

# FINANCE

## DEPARTMENT MISSION STATEMENT

We are dedicated to providing financial management and policy support, analytical services, and financial information to the City Manager, City Departments, the general public and others.

## DEPARTMENT DESCRIPTION

The Finance Department seeks the most efficient and effective use of City funds; develops, analyzes and presents information about City finances to City departments, the public, the press, bond rating agencies, and other interested parties. It also works with the City's financial advisors, underwriters and bond counsel to prepare and implement the City's financing strategies. The Customer Service Center provides services to residents and visitors including a call center, utility billing, Business Tax Receipts, parking permits, resort tax collections, lien searches, and cashing.

The major duties and responsibilities of the Department are:

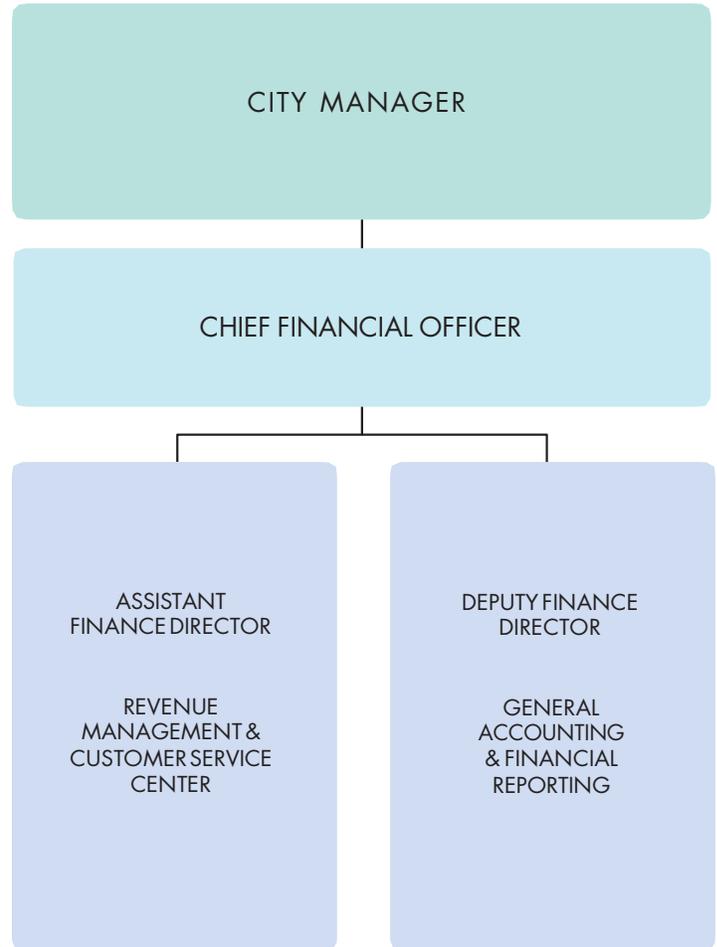
- Managing the City's financial cycle of billing, receipting, disbursements, recording and reporting
- Managing the City's investments, debt, treasury and financing functions
- Managing the City's One Stop Shop – Customer Service Center

The Chief Financial Officer is responsible for all services and duties of the Finance Department. The Chief Financial Officer reports directly to the City Manager and is supported by a Deputy Finance Director and an Assistant Finance Director.

The duties of the Chief Financial Officer include:

- Providing policy support
- Establishing financial strategies
- Supporting management directives
- Giving departmental directions

The Chief Financial Officer additionally serves as the City's Liaison to the Finance and Citywide Projects Committee and Budget Advisory Committee, serves on the Finance Committee of the Greater Miami Convention & Visitors Bureau, and is a trustee for the Miami Beach Employees' Retirement Plan. The Deputy Finance Director serves as the City's Liaison to the Health Facilities Authority Board. Finance Staff also serve on the Other Post-Employment Benefits (OPEB), Miami City Ballet, and Fireman's Relief Pension Fund Boards.



## FISCAL ENVIRONMENT

The Finance Department is directly supported by the following five funding sources:

- General Fund
- Water and Sewer Fund
- Resort Tax Fund
- Parking Department Fund
- Storm Water Fund

The General Fund charges an administrative fee to Enterprise Fund departments, the Redevelopment Agency (RDA), and Resort Tax Fund to cover the cost of various administrative support functions provided by the General Fund.



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## STRATEGIC ALIGNMENT

Main Vision Area:

### Organizational Innovation

Management Objectives:

- **Organizational Innovation**
  - Support all objectives to improve decision making and financial stewardship, making the city more business friendly, with an employee culture of problem solving and engagement
  - Implement the General Obligation (GO) Bond
  - Maximize the use of innovative technology



Strategic Plan Actions:

- **MAKE** 50% of all customer (and financial) transactions with the City available online within two years

Budget Enhancement Actions:

- N/A

Resilient305 Actions:

- **PLANNING** Efficiently & Effectively Together
- **FINANCING** a Resilient Future
- **THE POWER** of Purchasing
- **PILOT** Resilience Financing Decisions Toolkit
- **DEMONSTRATE** the Costs and Benefits of Resilience Improvements

## BUSINESS ENVIRONMENT

The Finance Department:

- Provides financial management and procedural support to the Mayor and City Commission, City Manager’s Office and all City departments
- Is responsible for fair and accurate record keeping and reporting of the financial position of the City in accordance with Generally Accepted Accounting Principles
- Provides staff support to the Finance and Citywide Projects Committee, the Health Facilities Authority, and others
- Operates the One-Stop Shop Customer Service Center

## SIGNIFICANT ACCOMPLISHMENTS

- Successfully issued the first tranche of the \$439 million General Obligation (G.O.) bond program totaling \$162 million, with lower than anticipated interest rates, which generated \$28 million of savings to our residents in lower total payments over the 30 year life of the bonds. Also successfully refunded prior G.O. bond debt, which generated a savings of \$4.9 million.
- Maintained the City’s strong credit ratings of AA+ (Standard & Poor’s) and Aa2 (Moody’s) reflecting the recent inclusion of climate change risk to the ratings criteria by both agencies.
- Enhanced utility bills to include billing information for up to 25 meters (from 2 meters) and additional information such as type of meter, size of meter, and overall 12 month usage chart. In addition, customers are now able to opt-in for electronic bills (E-bills) distributed through e-mail instead of receiving paper bills through the mail.

**Successfully issued the first tranche of the \$439 million General Obligation Bond program and implemented new user-friendly enhancements at the Customer Service Center**

- Implemented new enhancements at the Customer Service Center including: providing average wait times for several different types of transactions at the lobby, website, and mobile app; a new dedicated express lane to facilitate a faster turnaround for simple transactions; and the ability to schedule appointments via the website, greeter station, call-in, and mobile app.
- Enhanced the Resort Tax system software to be compatible with all web browsers, ability to reset passwords via e-mail, mobile friendly, ability to manage multiple resort tax accounts under the same profile (useful for accountants with multiple clients), and provide multiple log-ins for an account (owners can assign a login to their accountant or representative).

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## SIGNIFICANT ACCOMPLISHMENTS CONT'D

- Issued the September 30, 2018 Comprehensive Annual Financial Report (CAFR) with an unmodified (clean) audit opinion provided by our independent external auditors and the Annual Audit Report with no findings reported by the external auditors.
- Developed a new stand-alone landing page for the Customer Service Center on the City's website accessible within 2 clicks to facilitate easy access and information for all of the offered services. The site also includes the newly available average wait time by transaction. <https://www.miamibeachfl.gov/city-hall/customer-service-center>
- Completed a comprehensive update of the City's Investment Policy and was one of only two municipalities in the State of Florida to have their Investment Policy assigned a AAAf/S1 rating by Standard & Poor's and was one of only 208 applicants to be approved in the last 10 years by the Association of Public Treasurers of the USA and Canada.
- Continually review and strengthen internal controls from implementation of recommendations from BDO report, Crowe-Horwath annual audit recommendations, SunTrust Bank Treasury Process Review, and Internal Audit's review as well as strengthening internal controls and security along with processes and procedures around assets, receipts, disbursements and reporting. Upgraded security cameras, alarm systems, and motion detectors for the safeguarding of City assets.
- Awarded for the thirty-first (31st) consecutive year the Government Finance Officer Association (GFOA) and the United States and Canada Certificate of Achievement for Excellence in Financial Reporting for the City's September 30, 2018 Comprehensive Annual Financial Report (CAFR).

## CRITICAL SUCCESS FACTORS

- Continued involvement in the training of City staff as it relates to Munis accounts payable, general ledger, purchasing, budget, accounts receivable, grants compliance and project accounting modules
- Achieving lower financing interest rates by maintaining or improving our bond ratings.
- Ensure staff is consistent and dependable in delivering exceptional and timely customer services in the Customer Service Center
- Maintaining internal controls and security along with processes and procedures around assets, receipts, disbursements and reporting

## FUTURE OUTLOOK

During FY 2020, major processes will continue to be reviewed such as Business Tax Receipt (BTR) and Resort Tax processes to identify opportunities to increase efficiency and effectiveness. In addition, activity drivers for phone calls and walk-ins will be streamlined in the Customer Service Center to drive business on-line and/or reduce the need for residents/visitors to contact the City directly.

Other significant items include coordinating financial aspects of the implementation of the General Obligation (GO) Bond program approved on November 6, 2018 and pursuing the FEMA reimbursement process for Hurricane Irma.

The financial trends indicate a positive outlook for the next five years. This is based on the City's:

- Sustained financial performance
- Established fiscal policies
- Strong reserve levels
- Well managed financial operations
- Manageable debt load
- Conservative budgeting process
- Solid tourism/entertainment based economy

