

**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
10/1/02	\$ 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
10/1/04	236.6	262.5	26.0	90.1	24.9	104.2

**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
10/1/02	\$ 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
10/1/04	84.2	89.6	5.4	94.0	9.7	55.7

**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
10/1/02	\$ 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
10/1/04	418.1	512.0	93.9	81.7	32.7	287.1

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, 2005**  
**(Unaudited)**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Taxes:				
Property	\$ 79,473,230	\$ 79,473,230	\$ 79,613,636	\$ 140,406
Sales, use and fuel taxes	1,820,000	1,820,000	1,787,769	(32,231)
Utility	12,458,600	12,758,600	12,785,676	27,076
Other	1,440,000			
Franchise	7,110,000	7,910,000	8,029,982	119,982
Licenses and permits	11,446,131	13,646,131	13,529,531	(116,600)
Intergovernmental	8,099,500	8,939,500	9,644,536	705,036
Charges for services	5,810,886	5,810,886	6,368,454	557,568
Rents and leases	2,651,145	2,651,145	2,673,388	22,243
Interest income	2,836,880	3,136,880	3,121,623	(15,257)
Fines and forfeits	1,321,500	2,321,500	2,552,152	230,652
Administrative fees	8,382,959	8,936,590	8,951,878	15,288
Other	5,830,439	5,276,808	4,947,500	(329,308)
Total revenues	<u>148,681,270</u>	<u>152,681,270</u>	<u>154,006,125</u>	<u>1,324,855</u>
<b>Expenditures</b>				
General government:				
Mayor and Commission	1,255,651	1,255,651	1,175,026	80,625
City Manager	1,861,724	1,861,724	1,834,646	27,078
City Clerk	1,508,507	1,365,507	1,318,362	47,145
Budget and Performance Management	1,526,071	1,396,071	1,386,439	9,632
Finance	3,423,728	3,505,728	3,502,051	3,677
Human Resources	1,581,072	1,397,072	1,392,819	4,253
Procurement	705,061	705,061	694,644	10,417
City Attorney	3,148,062	3,388,062	3,382,355	5,707
Planning	2,588,734	2,388,734	2,375,571	13,163
Media Relations	272,588	172,588	166,727	5,861
Engineering	2,196,789	2,171,789	2,072,060	99,729
Capital Improvement Projects	2,759,570	2,377,218	2,129,391	247,827
Special Projects	606,825	1,505,827	901,868	603,959
Unclassified	3,882,800	2,468,851	2,934,286	(465,435)
Total general government	<u>27,317,182</u>	<u>25,959,883</u>	<u>25,266,245</u>	<u>693,638</u>
Public safety:				
Ocean Rescue	5,533,053	5,533,053	5,827,572	(294,519)
Building Services	7,621,116	7,803,116	7,809,114	(5,998)
Fire	29,024,219	29,333,331	28,971,329	362,002
Police	58,827,028	59,583,606	59,308,193	275,413
Emergency 911	505,000	505,000	741,159	(236,159)
Total public safety	<u>101,510,416</u>	<u>102,758,106</u>	<u>102,657,367</u>	<u>100,739</u>
Physical Environment	3,277,955	3,277,955	2,529,500	748,455
Transportation	3,199,823	3,221,693	2,958,727	262,966
Economic Environment	1,610,335	1,530,335	1,494,684	35,651
Human Services	857,899	857,899	843,925	13,974
Culture and Recreation	24,055,346	23,450,700	23,506,561	(55,861)
Total expenditures	<u>161,828,956</u>	<u>161,056,571</u>	<u>159,257,009</u>	<u>1,799,562</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(13,147,686)</u>	<u>(8,375,301)</u>	<u>(5,250,884)</u>	<u>3,124,417</u>
<b>Other financing sources (uses)</b>				
Transfers in	19,478,608	19,478,608	19,478,609	1
Transfers out	(6,340,922)	(11,290,922)	(8,639,018)	2,651,904
Sale of capital assets	10,000	10,000	13,012	3,012
Total other financing sources	<u>13,147,686</u>	<u>8,197,686</u>	<u>10,852,603</u>	<u>2,654,917</u>
Net change in fund balances		(177,615)	5,601,719	5,779,334
Fund balances - beginning of year	29,656,293	29,656,293	29,656,293	
Fund balances - end of year	<u>\$ 29,656,293</u>	<u>\$ 29,478,678</u>	<u>\$ 35,258,012</u>	<u>\$ 5,779,334</u>

See accompanying independent auditors' report

**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, 2005**  
**(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)
<b>Revenues</b>						
Resort taxes	\$ 29,448,000	\$ 32,112,039	\$ 2,664,039	\$	\$	\$
Intergovernmental				39,600,614	29,814,708	(9,785,906)
Rents and leases				658,882	275,086	(383,796)
Interest income	52,500	171,353	118,853	100,969	1,748,260	1,647,291
Miscellaneous	270,000	1,215,936	945,936	99,000	108,309	9,309
<b>Total revenues</b>	<u>29,770,500</u>	<u>33,499,328</u>	<u>3,728,828</u>	<u>40,459,465</u>	<u>31,946,363</u>	<u>(8,513,102)</u>
<b>Expenditures</b>						
General government	869,138	792,572	76,566	5,371,604	3,829,676	1,541,928
Public safety				4,755,848	3,228,808	1,527,040
Economic environment	1,889,625	1,214,786	674,839	4,544,140	6,247,601	(1,703,461)
Culture and recreation	6,801,507	6,524,268	277,239			
Debt service:						
Interest				299,394	299,394	
<b>Total expenditures</b>	<u>9,560,270</u>	<u>8,531,626</u>	<u>1,028,644</u>	<u>14,970,986</u>	<u>13,605,479</u>	<u>1,365,507</u>
Excess (deficiency) of revenues over (under) expenditures	<u>20,210,230</u>	<u>24,967,702</u>	<u>4,757,472</u>	<u>25,488,479</u>	<u>18,340,884</u>	<u>(7,147,595)</u>
<b>Other financing sources (uses)</b>						
Proceeds from sale of land and building					39,898,102	39,898,102
Transfers in	4,843,534	4,843,534		2,519,500	5,217,862	2,698,362
Transfers out	(25,053,764)	(25,147,262)	(93,498)	(28,007,979)	(20,696,140)	7,311,839
<b>Total other financing sources (uses)</b>	<u>(20,210,230)</u>	<u>(20,303,728)</u>	<u>(93,498)</u>	<u>(25,488,479)</u>	<u>24,419,824</u>	<u>49,908,303</u>
<b>Net change in fund balances</b>		4,663,974	4,663,974		42,760,708	42,760,708
Fund balances - beginning of year	5,105,757	5,105,757		27,748,668	27,748,668	
Fund balances - end of year	<u>\$ 5,105,757</u>	<u>\$ 9,769,731</u>	<u>\$ 4,663,974</u>	<u>\$ 27,748,668</u>	<u>\$ 70,509,376</u>	<u>\$ 42,760,708</u>

See accompanying independent auditors' report

**CITY OF MIAMI BEACH, FLORIDA**  
**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**  
**SEPTEMBER 30, 2005**  
**(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.

The City's governmental funds have legally adopted annual budgets for the General Fund, Resort Tax Fund, Miami Beach Redevelopment Agency Fund, General Obligation Debt Service Fund and Miami Beach Redevelopment Agency Special Obligation Debt Service Fund.

Budget to actual comparisons for the General Fund, Resort Tax Fund and Miami Beach Redevelopment Agency Fund are presented in the Required Supplementary Information section of this report. Budget to actual comparisons for the General Obligation Debt Service Fund and Miami Beach Redevelopment Agency Special Obligation Debt Service Fund are presented in the Supplementary Information section of this report.

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 1<sup>st</sup>. 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 three (3) supplemental budgetary appropriations during fiscal year ended September 30, 2005.

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