Budget Process
Session 4
Budget Process Follows the Government Structure

- **State**
  - **County**
    - **City**
      - Departments

- The city-level process is one of the most direct places to participate
- The most important source of revenue is property tax, the most important expenses are salaries (fixed expenses)
Miami-Dade County
34 incorporated municipalities, cities, towns and villages, as well as to unincorporated communities and neighborhoods

Miami
Homestead
Florida City
Miami Beach
Coral Gables
Hialeah
North Miami
Opa-locka
Miami Springs
South Miami
Golden Beach
North Miami Beach
Miami Shores
Biscayne Park
Surfside
El Portal
Indian Creek Village
Sweetwater

Sweetwater
North Bay Village
West Miami
Bay Harbor Islands
Bal Harbour
Virginia Gardens
Hialeah Gardens
Medley
Key Biscayne
Aventura
Pinecrest
Sunny Isles Beach
Miami Lakes
Palmetto Bay
Miami Gardens
Doral
Cutler Bay
Budgeting in Miami


### Fiscal Year Proposed Budgets

<table>
<thead>
<tr>
<th>FY 2021 Budget in Brief</th>
<th>FY 2021 Operating Budget</th>
<th>FY 21 Capital Plan</th>
<th>Revenue Manual Budget</th>
<th>Year-End Projections</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY 2021</td>
<td>FY 2021-Adopted</td>
<td>FY 2021</td>
<td>FY 2020</td>
<td>JUL 2020</td>
</tr>
<tr>
<td>FY 2020</td>
<td>FY 2021-Proposed</td>
<td>FY 2020</td>
<td>FY 2019</td>
<td>JUN 2020</td>
</tr>
</tbody>
</table>
Budget in Brief (red book)

• Meant to give an overview of the city’s budget elements

FY 2020-21 Proposed 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

• **Internal Service Fund** - accounts for internal cost allocation between various City cost centers

• **Debt Service Funds** - accounts for proceeds of City issued debt and repayment of principal and interest
Budget in Brief (red book)

- Sources of Revenue

Where the Money Comes From:

General Fund Revenue Sources Total: $813,352,000

- Property Taxes • $424.6 million • 52.2%
- Franchise Fees and Other Taxes • $117.6 million • 14.4%
- Charges for Services • $113.3 million • 13.9%
- Intergovernmental Revenues • $67.2 million • 8.3%
- Licenses and Permits • $66.6 million • 8.2%
- Fines and Forfeitures • $7.6 million • 1.0%
- Other Revenues (Inflows) • $7.4 million • 0.9%
- Interest • $4.8 million • 0.6%
- Transfers-In • $4.2 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 52.2% of total General Fund revenues and represents the largest source of funding for general operations.
Budget in Brief (red book)

• Expenditures by type

Where the Money Goes:
Expenditures by Category

- Salaries and Wages • $379.8 million • 46.7%
- Employee Benefits • $224.7 million • 27.6%
- Operating Expenses • $122.7 million • 15.1%
- Non-Operating Expenses • $39.3 million • 4.8%
- Capital Outlay • $1.6 million • 0.2%
- Transfer-Out • $45.2 million • 5.6%
  - Transfer to Capital • $9.9 million
  - Transfer to Special Revenue • $3.7 million
  - Transfer to Debt Service • $30.9 million
  - Transfer to Cost Allocation • $730,000

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.
Budget in Brief (red book)

• Expenditures by function

Where the Money Goes:
Expenditures by Function

- **Public Safety** • $435.7 million • **53.6%**
- **Public Works** • $96.3 million • **11.9%**
- **General Government** • $84.0 million • **10.3%**
- **Non-Departmental Accounts** • $55.5 million • **6.8%**
- **Parks and Recreation** • $51.5 million • **6.3%**
- **Transfer-Out** • $45.2 million • **5.6%**
- **Planning and Development** • $27.3 million • **3.4%**
- **Real Estate and Asset Management** • $13.6 million • **1.7%**
- **Risk Management** • $3.3 million • **0.4%**
- **Housing and Community Development** • $960,000 • **0.1%**

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 53.6% of the General Fund expenditure budget.
Budget in Brief (red book)

• Expenditures by Department (part 1)

<table>
<thead>
<tr>
<th>Department</th>
<th>FY 2019-20 Adopted BUDGET</th>
<th>FY 2020-21 Proposed BUDGET</th>
<th>FY 2019-20 Adopted POSITIONS</th>
<th>FY 2020-21 Proposed POSITIONS</th>
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<tbody>
<tr>
<td>Public Safety</td>
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<tr>
<td>Fire-Rescue</td>
<td>$161,407,000</td>
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<td>Police</td>
<td>$265,621,000</td>
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<td>Public Works</td>
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<td>Capital Improvements</td>
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<td>General Services Administration</td>
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<td>$27,781,000</td>
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<tr>
<td>Resilience and Public Works</td>
<td>$26,298,000</td>
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<td>Solid Waste</td>
<td>$35,915,000</td>
<td>$35,666,000</td>
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Budget in Brief (red book)

- Expenditures by Department (part 2)

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<tr>
<th>General Government</th>
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<tr>
<td>Agenda Coordination</td>
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<td>City Attorney</td>
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<td>City Clerk</td>
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<td>$2,009,000</td>
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<tr>
<td>City Manager</td>
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<td>$2,781,000</td>
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<tr>
<td>Civil Service</td>
<td>$559,000</td>
<td>$547,000</td>
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<td>Code Compliance</td>
<td>$8,437,000</td>
<td>$8,326,000</td>
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<td>Commissioners</td>
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<td>$4,042,000</td>
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<tr>
<td>Communications</td>
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<td>$1,702,000</td>
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<tr>
<td>Equal Opportunity and Diversity Programs</td>
<td>$508,000</td>
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<td>Finance</td>
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<td>Grants Administration</td>
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<td>Human Resources</td>
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<tr>
<td>Human Services</td>
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<td>65</td>
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<tr>
<td>Independent Auditor General</td>
<td>$1,530,000</td>
<td>$1,334,000</td>
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<td>9</td>
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<tr>
<td>Innovation and Technology</td>
<td>$14,454,000</td>
<td>$13,959,000</td>
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<td>82</td>
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<tr>
<td>Management and Budget</td>
<td>$2,779,000</td>
<td>$3,321,000</td>
<td>17</td>
<td>19</td>
</tr>
<tr>
<td>Mayor</td>
<td>$1,687,000</td>
<td>$1,609,000</td>
<td>13</td>
<td>13</td>
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<tr>
<td>Neighborhood Enhancement Team (NET)</td>
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<td>$7,332,000</td>
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<td>70</td>
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<tr>
<td>Procurement</td>
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<td>$2,949,000</td>
<td>21</td>
<td>20</td>
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<tr>
<td>Resilience and Sustainability</td>
<td>$831,000</td>
<td>$0</td>
<td>5</td>
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</table>
Budget in Brief (red book)

- Expenditures by Department (part 3)

<table>
<thead>
<tr>
<th>Other Departments</th>
<th>2023</th>
<th>2024</th>
<th>2025</th>
<th>2026</th>
</tr>
</thead>
<tbody>
<tr>
<td>Housing and Community Development</td>
<td>$2,437,000</td>
<td>$960,000</td>
<td>35</td>
<td>35</td>
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<tr>
<td>Parks and Recreation</td>
<td>$51,777,000</td>
<td>$51,492,000</td>
<td>299</td>
<td>288</td>
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<tr>
<td>Real Estate and Asset Management</td>
<td>$13,796,000</td>
<td>$13,540,000</td>
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<td>50</td>
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<tr>
<td>Risk Management</td>
<td>$3,663,000</td>
<td>$3,270,000</td>
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</table>

<table>
<thead>
<tr>
<th>Planning and Development</th>
<th>2023</th>
<th>2024</th>
<th>2025</th>
<th>2026</th>
</tr>
</thead>
<tbody>
<tr>
<td>Building</td>
<td>$16,625,000</td>
<td>$17,526,000</td>
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<td>127</td>
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<tr>
<td>Planning</td>
<td>$5,927,000</td>
<td>$5,281,000</td>
<td>50</td>
<td>40</td>
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<tr>
<td>Zoning</td>
<td>$3,825,000</td>
<td>$4,459,000</td>
<td>28</td>
<td>28</td>
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<tr>
<td>Non-Departmental Accounts</td>
<td>$101,314,000</td>
<td>$100,662,000</td>
<td>6</td>
<td>11</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>$808,633,000</td>
<td>$813,352,000</td>
<td>4,523</td>
<td>4,422</td>
</tr>
</tbody>
</table>
Timing of the Budget

- Departments develop their base budgets and enter data into the Hyperion budgeting system.
- Departments develop requests for new funding or enhancements and enter data into Hyperion.
- Departments develop plans to reduce the budget through efficiencies or service cuts and enter data into Hyperion.
- By the end of February, Department Directors submit an e-mail message to the OMB Director noting that the data has been entered into Hyperion.

- Departments prepare and submit Staffing and Functional Tables of Organization by mid-March.
- Departments prepare and submit capital requests for funding.
- Staff from OMB review and revise the departmental budgets with departmental staff.
- The Mayor delivers the “State of the City Address” setting priorities for the budget by the end of March.

- Meetings between departments and OMB to discuss personnel costs, operating line items, unresolved matters, important issues, and capital requests begin in the last week of March through the first week of April.
- Departments prepare and submit preliminary objectives, measures, and targets by the end of April.

- Meetings with the City Manager to discuss budget amounts, unresolved matters, important issues, and capital requests begin the last week of April and continue through mid-May.
- Community Budget Meetings are held Citywide to seek public input.
Timing of the Budget

- **June and July**: From mid-May through mid-July, operating and capital budget proposals are finalized, production of the Proposed Budget Books is set in motion, and the Proposed Operating and Capital Budgets are released by mid-July. The City Commission votes on a proposed millage in late July. Community Budget Meetings are held Citywide to explain the Proposed Budget.

- **September**: Additional budget discussions occur through September when two public budget hearings are held according to State Law. The Final Operating Budget and Capital Plan are adopted in late September.

- **October**: Line item operating budgets are loaded, capital accounts are updated, and Adopted Budget Books are published. Community Budget Meetings are held Citywide to explain the Adopted Budget.
Explicit Role for Community Budget Meeting

Community Budget Meetings
Community Budget meetings are held during the budget process. These meetings offer the citizens an opportunity to be informed about the budget process, give input on community needs, and have their questions answered by City staff. These meetings are held three times a year in each of the City’s five Commission districts. In 2020, these meetings are being held remotely and electronically instead of in person.

In meetings scheduled in May, City residents are given an overview of the City’s budget and the process of building a proposed budget for the next fiscal year. Residents provide feedback to City staff on what they consider priority needs in their communities. After the proposed budget is released in early July, meetings are held to present and answer questions on the proposed budget. Community meetings are held again in October to present the adopted budget and answer question and concerns.
How are Community Budget Meetings in the city of Miami?

• The key meetings are in May.
• Held typically in a public place, Hadly Park in previous years, but in 2020 they were online.
• They start with a brief introduction to the city budget (budget education).
• Attended by city officials from various departments.
• Last 1.5 hrs, start typically at 6:00 PM.
• City officials take direct questions and requests from citizens.
• Note that there are also other ways to participate, like contacting your district’s commissioner or other city officials.
City Officials

View a list of the City of Miami’s elected and appointed officials. If you are unsure of who your commissioner is, you can use our page to Find my Commissioner and District Services.

**Mayor Francis Suarez**

Prior to being elected with 86 percent support from Miami residents, Mayor Suarez served as Miami Commissioner for District 4 during eight years.

**Commissioner Alex Díaz de la Portilla – District 1**

Commissioner Alex Díaz de la Portilla is a Cuban American politician who grew up right here in Little Havana. He was elected to the City of Miami Commission to represent District 1 on November 2019.

**Commissioner Ken Russell – District 2**

As a small businessman with an international profile, Ken entered Miami politics in 2015 with an optimistic view on positive change. As Commissioner, Ken has focused on big picture issues such as affordable housing, sea level rise and transit options.

**Commissioner Joe Carollo, District 3**

Commissioner Joe Carollo was elected in November 2017 to represent District 3 of the City of Miami. District 3 includes Little Havana, East Shenandoah, West Brickell, parts of Silver Bluff, and the Roads.

**Commissioner Manolo Reyes, District 4**

In November 2017, Commissioner Reyes was first elected to the City of Miami Commission by an overwhelming 57% of the vote and was reelected in 2019 without opposition.

**Commissioner Jeffrey Watson, District 5**

**City Manager Arthur Noriega**

Arthur Noriega was appointed as the administrative head of Miami-Dade County’s most populous city in February 2020. An executive with a strong background in construction, operations and urban development projects, Mr. Noriega previously headed the Miami Parking Authority for 22 years.

**City Attorney Victoria Méndez**

Ms. Méndez is Board Certified in City, County and Local Government Law by The Florida Bar. She joined the Office of the City Attorney in 2004 as the municipal prosecutor. She rose up the ranks as a Supervisor and then Deputy City Attorney.

**City Clerk Todd B. Hannon**

The Clerk is responsible for recording, transcribing and safeguarding commission minutes and legislation, legislative research, lobbyist registration; bid openings; records management; boards and committees administration; passport applications for U.S. citizens; attesting contracts; attending bond validation proceedings; supervising and certifying results of city elections.
Reflection Questions

• What is the best source to understand the City of Miami budget?
• What are the key dates to get involved?
• How can you participate in a public meeting?