....	\$3,089,000	Independent Auditor General	\$1,368,000
Risk Management	\$2,952,000	Resilience and Sustainability	\$723,000
City Manager	\$2,850,000	Equal Opportunity and Diversity Programs.....	\$464,000
Procurement.....	\$2,572,000	Civil Service.....	\$445,000
Management and Budget.....	\$2,499,000	Agenda Coordination	\$402,000
Communications	\$2,149,000		

CITY OF MIAMI CAPITAL BUDGET

TOTAL SIX-YEAR PLAN (not including the Miami Forever Bond)

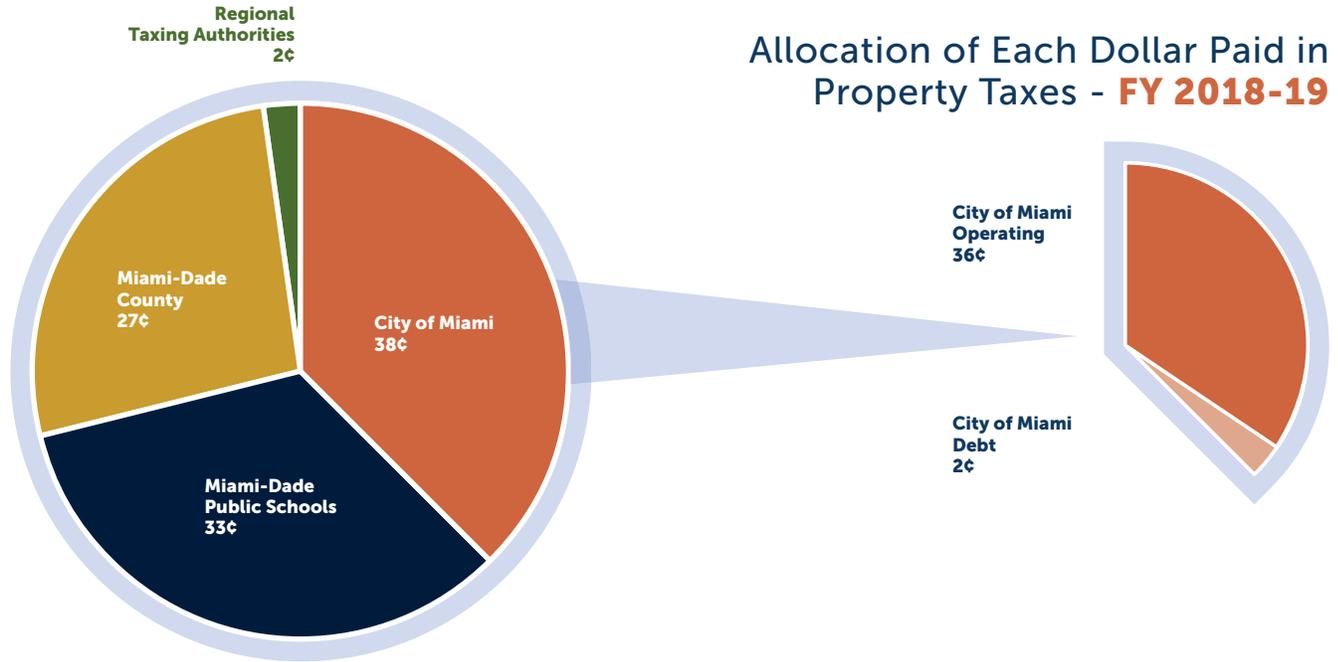
Current Year **FY 2018-19**



Departments with Capital Budgets less than \$10 million

Building.....	\$7,835,000
Solid Waste	\$3,434,000
Innovation and Technology.....	\$2,582,000
Neighborhood Enhancement Team	\$1,709,000
Code Compliance.....	\$1,050,000
Planning Department.....	\$836,000
Communications	\$438,000
Risk	\$300,000
Procurement.....	\$60,000

YOUR PROPERTY TAX BILL



MILLAGE AND PROPERTY TAX

FY 2017-18 TOTAL ADOPTED MILLAGE RATE 8.0300 MILLS

General Operations: 7.4365
General Obligation Debt: 0.5935

FY 2018-19 TOTAL ADOPTED MILLAGE RATE 8.0300 MILLS

General Operations: 7.5865
General Obligation Debt: 0.4435

The City's total adopted property tax rate for FY 2018-19 is 8.0300, the same as FY 2017-18.

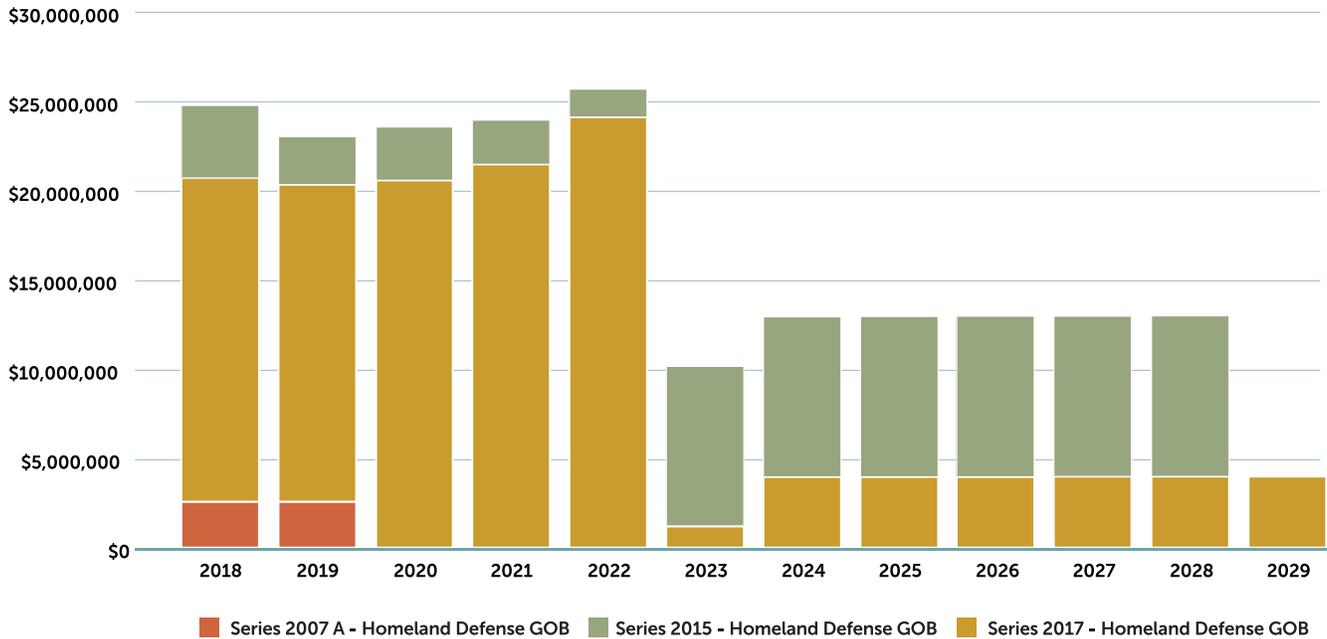
Total Assessed Value		\$236,040 <i>Average Homestead</i>	\$500,000	\$1,000,000
				
FY 2017-18	Taxes 8.0300	\$1,895	\$4,015	\$8,030
FY 2018-19	Taxes 8.0300	\$1,895	\$4,015	\$8,030

GENERAL OBLIGATION BONDS

Maximum Annual Debt Service of approximately \$28.4 million (FY 2021-22) • Final Maturity in 2029

General Obligation Bond Debt Service

(Does not include: the Miami Forever Bond)

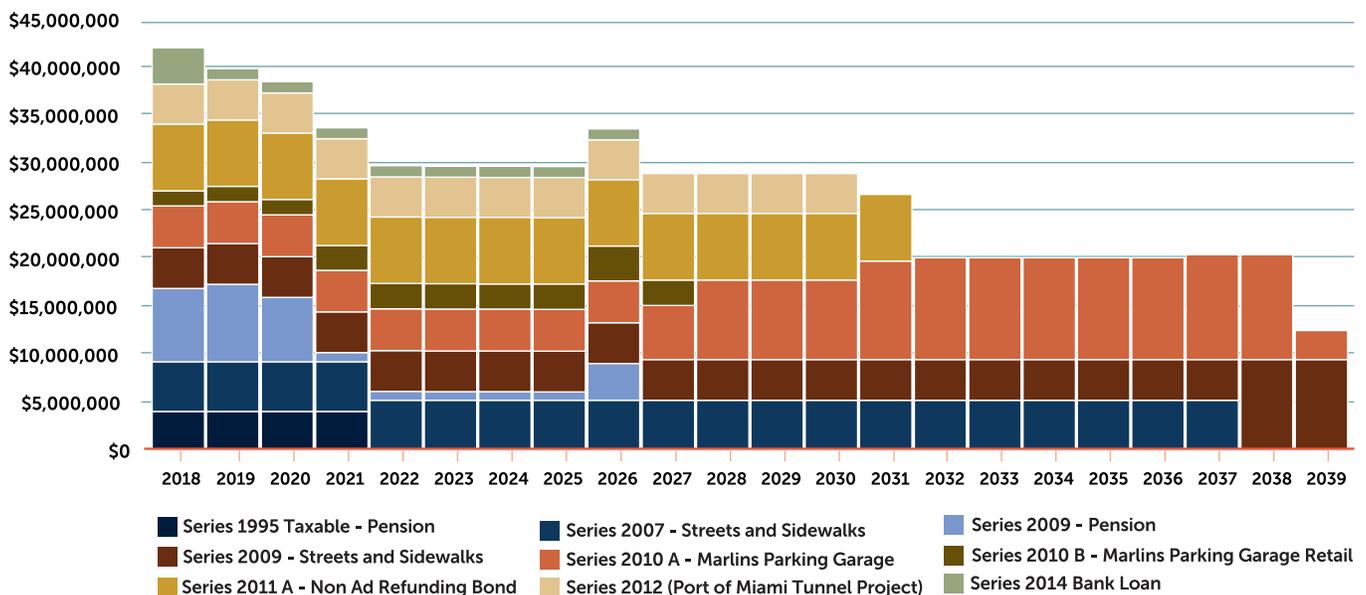


SPECIAL OBLIGATION BONDS

Maximum Annual Debt Service \$56.8 million (FY 2018-19) • Final Maturity in 2039

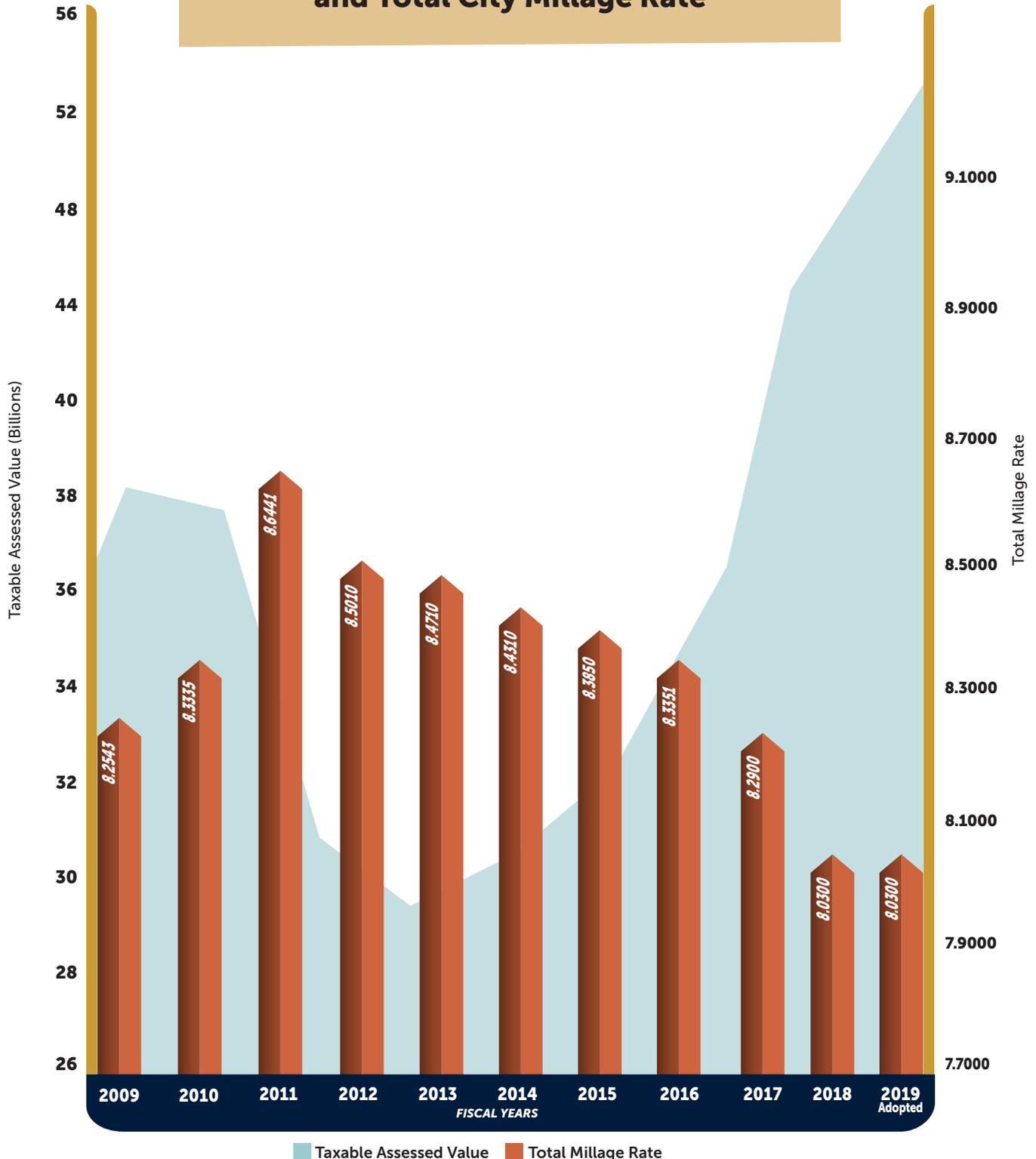
Special Obligation Bond Debt Service

(Does not include: Miami Marine Stadium, FDEP Loan Wagner Creek, and FPL Undergrounding)

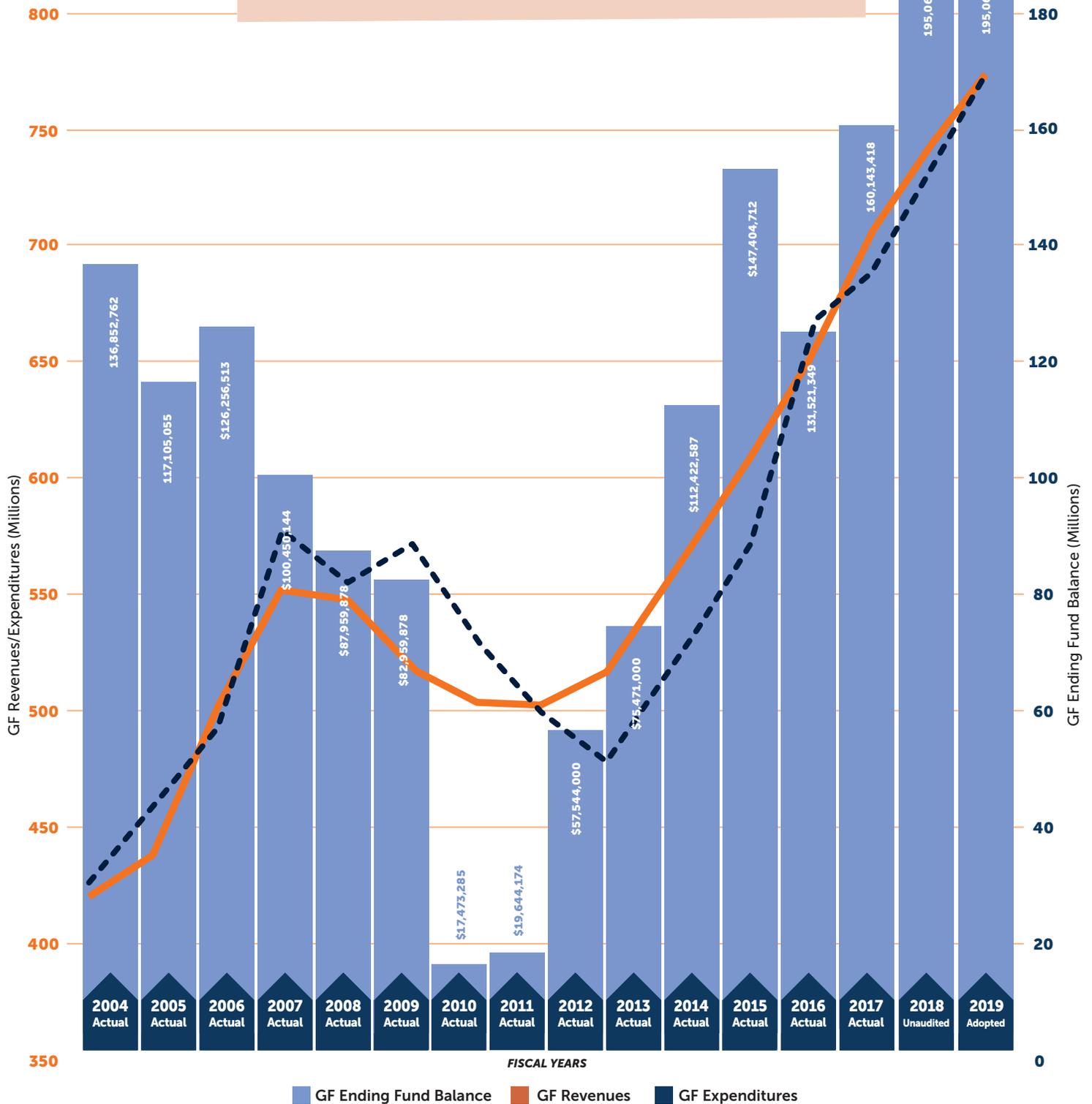


TAX ROLL AND MILLAGE HISTORY

Net Assessed Valuation of Taxable Property and Total City Millage Rate



Revenues, Expenditures, and General Fund Ending Balance

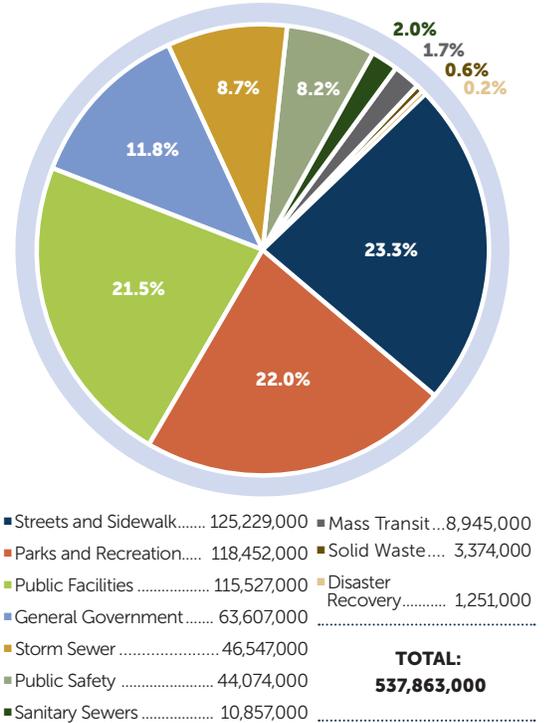


CAPITAL OVERVIEW

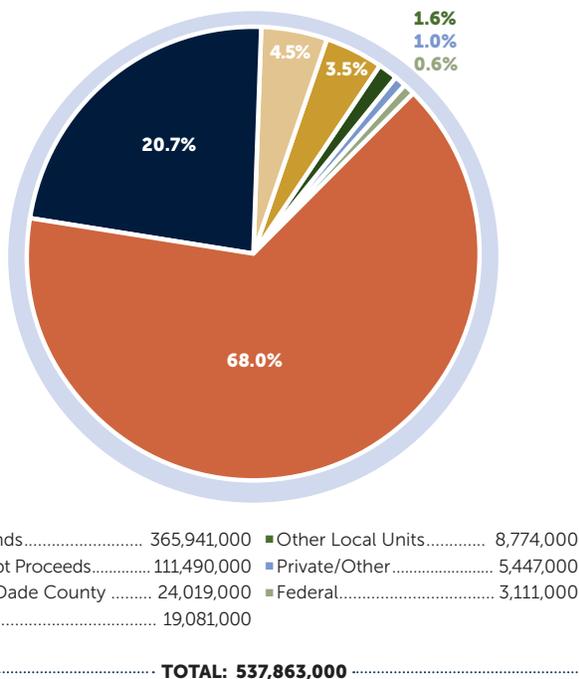
Summary by Department

Name	Total Cost Six Year Plan	Total Funding Six Year Plan	Priors Years	Current	Projection Five Years	Unfunded
Resilience and Public Works	187,519,000	49,345,000	37,635,000	8,460,000	3,250,000	138,174,000
Office of Capital Improvements	991,341,000	174,432,000	164,949,000	6,183,000	3,300,000	816,909,000
Real Estate and Asset Management	167,906,000	41,096,000	38,268,000	2,828,000		126,810,000
Parks and Recreation	432,804,000	189,587,000	187,168,000	2,419,000		243,217,000
Police	361,391,000	13,519,000	7,200,000	2,360,000	3,959,000	347,872,000
Fire-Rescue	73,995,000	32,594,000	23,991,000	1,601,000	7,002,000	41,401,000
Building	8,000,000	7,835,000	6,873,000	962,000		165,000
Code Compliance	1,100,000	1,050,000	100,000	950,000		50,000
Office of Planning	836,000	836,000	725,000	111,000		
Communications	438,000	438,000	438,000			
General Services Administration	21,197,000	19,046,000	15,195,000		3,851,000	2,151,000
Neighborhood Enhancement Team	1,849,000	1,709,000	1,709,000			140,000
Procurement	60,000	60,000	60,000			
Risk	300,000	300,000	300,000			
Solid Waste	6,434,000	3,434,000	3,434,000			3,000,000
Innovation and Technology	2,582,000	2,582,000	2,582,000			
Housing and Community Development	25,000,000					25,000,000
TOTAL	2,282,752,000	537,863,000	490,627,000	25,874,000	21,362,000	1,744,889,000

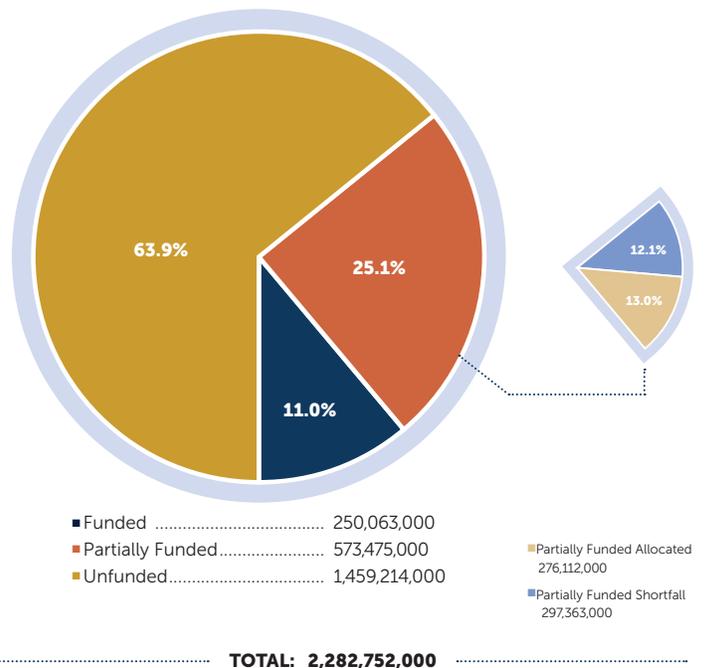
Summary by Program Fund



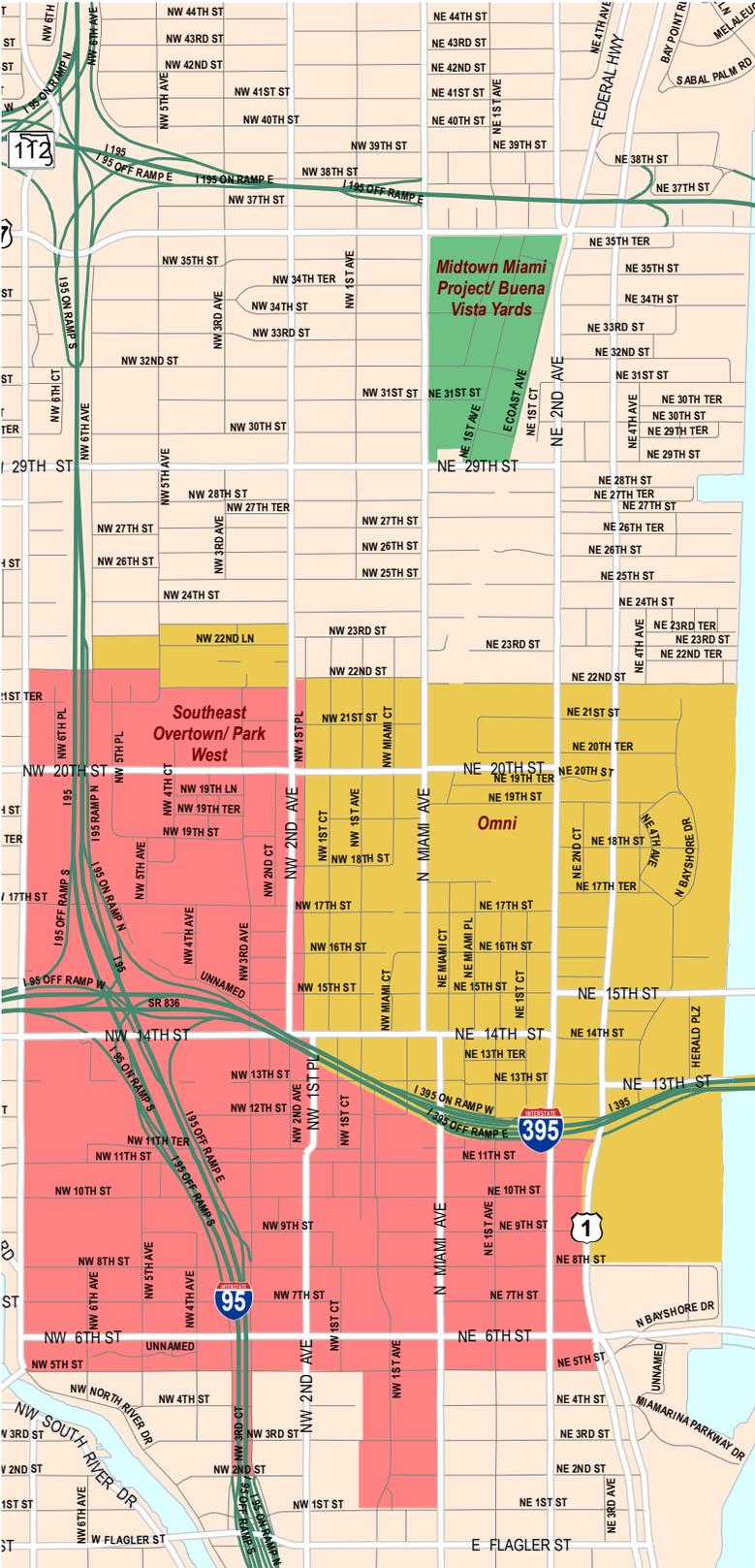
Summary by Funding Source



Summary of Funding Status



CRA SUMMARY



Midtown CRA		FY 2018-19
Property Tax (City)	\$4,221,173	
Property Tax (County)	\$2,597,084	
Other Revenue	\$0	
All Expenditures	\$6,818,257	

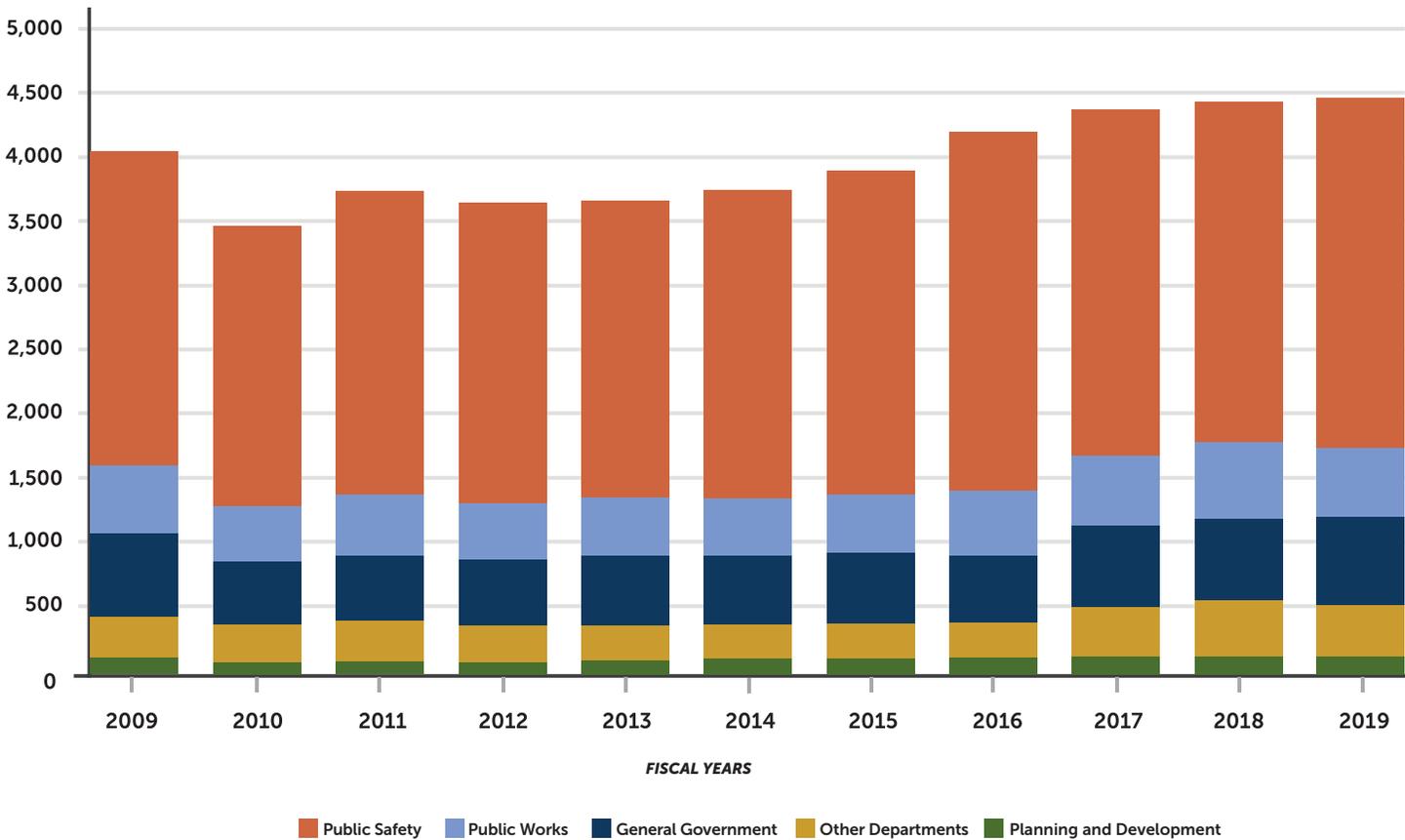
Omni CRA		FY 2018-19
Property Tax (City)	\$11,911,340	
Property Tax (County)	\$7,330,571	
Other Revenue	\$24,666,077	
All Expenditures	\$43,907,989	

Southeast Overtown/ Park West CRA		FY 2018-19
Property Tax (City)	\$11,699,736	
Property Tax (County)	\$7,201,021	
Other Revenue	\$36,896,795	
All Expenditures	\$55,797,552	

FULL TIME EMPLOYEES

2009
to
2019

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Public Safety	2,413	2,161	2,383	2,282	2,286	2,338	2,447	2,548	2,580	2,599	2,648
Public Works	521	446	442	442	443	452	506	517	573	572	583
General Government	611	475	507	533	540	538	519	608	622	654	618
Other Departments	352	304	283	262	263	273	275	368	419	418	408
Planning and Development	128	96	101	111	124	126	135	138	152	169	179
TOTAL	4,025	3,482	3,716	3,630	3,656	3,727	3,882	4,179	4,346	4,412	4,436





GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**City of Miami
Florida**

For the Fiscal Year Beginning

October 1, 2017

Christopher P. Morrill

Executive Director



ADOPTED **BUDGET IN BRIEF**

FISCAL YEAR 2018-19

Serving, enhancing, and transforming our community