



# POPULAR ANNUAL FINANCIAL REPORT

OF THE CITY OF SOUTH MIAMI, FLORIDA  
FOR THE YEAR ENDED SEPTEMBER 30, 2012



PREPARED BY THE FINANCE DEPARTMENT  
Alfredo Riverol, C.P.A., Cr.FA, CGFM, CGMA  
Chief Financial Officer



## ABOUT THE POPULAR ANNUAL FINANCIAL REPORT (PAFR)

The financial information presented in the Popular Annual Financial Report (PAFR) is derived from the City's Comprehensive Annual Financial Report (CAFR) but is presented here in summarized form. The CAFR outlines the City's financial position and operating activities for fiscal year 2012 in great detail and may be obtained via the City's website at [www.southmiamifl.gov](http://www.southmiamifl.gov). It is prepared in conformance with accounting principles generally accepted in the United States (GAAP) and it also includes financial statements audited by Keefe, McCullough & Co., LLP. The information in this report reflects the City's governmental operations. Information on governmental funds is presented using the current financial resources measurement focus and the modified accrual basis of accounting. Governmental activities are those primarily supported by tax dollars for services such as parks and recreation, public safety, and physical environment.

Measurement focus refers to what is being measured; basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurement made, regardless of the measurement focus applied. The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds and expendable trust funds are accounted for using a **current financial resources** measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (*i.e.* revenues and other financing sources) and decreases (*i.e.*, expenditures and other financing uses) in fund balances.

The *modified accrual basis* is the accrual basis adapted to the governmental fund-type measurement focus. Under it, revenues are recognized when they become susceptible to accrual, that is when they become both "measurable" and "available to finance expenditures of the current period." "Available" revenues are those that are collectible in the current period or within sixty (60) days thereafter, which will be used to pay liabilities of the current period. Expenditures generally are recorded when the fund liability is incurred, except for debt service expenditures and the expenditures related to compensated absences and claims and judgments, which are recorded only when payment is due. All governmental funds and all fiduciary fund types except agency funds are accounted for using the modified accrual basis of accounting.

This report is presented in two sections. The first provides an overview of the City and its government form and structure. The second provides a brief analysis of the City's various revenue streams and how they are spent, as well as economic information. It is unaudited and not presented in the GAAP format. The Popular Annual Financial Report (PAFR) of the City of South Miami is a means of increasing public awareness about the City's financial condition through a more user-friendly presentation.

## "THE CITY OF PLEASANT LIVING"



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## LETTER FROM THE CITY MANAGER



Dear Citizens of South Miami,

We understand the importance of being accountable for the proper management of public funds. As such, I am pleased to present the City's Popular Annual Financial Report (PAFR) for the year ended September 30, 2012. This report, written for the non-financially inclined reader, contains valuable and summarized information for every resident. By making the financial report easier to understand and user friendly, the PAFR is another example of our commitment to improve communications with our citizens and increase public confidence in the governing body for the City of South Miami.

The vision of the City of South Miami is to be "The City of Pleasant Living" and is committed to its mission "To create continuous superior service while enhancing a sense of community, a meaningful quality of life, and a safe environment." In pursuit of our goals, we faced significant economic challenges in recent years due to the ongoing recession. In spite of these difficult economic times, the City can be proud of the many accomplishments that were achieved through the combination of an impassioned City Commission, a leading core executive team, dedicated staff, and a caring supportive citizenry.

The City is spearheading many exciting initiatives on behalf of our residents: economic development, streamlining processes, building infrastructure, sustainable initiatives, and updating technology to provide more efficient and cleaner services. We continue to upgrade to an increasingly efficient level of technology throughout the City to improve our services.

During fiscal year 2012, the City completed various roadway improvements, including resurfacing, sidewalks, and installation and repair of road pavers. Traffic calming goals were achieved with the installation of speed tables and stripping. Flooding concerns were addressed with the installation of new drainage structures throughout the City. These are just a few excellent examples of our 2012 endeavors.

The PAFR summarizes the financial activities of the City of South Miami's government and was drawn from the more detailed financial information appearing in the 2012 Comprehensive Annual Financial Report (CAFR). Both reports may be viewed on and downloaded from the City's website at <http://www.southmiamifl.gov>.

On behalf of the City Commission, I thank you for taking the time to read our Popular Annual Financial Report. This report is one of our opportunities to let you know how the City is doing financially and to showcase the City's various programs and projects.

Sincerely,

  
Steven Alexander  
Interim City Manager



## CITY OF SOUTH MIAMI HISTORY

Known as “The City of Pleasant of Living,” this proud community has a diverse population and a history of accomplishments stretching back to its earlier pioneer days. It overcame adversity and showed a resilience and determination that make it one of South Florida’s more remarkable cities.

It began as a settlement named Larkins, after Wilson A. Larkins, who established a post office and trading post with that name in 1898 at the east end of Sunset Drive at Ingraham Highway. The settlement already had a school building erected two years earlier by A. H. Ramsey and John Burtshaw, and in the next few years more families began moving into the area.



Much of the business in the earlier settlement was geared toward farming supplies and services, and when Henry Flagler’s railroad grew south from Miami in 1903, it passed to the west of Larkins. The people of the settlement began relocating the center of their business district toward the train depot at today’s intersection of US1 and Sunset Drive. Real estate developers were already beginning to profile for plats of subdivisions in 1914 and by 1917 phone service came to Larkins.

After the fantastic real estate boom of 1925 and with a population of 3000 residents, area leaders decided to incorporate as the Town of South Miami on March 2, 1926. W. A. Foster was elected Mayor and a storeroom was rented for \$10 a month as Town Hall.

The year 1926 saw the first incoming class of freshmen at the newly chartered University of Miami campus, which abuts the City of South Miami eastern boundary along Red Road (SW 57th Avenue). Also founded with a university theme that same year was the Cambridge Lawns neighborhood of South Miami, situated just 0.7 miles from the university campus. The neighborhood's Cambridge Lawns Historic District, some 30 homes in the Tudor Revival and Mediterranean revival style completed in 1928, were granted historic recognition by the City of South Miami in 2005.

On June 24, 1927, the Town of South Miami officially became the City of South Miami and a new charter was approved.

In 2001, the City of South Miami was awarded the All-America City Award which is given by the National Civic League annually to ten cities in the United States. This award is the oldest community recognition program in the nation and recognizes communities whose citizens’ work together to identify and tackle community-wide challenges and achieve uncommon results.



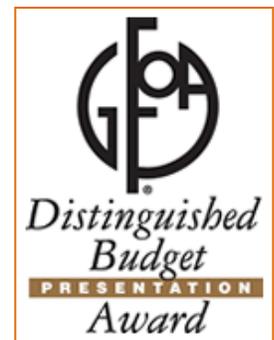
## AWARDS AND CERTIFICATIONS



The Governmental Finance Officers Association of the United States and Canada (GFOA) awarded a **Certificate of Achievement for Excellence in Financial Reporting** to the City for its Comprehensive Annual Financial Report for the fiscal year ended September 30, 2011. In order to be awarded a Certificate of Achievement; a government must publish an easily readable and efficiently organized Comprehensive Annual Financial Report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current report continues to conform to the Certificate of Achievement Program requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

The Government Finance Officers Association of the United States and Canada (GFOA) presented a **Distinguished Budget Presentation Award** to City of South Miami, Florida for its annual budget for the fiscal year beginning October 1, 2011. In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communications device.



This award is valid for a period of one year only. We believe our current budget continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for another award.



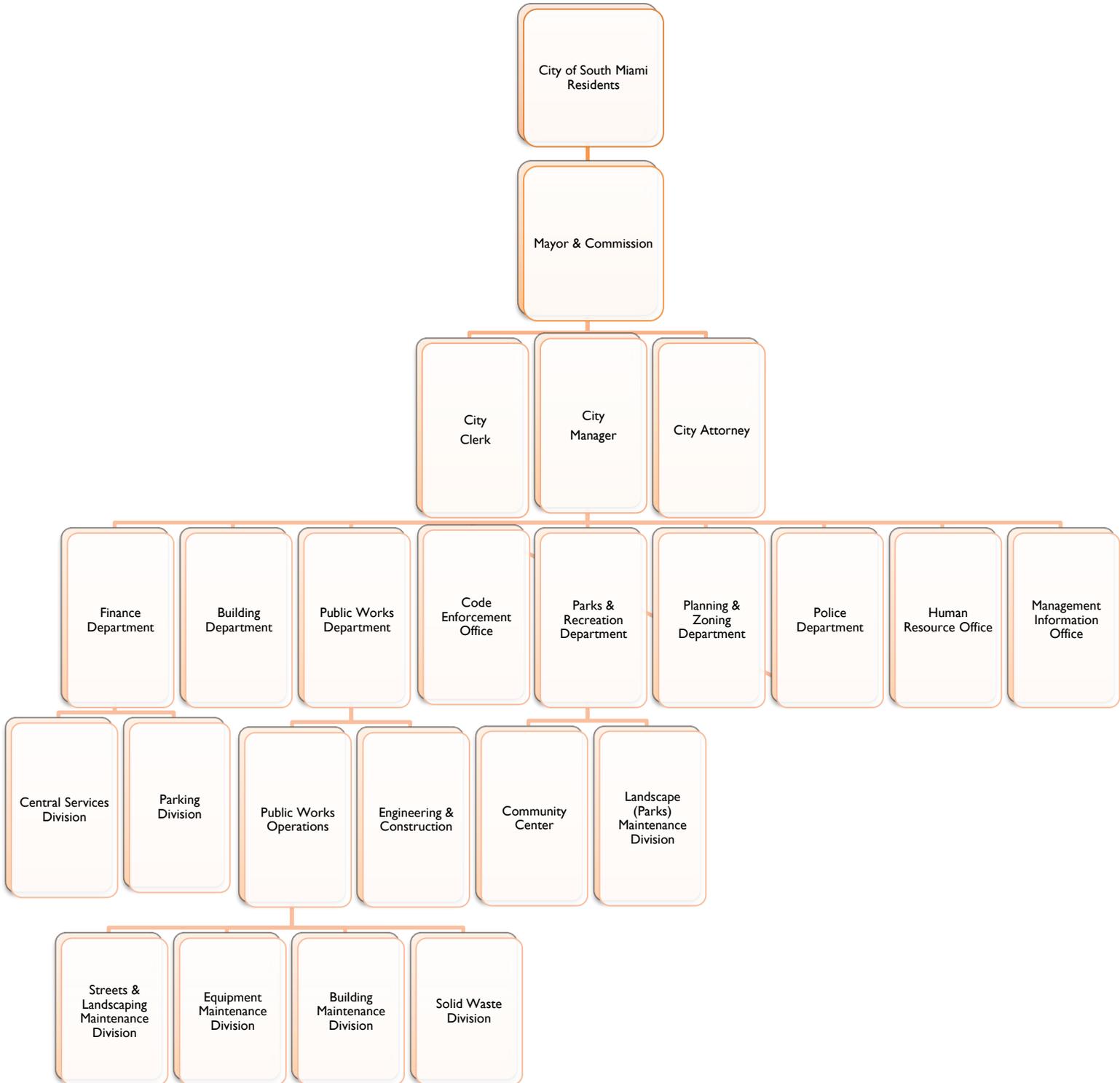
The Government Finance Officers Association of the United States and Canada (GFOA) has given an **Award for Outstanding Achievement in Popular Annual financial Reporting** to City of South Miami, Florida for its Popular Annual Financial Report for the fiscal year ended September 30, 2011. The Award for Outstanding Achievement in Popular Annual financial Reporting is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government popular reports.

In order to receive an Award for Outstanding Achievement in Popular Annual financial reporting, a government unit must publish a Popular Annual Financial Report, whose contents conform to program standards of creativity, presentation, understandability, and reader appeal.

The Award for Outstanding Achievement in Popular Annual Reporting is valid for a period of one year only. We believe our current report continues to conform to the Popular Annual financial Reporting requirements, and we are submitting it to GFOA.

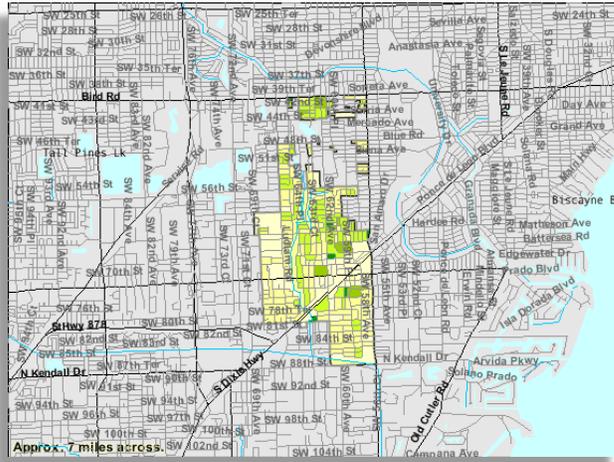


# CITY OF SOUTH MIAMI ORGANIZATIONAL CHART





## CITY OF SOUTH MIAMI GOVERNMENT



South Miami uses a city manager form of government. The Commission sets the policies and the City Manager acts as the Chief Executive Officer. Commissioners are elected to four-year terms and the Mayor is elected to a two-year term. The Mayor heads the meeting and previously made appointments, with approval by the commission, to various city boards; however this provision was modified on February 9, 2010 to give all commissioners the right to appoint with consent of the commission board.

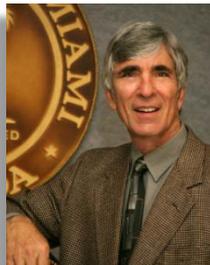
Elections are held on the second Tuesday in February in even numbered years for the Mayor and half of the Commissioners. The Commissioner receiving the most votes for that respective election is provided the title of Vice Mayor for the first two years of the term. The next city election is on February 11, 2014.



Mayor  
Philip K. Stoddard, Ph.D.



Vice Mayor  
Josh Liebman



Commissioner  
Walter A. Harris



Commissioner  
Valarie Newman



Commissioner  
Bob Welsh

South Miami is a city in Miami-Dade County, Florida, United States. The population was 11,657 at the 2010 census and as of 2012, according to the UF Bureau of Economic & Business Research is 13,576. South Miami is served by the Miami Metrorail at the South Miami Station. The station is in the section US-I and Sunset Dr., and services the surrounding South Miami neighborhood, including South Miami Hospital and the South Miami city government offices.



## POLICE



The South Miami Police Department is comprised of 62 full time sworn men and women and 9 civilians that provide a wide range of services to the community. The City's Police Department provides service for approximately 13,576 residents and over 3,600 registered businesses. In 2012, our agency showed a slight overall crime increase of 3% with a 2% decrease in violent crime categories compared to 2011.

In 2012, the South Miami Police Department has worked with all segments of our community to continue to provide a safe environment for our residents, visitors and those individuals that work or conduct business in our community.

The South Miami Police Department is dedicated to make sure that all police related services are provided in an efficient, effective, and professional manner. The Departments' vision as a law enforcement agency is to lead rather than follow and to be proactive rather than reactive.

This annual report is a testament of how this vision and efforts have been accomplished in 2012. Our mission and main responsibilities are to maintain a safe and healthy environment for those residing, working and visiting our city. Our values of dedication, respect, cooperation, professionalism and responsibility must be as visible as our uniforms and police insignias.

The following are just a few of the police department's accomplishments in 2012:

- All technology equipment (desktops & laptops) has now been updated and assigned to sworn personnel for more efficient reporting and retrieval of information.
- On May 1<sup>st</sup> 2012, all Uniform Patrol marked police vehicles were equipped with GPS devices to enhance officer safety and improve computer aided dispatching with prompt response times.
- Met and coordinated with MDPD for the Radio Re-Banding project to exchange and receive new 800 MHz radios at no cost to the City. All new radios have been received and assigned to personnel.
- Established a Bicycle Patrol Unit and trained/certified five (5) officers for more effective Community policing effort.



For more information on the programs offered by the Police Department and to view the South Miami Police Annual Report please visit [WWW.SOUTHMIAMIFL.GOV](http://WWW.SOUTHMIAMIFL.GOV).



## COMMUNITY INVOLVEMENT & GOING GREEN

### Green Task Force

The South Miami Green Task Force is a citizen’s group charged with advising, and recommending strategies, policies, and initiatives on sustainability to the City Commission.

### City Green Initiatives

The **South Miami Intermodal Transportation Plan (SMITP)** is part of a continuing effort to enhance the transportation system and mobility choices for the residents and visitors to the City of South Miami and aims to establish a safe network of sidewalks, trails, roadway improvements, neighborhood greenways, and bicycle lanes throughout the City, connecting residential areas with downtown shopping and dining, transit facilities (Metrorail and BRT) and M-Path.



The **Tree Planting Initiative** is part of an on-going effort to provide more trees in South Miami to serve as traffic calming devices and shade for pedestrians. In collaboration with Miami-Dade County, two fundraisers have taken place to raise funds for trees. Moreover, the City has provided over 50 trees to residents in the right-of-way portion of their properties and expects to install another 50 trees in 2013. The City was awarded Tree City USA in 2011 and 2012 and anticipates to be awarded in years forthcoming.

The City is part of a coalition of cities to establish a **Property Assessed Clean Energy (PACE) Program**, which provides a financial mechanism for residential and commercial property owners to make energy efficiency and renewable energy property improvements with little to no up-front costs. It allows residential and commercial property owners to voluntarily pay for approved energy efficiency and renewable energy improvements by attaching the cost of these projects to their property tax bill. Each energy savings project is amortized up to a 20 year period, providing the property owner with a cash-flow neutral or cash-flow positive energy savings solution.



The City’s Community Redevelopment Agency has retained the services of accomplished LEED affordable housing developers to construct six new single-family “silver” **LEED certified affordable homes** for sale to eligible affordable housing families as per HUD affordable housing “low to moderate” income guidelines. The design of these homes will result in energy savings for its inhabitants.



## PARKS (CULTURAL) & RECREATION



The City of South Miami, known as “The City of Pleasant Living,” is in existence for 85 years. Through the Parks & Recreation Department, the City provides a number of services to the immediate community, Miami Dade County, and neighboring municipalities. The City’s mission is to plan, coordinate, and implement diverse educational, cultural, and recreational activities of the highest quality for all members of our community.

South Miami Parks & Recreation Department is responsible for 62 acres of land composed of 11 parks of which, three (3) are athletic fields. From football to cheerleading, and playing on clay tennis courts, the city’s Parks & Recreation Department encompasses various activities for the community to enjoy.



The Gibson–Bethel Community Center located at Murray Park is a complex which holds an afterschool program in the educational room, in-door basketball gymnasium, art and crafts room, computer room, a multipurpose room which may be rented for parties, and a fitness room which houses professional equipment for residents and non-residents through memberships. In FY 2013 the City Commission Approved the Construction of a Community Pool to be located at Murray Park.

The Parks & Recreation Department also services the seniors of our community, providing various activities and field trips. The senior program is located at the South Miami Senior Plaza. By providing social services, free fitness, health fairs, hot lunches, and other programs, our seniors have a balanced life style within their community.

From passive parks to active parks, the City of South Miami Parks & Recreation Department has something to offer everyone. Come and enjoy the City parks.





## ECONOMIC DEVELOPMENT

### Attracting and Retaining Businesses



As the City moves into the future, there are major efforts in attracting new businesses. The City has a progressive outreach program, a job creation incentive program, and an expeditious permit review process. The City encourages all new construction and businesses to implement “green building” practices. This effort conserves water, reduces energy consumption, and increases recyclable waste. As a result, businesses save money! The City also provides online services such as downloadable applications and access to other City services. In addition, Chamber South,

which is the chamber of commerce for South Miami, serves as a conduit of information on legislative issues, hurricane preparedness, educational opportunities, and business growth.

**DESIRABILITY:** South Miami is one of the most environmentally-aware cities in Florida. Incorporated in 1927, the City grew into a vibrant, beautiful community of spacious parks, greenway trails, cutting-edge industry, award-winning schools, and thriving commerce.

**LEADERSHIP:** South Miami is widely recognized for its progressiveness with strong commitments in environmental preservation and the desire for sustainable, green construction.

**PARTNERSHIP:** The City has a dedicated team to assist businesses. From planning to permits to financial assistance, the City is your partner. The City worked diligently to make it easier to do business with us by streamlining the approval process, and encouraging promotional events. Beyond the City, there are opportunities to become a member of Chamber South and to take advantage of any state, regional and local incentives.

**SUSTAINABILITY:** The City is committed to balance business growth and resource events to avoid any undue burden on the environment. The City will assist businesses in reducing the impact on the environment by encouraging energy conservation, increasing recycling efforts, and providing steps for your business to be profitable while being environmentally responsible. Our effort is to attract businesses and employers that are forward thinking and match the City’s identity as a “green” city. Together, we can have a profound impact on our environment.





## CAPITAL IMPROVEMENTS 2011-2012

### Citywide Road Resurfacing Project (Phase I, II)

Road resurfacing work on selected streets within the City of South Miami. Work included maintenance of traffic, milling, clearing and grubbing, asphalt placement, retro-reflective pavement markers and striping.



### Roof Replacement at City Hall and the Police Department

A major roof replacement was installed at City Hall and the Police department to correct deficiencies in the existing roof that had outlived its useful life.

### Sidewalk Repair Project Phase I, II

Sidewalk repairs were performed throughout the city. Phase Two concentration of repairs were made in the downtown area, which has heavy pedestrian traffic.



### Progress Lane Drainage Improvements

The purpose of this project is to alleviate chronic flooding in the area by providing drainage. Drainage systems were installed and roadway resurfacing is complete. Pavement signage and markage will be performed.

### Commerce Lane Drainage Improvements

Drainage improvements were performed on Commerce Lane, which included the installation of a new catch basin and trench installation.



### Electronic Pay Meters

Installation of an additional 12 electronic pay stations, replacing the coin slot pay meters throughout the city. The pay stations are installed to accommodate several methods of payment.

### ARRA Bus Shelters Construction

Locations include the northwest and southeast corners of 67th Avenue intersection, and west of 61<sup>st</sup> Avenue (Across from South Miami Public Library).



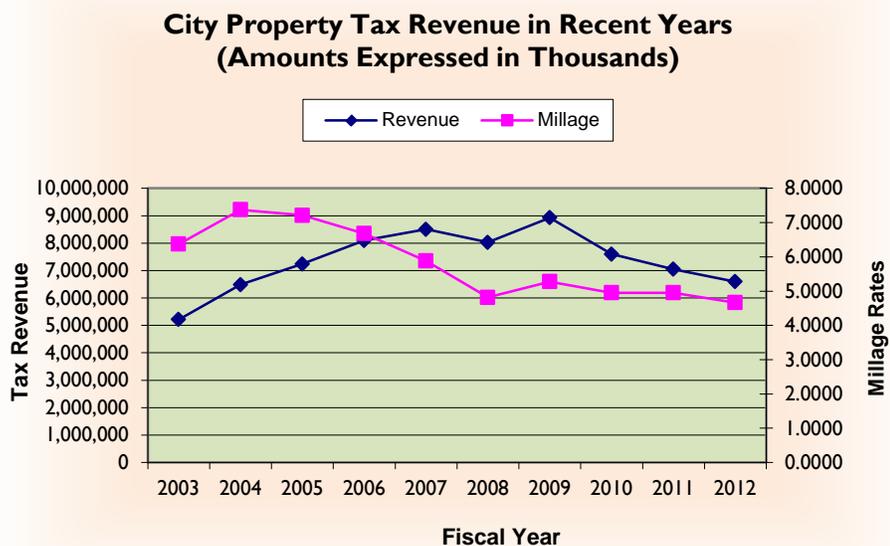


## PROPERTY TAXES

For FY 2012, a South Miami property owner with the median home assessed value of \$269,180 less the \$50,000 homestead paid \$79.71 each month for City services. The below monthly breakdown illustrates how this amount is divided among various City Departments.

DEPARTMENT	MONTHLY BREAKDOWN
City Commission	\$0.45
City Manager	\$7.68
City Clerk	\$1.32
Legal	\$2.19
Finance	\$4.23
Building & Planning	\$5.91
Police	\$31.07
Public Works	\$19.68
Parks & Recreation	\$5.40
Non-Departmental	\$1.79
	\$79.71

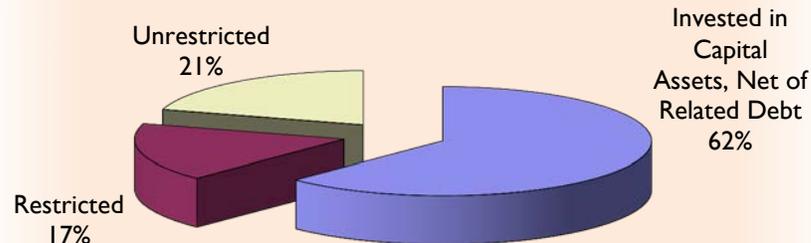
The City experienced growth in property tax revenue from 1999 to 2007. However, over the last four fiscal years, the City's property tax revenue decreased from 2007 to 2012 due to property tax relief implemented by the State of Florida and an overall decline in the real estate market. The 2012 property tax revenue of \$6,596,957 represents a 6% decrease over the previous year's property tax revenue.





## NET ASSETS

Net assets represent the difference in total assets and total liabilities. Increases and decreases in net assets over time may serve as a useful indicator of whether the City's financial position is improving or deteriorating. Net assets are comprised of three categories: invested in capital – net of related debt, restricted net assets, and unrestricted net assets.

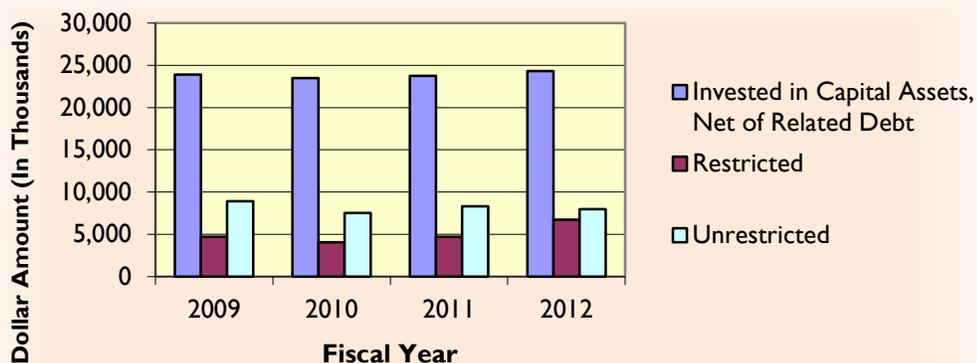


**Invested in Capital - Net of Related Debt** is the value of capital assets, less any outstanding debt attributed to the acquisition, construction, or improvement of capital assets. As of September 30, 2012, the City's invested in capital - net of related debt net assets amounted to \$24,317,650.

**Restricted net assets** is that portion of net assets that have constraints that are externally imposed by creditors, grantors, contributors, law/regulation of other governments or imposed by law through constitutional provisions/enabling legislation. As of September 30, 2012, the City's restricted net assets amounted to \$6,719,595.

**Unrestricted net assets** is the remaining net assets that is neither restricted nor invested in capital assets - net of related debt. Unrestricted net assets represent that portion of net assets that is available for spending in future years. As of September 30, 2012, the City's unrestricted net assets amounted to \$7,956,237.

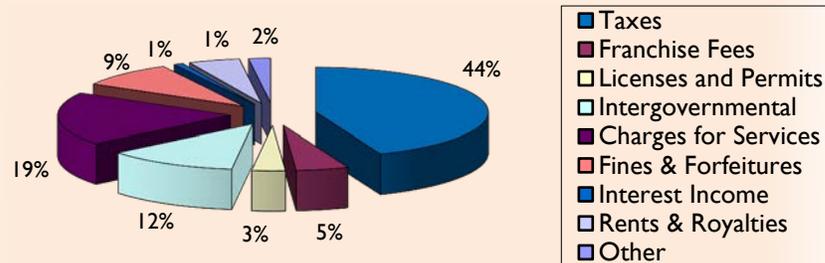
Total net assets amounted to \$38,993,482, an increase of \$2,222,092 from the previous year. The majority of the increase in governmental activities net assets is due to the decrease in operating expenses in spite of the property tax revenue decreases.





## GOVERNMENTAL FUNDS – REVENUES

The City maintained 10 individual governmental funds. The governmental funds reflect the City's basic services, including public safety, transportation, general government administration, physical environment, and culture and recreation. The majority of services are financed through shared state sales tax, local utility tax, property tax and direct charges for services. The largest revenue source for the City is taxes (44%). The second largest revenue source is charges for services (19%).



### Taxes

The taxes category includes property tax collected from property owners based upon the assessed valuation of the property and the tax rate; utility tax, taxes on the purchase of utility services including electric, water, gas, and telecommunications; and local business tax receipts.

### Franchise Fees

Fees charged to providers for the privilege of having the franchise. Franchise fees are billed for electric, solid waste, gas, and towing.

### Licenses and Permits

Revenues received for occupational building and planning permits.

### Intergovernmental

The combined resources received from other governments in the form of grants, entitlements, state shared revenue, sales tax and gas tax.

### Charges for Services

The combined resources of various departments for fees paid by the public, such as recreation fees and parking fees.

### Interest Income

Interest earned on investments. The City invests in certificates of deposits, treasuries and federal agencies as allowed by state statutes and City policy.

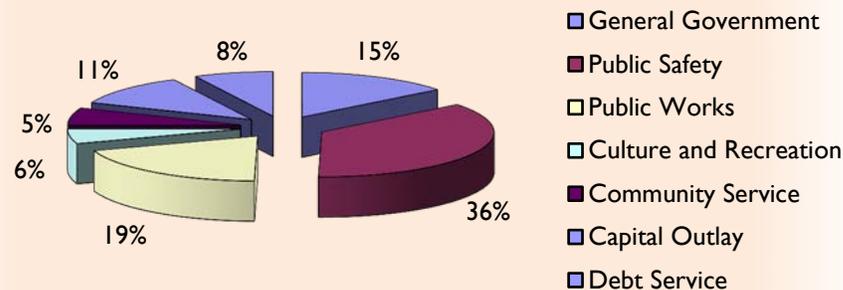
### Other

Revenues received that do not fall into the above designated categories, such as insurance proceeds and sale of surplus property.



## GOVERNMENTAL FUNDS – EXPENDITURES

Shown in the graph below are the City of South Miami's expenditures during 2012 totaling \$19,699,872. Public Safety accounted for the largest part of the expenditures at \$7,071,250 or 36% of the total expenditures. General Government accounted for \$2,837,752 or 14% of the total expenditures.



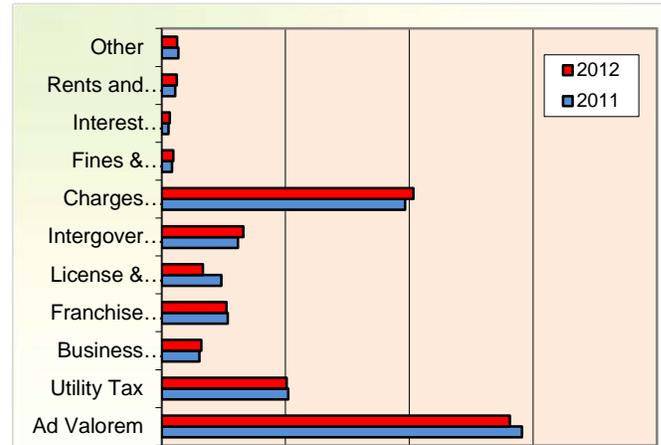
- General Government** Expenditures that are incurred for administrative services including the City Commission, City Manager, City Attorney, Finance, Information Technology, Human Resources, and City Clerk.
- Public Safety** Expenditures associated with providing public safety services including police, fire, emergency medical services, building inspections, and code enforcement.
- Public Works** Expenditures reflect the costs incurred for planning functions and the costs associated with maintaining public infrastructure such as City roads, medians, parks and City facilities.
- Culture and Recreation** Expenditures reflect the expenses associated with services that enhance the culture of the community, such as recreation, sports, fitness, and special events.
- Debt Service** Expenditures to pay the principal and interest payments related to the City's long-term debt.



## GENERAL FUND – REVENUES

**GENERAL FUND:** The General Fund is the general operating fund of the City of South Miami. It is used to account for all financial resources except those required to be accounted for in another fund. These activities are funded principally by property taxes from individuals and businesses, and charges for services.

Revenues	2011	2012
Ad Valorem	5,822,401	5,625,840
Utility Tax	2,041,512	2,020,473
Business Tax	606,054	640,860
Franchise Fees	1,066,317	1,047,915
License & Permits	963,991	667,219
Intergovernmental	1,230,475	1,320,645
Charges for Services	3,933,073	4,065,036
Fines & Forfeitures	165,377	187,560
Interest Income	108,846	129,365
Rents and Royalties	215,169	244,459
Other	269,699	247,982
	<b>16,422,914</b>	<b>16,197,354</b>



The above graph illustrates revenue for the General Fund during FY 2011 and 2012. Property taxes accounted for the majority of the revenue in the General Fund followed by Charges for Services.

From 2011 to 2012, property tax revenues have decreased by 3%. This decrease in property tax revenue is attributed to the continued downward assessments of existing property values made by the Miami-Dade County Property Appraiser's Office and a 6% reduction in the City's tax rate.

Licenses & Permits decreased by 31% mostly due to a large construction and renovation project at the South Miami Hospital in the previous fiscal year.

Charges for Services increased by 25% mainly due to the installation of new multi-space parking pay stations and an increase in the parking hourly rate. Additionally, there was an increase in collections due to a continued improvement collection efforts.

Interest Income increased because of interest rate earnings potential on current investments increasing due to a negotiated rate with the City's bank.

Rents and Royalties decreased due to the creation of the debt service fund which now records the rents earmarked to pay down existing debt.



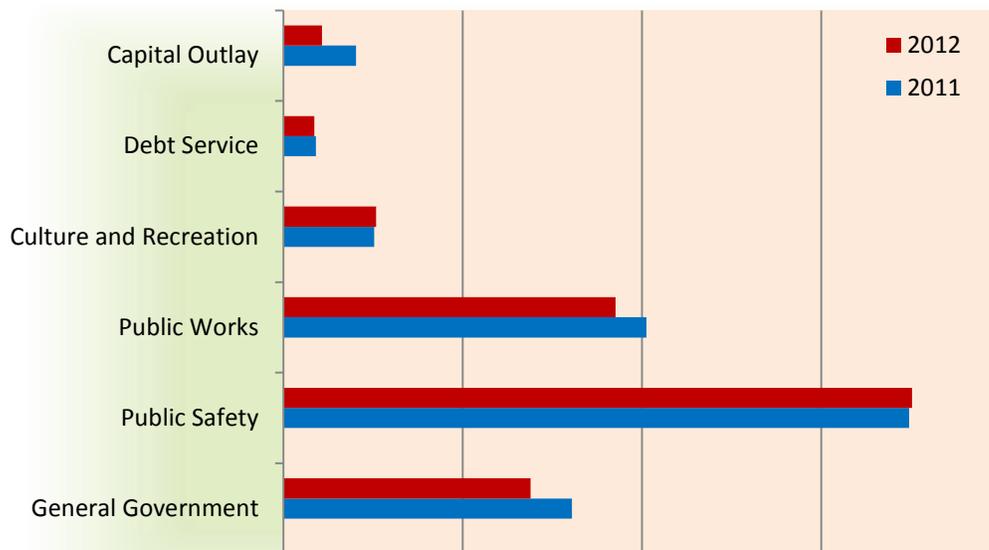
## GENERAL FUND – EXPENDITURES

The General Fund accounts for the normal recurring activities of the City (including general government, public safety, public works, and parks and recreation). The General Fund is used to fund police services, fire/rescue services, parks maintenance, among other essential functions of the City of South Miami.

Expenses	2011	2012
General Government	3,217,491	2,754,946
Public Safety	6,980,896	7,014,325
Public Works	4,048,515	3,704,704
Culture and Recreation	1,010,842	1,034,205
Debt Service	360,025	342,245
Capital Outlay	807,766	427,488
	16,425,535	15,277,913

Compared to the previous year, expenditures decreased approximately 7% to \$15,277,913. Overall, the decrease is a result of the City’s proactive approach to reduce costs during the current economic environment and reduction in capital outlay. The City implemented several cost reduction measures to offset increases in contract prices and personnel costs, including eliminating vacant positions, and privatizing certain divisions.

The graph below illustrates expenditures for the General Fund during 2011 and 2012. Public Safety accounted for approximately 46% of expenditures in the General Fund. The main reason for the increase in expenditure amount is due to Code Compliance, and Parking services being included in Public Safety.





## FINANCIAL POSITION STATEMENT

### Summary

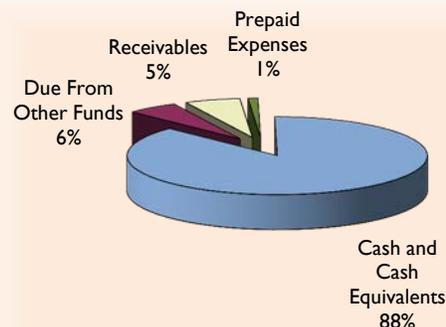
The Financial Position, known as the Balance Sheet, in accounting terms, provides a picture of the City of South Miami's financial position as of September 30, 2012.

#### ASSETS:

Cash and Cash Equivalents	\$17,033,811
Receivables	1,068,670
Due From Other Funds	1,156,992
Prepaid Expenses	203,854
Total Financial Assets	<u>19,463,327</u>

#### LIABILITIES:

Amounts Due to Employees & Vendors	1,790,864
Due to Other Funds	1,156,992
Deferred Revenue	374,848
Other Financial Obligations	263,044
Total Financial Liabilities	<u>3,585,748</u>
TOTAL FUND BALANCES	<u>15,877,579</u>



**Cash** is the amount of physical cash held in City of South Miami bank accounts for the purpose of paying expenses.

**Investments** are made up of securities such as certificates of deposits and U.S. Treasuries purchased to earn interest on excess/reserved cash.

**Receivables** represent the amounts which are owed to the City of South Miami and are expected to be paid to the City over the course of the next twelve months.

**Due from Other Governments** represent the amounts that are owed to the City of South Miami from other government agencies and are expected to be paid to the City over the course of the next twelve months.

**Prepaid Expenses** represent expenses prepaid by the City.

**Amounts due to employees and vendors** are those items that the City of South Miami owes to individuals and companies who supply services or goods and the expected payments are to be made within twelve months.

**Deferred Revenue** represents the Local Business Tax License revenues, which are collected in the existing fiscal year and reflected as revenue in the following fiscal year.

**Other Financial Liabilities** represents the amount that the City of South Miami borrowed to undertake capital projects. This amount is estimated to be paid within one year.



## SUMMARY OF CAPITAL ASSETS

Capital Assets are defined as land, buildings, improvements, equipment, and infrastructure owned by the City of South Miami and purchased by each department as needed. This summary is the total dollar amount held by the City of South Miami as of September 30, 2011.

CAPITAL ASSET	2011	2012
Land	14,649,084	14,689,068
Construction in Progress	47,225	47,225
Building & Improvements	15,673,213	15,313,020
Machinery & Equipment	2,249,998	2,535,684
Land Improvements	285,955	248,755
Infrastructure	6,902,865	6,685,027
Intangible Assets	217,272	304,288
	<u>40,025,612</u>	<u>39,823,067</u>

### Land

The amount listed is the total amount of land purchased and owned by the City of South Miami for government use.

### Building & Improvements

The amount listed is the cost of permanent structures such as City Hall, Public Works building, Recreation Complex, Community Center etc.

### Land Improvements

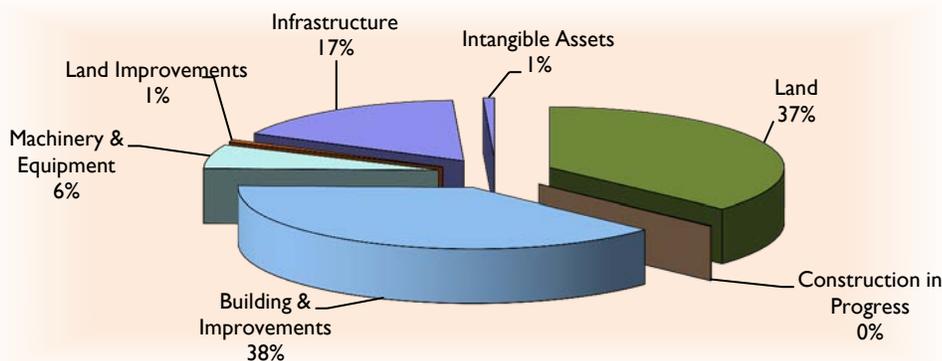
The cost of improvements made to City land and buildings.

### Machinery & Equipment

Includes the cost of all machinery, vehicles, office furniture, computers, etc. with a normal expected life of one year or more.

### Infrastructure

Includes the cost of all roads, bridges, medians, drainage systems, water and sewer systems, lighting systems, and other permanent improvements that add value to the land.



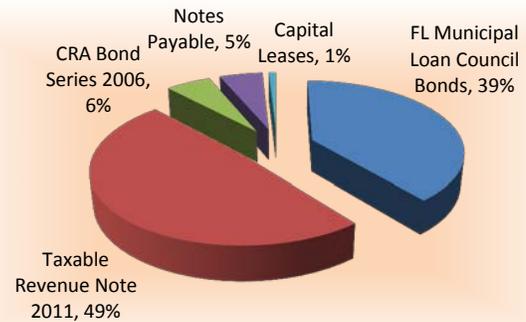


## DEBT STRUCTURE

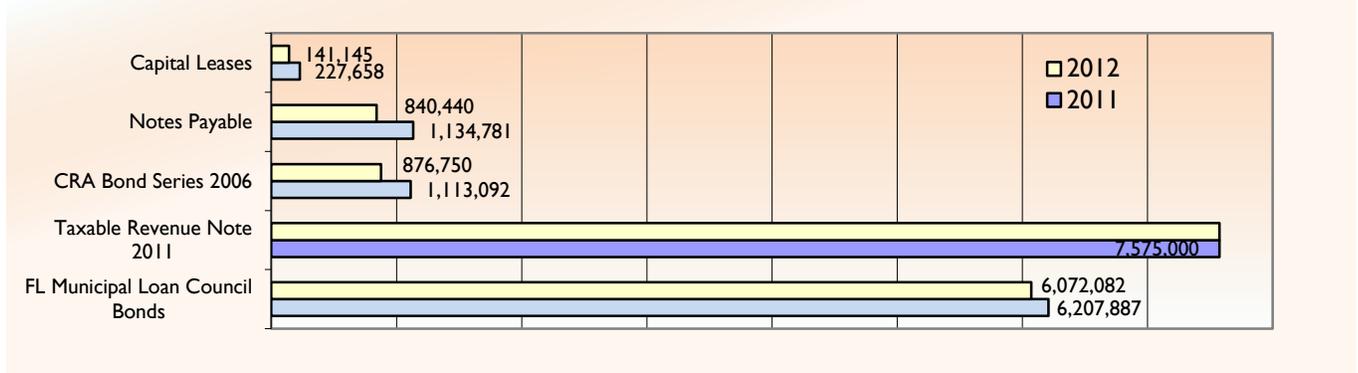
The City of South Miami utilizes the Florida Municipal Loan Program to issue long-term bonds in an effort of achieving greater economies of scale. The program offers many advantages to smaller municipal borrowers. The City receives a higher credit rating on the bonds; longer amortization schedules; lower cost of issuance and carrying costs; and the rates are fixed. The Florida League of Cities, as Administrator, handles all the administration, hiring of bond professionals, continuing disclosure, investment of proceeds, and arbitrage rebate calculations.

The table and graph below illustrates the City's long-term obligations as of September 30, 2011 and September 30, 2012.

Long Term Obligations	2011	2012
FL Municipal Loan Council Bonds	6,207,887	6,072,082
Taxable Revenue Note 2011	7,575,000	7,575,000
CRA Bond Series 2006	1,113,092	876,750
Notes Payable	1,134,781	840,440
Capital Leases	227,658	141,145
	<u>16,258,418</u>	<u>15,505,417</u>



The table below represents the City's annual financial obligations for our outstanding revenue notes payable and notes payable.



### Total Debt Service Requirements

The following is a summary of changes in long-term liabilities of the City for governmental activities for the year ended September 30, 2012:

Governmental Activities	Beginning Balance	Additions	Reductions	Ending Balance	Due within One Year
FL Municipal Loan Council Bonds	6,995,000	0	185,000	6,810,000	190,000
Taxable Revenue Note, Series 2011	7,575,000	0	0	7,575,000	365,000
CRA Bond Series 2006	1,113,092	0	236,342	876,750	250,821
Notes payable	1,134,781	0	294,341	840,440	434,752
Capital leases	227,658	0	86,513	141,145	45,566
Compensated Absences	1,328,717	728,358	977,058	1,080,017	291,183
Deferred Loss on Early Retirement of FLMC Bonds	(787,113)	0	49,195	(737,918)	0
	<u>17,587,135</u>	<u>728,358</u>	<u>1,828,449</u>	<u>16,585,434</u>	<u>1,577,322</u>



## OTHER INFORMATION

### TOP 10 PRINCIPAL PROPERTY TAXPAYERS

(amounts expressed in thousands)

**2012**

Taxpayer	Assessed Valuation	Rank	% Total Valuation
Bakery Associates, Ltd.	\$ 89,200	1	6.25%
RRC 57th Avenue LLC	36,000	2	2.52%
South Miami Corp.	19,585	4	1.37%
S. Miami Hospital Dev Fund Inc.	18,900	3	1.32%
JW Advance LLC	17,848	5	1.25%
Capstone Capital Trust, Inc.	14,200	8	1.00%
Larkin Community Hospital, Inc.	13,709	7	0.96%
Kimco South Miami 634 Inc.	13,100	6	0.92%
Promed Sunset LLC	12,267	9	0.86%
Florida Power & Light Company	12,076	10	0.85%
	<u>\$ 246,885</u>		<u>17.30%</u>

### PROPERTY TAX RATES

FY	City	County	School	Other	TOTAL
2003	6.3730	9.4260	9.2520	0.7355	<b>25.7865</b>
2004	7.3730	9.9010	9.1000	0.7355	<b>27.1095</b>
2005	7.2130	9.8112	8.6870	0.7355	<b>26.4467</b>
2006	6.6810	9.6958	8.4380	0.7355	<b>25.5503</b>
2007	5.8810	9.4593	8.1050	0.7355	<b>24.1808</b>
2008	4.8180	7.9198	7.9480	0.6585	<b>21.3443</b>
2009	5.2790	8.1534	7.7970	0.6585	<b>21.8879</b>
2010	4.9526	8.2322	7.9950	0.6585	<b>21.8383</b>
2011	4.9526	9.2518	8.2490	0.6585	<b>23.1119</b>
2012	4.6662	8.2322	8.0050	0.4708	<b>21.3742</b>
2013	4.3639	8.1237	7.9980	0.4634	<b>20.9490</b>

### PROPERTY ASSESSED VALUE

(amounts expressed in thousands)

Fiscal Year	Real Property	Personal Property	Total Assessed Value
2003	733,156	85,367	818,523
2004	798,292	81,734	880,026
2005	919,791	83,712	1,003,503
2006	1,125,391	86,708	1,212,099
2007	1,363,371	82,658	1,446,029
2008	1,579,948	86,150	1,666,098
2009	1,621,815	69,137	1,690,952
2010	1,455,867	78,411	1,534,278
2011	1,350,917	71,712	1,422,629
2012	1,347,024	66,751	1,413,775
2013	1,362,014	64,823	1,426,837

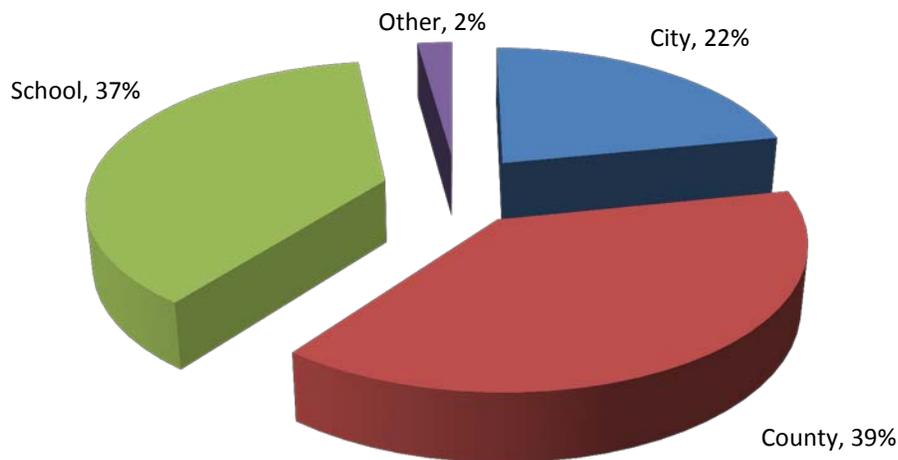


## OTHER INFORMATION (CONT)

### TOP TEN INDUSTRIES

- 1 HEALTHCARE
- 2 RETAIL
- 3 AUTO BODY SHOPS
- 4 RESTAURANTS
- 5 BEAUTY SALONS
- 6 LEGAL SERVICES
- 7 BANKS
- 8 PHARMACY
- 9 FITNESS FACILITIES
- 10 REAL ESTATE

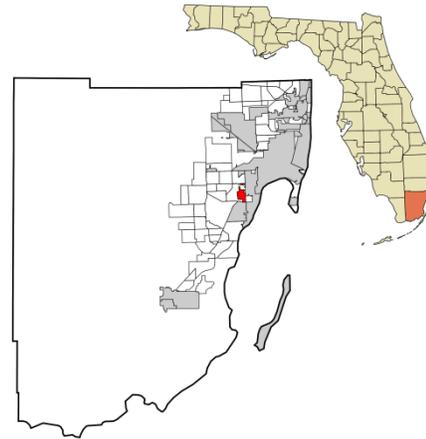
For fiscal year 2012, the total property tax rate for each property owner in the City was 21.3742. The majority of the property tax paid went to Miami-Dade County (8.2322) with the second most going to the School (8.0050). As illustrated below, the City's tax rate represents 21% of the total property tax bill.





## INTERESTING INFORMATION

Quick Facts 2010 Census	
Population:	11,657
Pop. Change:	8.53%
State:	Florida
Metro Area:	Miami-Fort Lauderdale- Miami Beach Metro Area
County:	Miami-Dade County
City:	South Miami



Category	Number			% in Total Population			% Change 2000-2010		
	Total	Male	Female	Total	Male	Female	Total	Male	Female
<b>Total</b>	<b>11,657</b>	<b>5,721</b>	<b>5,936</b>	<b>100</b>	<b>49.08</b>	<b>50.92</b>	<b>8.53</b>	<b>10.68</b>	<b>6.53</b>
Median Age	36.7	34.8	38.7	N/A	N/A	N/A	N/A	N/A	N/A
• 16 and Over	9,579	4,643	4,936	82.17	39.83	42.34	N/A	N/A	N/A
• 18 and Over	9,303	4,499	4,804	79.81	38.59	41.21	12.07	14.13	10.21
• 21 and Over	8,622	4,167	4,455	73.96	35.75	38.22	8.15	N/A	N/A
• 62 and Over	1,851	780	1,071	15.88	6.69	9.19	7.18	N/A	N/A
• 65 and Over	1,520	621	899	13.04	5.33	7.71	3.83	9.91	0

Category	Number	% in Total	
		Housing Units	% Change 2000-2010
<b>Total housing units</b>	<b>5,174</b>	<b>100</b>	<b>16.09</b>
Total: Occupied housing units	4,699	90.82	9.25
Owner-occupied housing units	2,573	49.73	-3.74
Renter-occupied housing units	2,126	41.09	30.59
Population in occupied housing units: Owner-occupied housing units	7,052		
Population in occupied housing units: Renter-occupied housing units	4,507		
Occupied housing units Average household size: Owner-occupied	2.7		
Occupied housing units Average household size: Renter-occupied	2.1		

**Average household size            2.46**  
**Average family size                3.16**

Information provided above was obtained at [HTTP://WWW.LEDGERDATA.COM/CENSUS/FLORIDA/SOUTH-MIAMI-CITY/67550](http://www.ledgerdata.com/census/florida/south-miami-city/67550)



## CITY OF SOUTH MIAMI DIRECTORY

### Contact Us

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#### CITY MAYOR & COMMISSION

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#### OFFICE OF THE CITY CLERK

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#### DEPARTMENT OF FINANCE

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#### OFFICE OF HUMAN RESOURCES

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[PERSONNEL@SOUTHMIAMI.FL.GOV](mailto:PERSONNEL@SOUTHMIAMI.FL.GOV)  
Job Hotline: (305) 668-2516

#### PARKS & RECREATION DEPARTMENT

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Emergency Call 911

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### INTERESTED IN MORE FINANCIAL INFORMATION?

#### Alfredo Riverol, CFO



The information in this report is drawn from the City of South Miami Comprehensive Annual Financial Report (CAFR) for the fiscal year ended September 30, 2012 which may be accessed at [WWW.SOUTHMIAMI.FL.GOV](http://WWW.SOUTHMIAMI.FL.GOV). This report's financial data is consistent with Generally Accepted Accounting Principles (GAAP).

The City's financial statements are designed to provide South Miami citizens, taxpayers, customers, investors, and creditors with a general overview of City finances and to demonstrate the City's accountability of the resources it receives and expends.

I would like to give thanks to the finance staff, all City Departments and the City's Auditors, which helped provide the necessary information in create the City's second ever Popular Annual Financial Report. Please review the CAFR online, or email Alfredo Riverol, [ariverol@southmiamifl.gov](mailto:ariverol@southmiamifl.gov), to request a copy.

City Commission meetings are held the first and third Tuesday of every month.