

**CITY OF MIAMI BEACH, FLORIDA
SCHEDULE OF FUNDING PROGRESS
RETIREMENT SYSTEMS (in Millions)
(Unaudited)**

General Employees

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) - Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL As % of Covered Payroll (b-a)/c
10/1/01	\$255.2	\$220.7	(\$34.5)	115.7 %	\$20.6	(167.7) %
10/1/02	243.5	242.3	(1.2)	100.5	22.7	(5.5)
10/1/03	240.2	252.8	12.6	95.0	25.9	48.8

Unclassified Employees and Elected Officials

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) - Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL As % of Covered Payroll (b-a)/c
10/1/01	\$80.8	\$72.1	(\$8.7)	112.1 %	\$7.1	(123.6) %
10/1/02	78.6	77.5	(1.1)	101.4	7.7	(14.4)
10/1/03	79.9	86.1	6.2	92.7	8.6	72.3

Firefighters and Police Officers

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL As % of Covered Payroll (b-a)/c
10/1/01	\$404.3	\$393.0	\$11.3	102.9 %	\$29.7	38.2 %
10/1/02	400.9	424.7	23.8	94.4	31.3	76.1
10/1/03	410.4	468.3	57.9	87.6	32.1	180.2

See accompanying independent auditors' report

CITY OF MIAMI BEACH, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
GENERAL FUND
For the Fiscal Year Ended September 30, 2004
(Unaudited)

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final		Final Budget - Positive (Negative)
Revenues				
Taxes:				
Property	\$ 68,250,734	\$ 68,662,517	\$ 68,853,760	\$ 191,243
Sales, use and fuel taxes	1,855,000	1,855,000	1,768,764	(86,236)
Utility	12,911,300	12,911,300	12,436,407	(474,893)
Other	1,840,000	1,840,000	1,840,000	
Franchise	6,531,750	6,531,750	7,628,488	1,096,738
Licenses and permits	10,998,905	11,296,743	12,547,560	1,250,817
Intergovernmental	7,769,000	7,769,000	8,079,378	310,378
Charges for services	5,467,465	5,935,965	5,418,098	(517,867)
Rents and leases	2,477,385	2,477,385	2,430,994	(46,391)
Interest income	2,800,000	2,800,000	2,141,216	(658,784)
Fines and forfeits	1,680,677	1,680,677	1,603,181	(77,496)
Administrative fees	7,667,896	7,667,896	8,862,655	1,194,759
Other	5,233,874	4,865,374	3,498,994	(1,366,380)
Total revenues	<u>135,483,986</u>	<u>136,293,607</u>	<u>137,109,495</u>	<u>815,888</u>
Expenditures				
General government:				
Mayor and commission	1,158,594	1,158,594	1,156,911	1,683
City manager	1,810,180	1,810,180	1,757,201	52,979
City clerk	1,344,403	1,362,609	1,364,863	(2,254)
Internal Audit	312,572	312,572	310,001	2,571
Management and budget	649,271	649,271	556,152	93,119
Finance	3,211,717	3,246,605	3,200,519	46,086
Human Resources	1,657,335	1,687,139	1,571,687	115,452
Procurement	674,082	674,082	663,324	10,758
City Attorney	3,042,757	3,108,047	3,111,514	(3,467)
General Services Administration	661,481	661,481	601,977	59,504
Planning	2,259,105	2,259,105	2,187,608	71,497
Special Programs	1,085,482	1,085,482	1,068,405	17,077
Engineering	2,067,007	2,059,602	1,889,369	170,233
Construction and financial management	2,268,429	2,236,028	1,924,587	311,441
Special Projects	313,475	2,656,531	2,857,820	(201,289)
Unclassified	3,310,968	2,845,295	3,127,809	(282,514)
Total general government	<u>25,826,858</u>	<u>27,812,623</u>	<u>27,349,747</u>	<u>462,876</u>
Public safety:				
Beach patrol	5,403,389	5,403,389	5,326,555	76,834
Building services	6,452,675	6,849,741	6,746,487	103,254
Fire	26,470,948	26,753,366	26,701,870	51,496
Police	53,837,738	53,769,398	53,538,694	230,704
Emergency 911	604,000	488,845	576,066	(87,221)
Total public safety	<u>92,768,750</u>	<u>93,264,739</u>	<u>92,889,672</u>	<u>375,067</u>
Physical environment	2,631,264	2,628,081	2,403,670	224,411
Transportation	3,028,147	3,028,147	2,600,662	427,485
Economic environment	1,592,333	1,631,097	1,497,584	133,513
Human services	438,105	438,105	422,802	15,303
Culture and recreation	20,878,823	20,125,402	19,260,574	864,828
Total expenditures	<u>147,164,280</u>	<u>148,928,194</u>	<u>146,424,711</u>	<u>2,503,483</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(11,680,294)</u>	<u>(12,634,587)</u>	<u>(9,315,216)</u>	<u>3,319,371</u>
Other financing sources (uses)				
Transfers in	16,868,450	16,868,450	16,868,450	
Transfers out	(5,198,156)	(6,566,833)	(7,065,572)	(498,739)
Sale of capital assets	10,000	10,000		(10,000)
Total other financing sources	<u>11,680,294</u>	<u>10,311,617</u>	<u>9,802,878</u>	<u>(508,739)</u>
Net change in fund balances		(2,322,970)	487,662	2,810,632
Fund balances - beginning of year	29,168,631	29,168,631	29,168,631	
Fund balances - end of year	<u>\$ 29,168,631</u>	<u>\$ 26,845,661</u>	<u>\$ 29,656,293</u>	<u>\$ 2,810,632</u>

CITY OF MIAMI BEACH, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
BUDGETED MAJOR SPECIAL REVENUE FUNDS
For the Fiscal Year Ended September 30, 2004
(Unaudited)

	Resort Tax Revenue Fund			Miami Beach Redevelopment Agency		
	Original and Final Budgeted Amounts	Actual Amounts	Variance Favorable (Unfavorable)	Original and Final Budgeted Amounts	Actual Amounts	Variance Favorable (Unfavorable)
Revenues						
Resort taxes	\$ 25,668,000	\$ 27,405,669	\$ 1,737,669	\$	\$	\$
Intergovernmental		50,000	50,000	31,828,716	31,351,525	(477,191)
Rents and leases				1,579,323	3,113,191	1,533,868
Interest income	50,000	52,655	2,655	41,462	403,263	361,801
Miscellaneous	686,839	1,751,781	1,064,942	99,000	4,999	(94,001)
Total revenues	26,404,839	29,260,105	2,855,266	33,548,501	34,872,978	1,324,477
Expenditures						
General government	818,948	768,381	50,567			
Public safety		523,983	(523,983)	3,603,305	1,938,828	1,664,477
Economic environment	2,156,000	1,597,778	558,222	2,370,381	7,586,191	(5,215,810)
Culture and recreation	7,378,613	8,467,293	(1,088,680)			
Debt service:						
Principal		6,144	(6,144)			
Total expenditures	10,353,561	11,363,579	(1,010,018)	5,973,686	9,525,019	(3,551,333)
Excess (deficiency) of revenues over (under) expenditures	16,051,278	17,896,526	1,845,248	27,574,815	25,347,959	(2,226,856)
Other financing sources (uses)						
Transfers in	4,070,787	4,070,787		1,938,000	2,406,990	468,990
Transfers out	(20,272,065)	(21,205,574)	(933,509)	(29,512,815)	(23,545,010)	5,967,805
Total other financing sources (uses)	(16,201,278)	(17,134,787)	(933,509)	(27,574,815)	(21,138,020)	6,436,795
Net change in fund balances	(150,000)	761,739	911,739		4,209,939	4,209,939
Fund balances - beginning of year	4,344,018	4,344,018		23,538,729	23,538,729	
Fund balances - end of year	\$ 4,194,018	\$ 5,105,757	\$ 911,739	\$ 23,538,729	\$ 27,748,668	\$ 4,209,939

See accompanying independent auditors' report

CITY OF MIAMI BEACH, FLORIDA
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
SEPTEMBER 30, 2004
(Unaudited)

1. Budgetary Policy

A. Budgetary Data

The City is required to prepare, approve, adopt and execute an annual budget for such funds as may be required by law or by sound financial practices and generally accepted accounting principles. Budget to actual comparisons for the General Fund, the Resort Tax Fund and the Miami Beach Redevelopment Agency (a blended component unit) are presented in the Required Supplementary Information section of this report. Budget and actual comparisons for other funds are reflected in the Supplementary section.

At least 65 days prior to the beginning of the fiscal year, the City Commission is presented with a proposed budget. The proposed budget includes anticipated expenditures and the means of financing them. After Commission review and public hearings, the budget is adopted prior to October 1st. The budgets are approved by fund and department, and controlled at the department level. Management may transfer amounts between line items within a department as long as the transfer does not result in an increase in the department's budget. Increases to funds or department budgets and transfers between departments require City Commission approval.

There were two(2) supplemental budgetary appropriations during fiscal year ended September 30, 2004.

Budgets are considered a management control and planning tool and as such are incorporated into the accounting system of the City. Budgets are adopted on the modified accrual basis of accounting with the inclusion of encumbrances as reductions in the budgetary amount available (Budgetary Basis). Appropriations not encumbered lapse at yearend.

Encumbrance accounting, under which purchase order commitments for the expenditures of monies are recorded in order to reserve that portion of the applicable appropriation, is employed as an extension of formal budgetary integration in the governmental funds. Encumbrances outstanding at year-end are reported as reservations of fund balances, since they do not constitute expenditures or liabilities because the commitments will be reappropriated and honored during the subsequent year.

See accompanying independent auditors' report