

EXHIBIT 1-A

NORTH MIAMI COMMUNITY REDEVELOPMENT AGENCY

Community Redevelopment Agency

FY 2006 - 2007 Proposed Budget (round all dollars to nearest \$100)

(FY 06-07 begins October 1, 2006)

September 26, 2006

	FY 04-05 Audited Actual	FY 05-06 Budget Adopted	FY 05-06 Budget Amended	FY 05-06 Projection	FY 06-07 Budget Proposed
Revenues					
City Tax Increment Revenue		1,461,825	1,461,825	1,461,825	3,992,309
County Tax Increment Revenue		1,003,500	1,003,500	1,003,500	2,651,341
Carryover from prior year		-	-	-	610,860
All other revenues (City Advance)		1,400,000	250,000	218,500	250,000
Transfers in from others (City CDBG)		400,000	-		
(LINE OF CREDIT - Pioneer Gardens)		-	300,000		1,545,600
Interest earnings		-		59,024	105,204
Miscellaneous				170	
Revenue Total	-	4,265,325	3,015,325	2,743,019	9,155,314
Expenditures					
Administrative Expenditures:					
Employee salary and fringe		448,400	224,660	222,854	302,115
Legal and professional services		110,000	130,000	223,519	-
Insurance		3,500	16,105	13,039	-
Audits and studies		2,500	10,000	1,230	-
Printing and publishing		10,000	10,000	4,439	-
Marketing		10,000	10,000	5,600	-
Advertising and notices		4,000	4,000	315	-
Rent/lease costs		45,500	45,500	22,894	-
Office equipment and furniture		18,000	18,000	12,035	25,000
Other Admin. Exps (see budget page 10-11)		134,800	134,800	32,242	385,910
(A) Subtotal Admin Expenses, %	-	786,700	603,065	538,166	713,025
County Administrative Charge at 1.5%		15,053	15,053	15,053	39,770
(B) Subtot Adm Exp & County Charge	-	801,753	618,117	553,219	752,795
Operating Expenditures:					
Employee salary and fringe		96,000	223,740	182,926	396,318
Contractual services		-	115,000	54,400	-
Audits and studies		-	35,000	42,815	-
Special events		40,000	40,000	42,184	-
Legal services/court costs		25,000	150,000	96,653	-
Land/building acquisitions		700,000	-	-	-
Project Planning and Studies		-	-	-	355,000
Economic Development Loans & Grants		300,000	200,000	-	857,500
Economic Development - Downtown		-	100,000	86,500	550,000
Affordable Housing - Developer Incentives		-	-	-	500,000
Affordable Housing Rehab Loans & Grants		800,000	-	-	602,950
Affordable Housing Homebuyer Subsidies		-	-	-	200,000
Affordable Housing (Pioneer Gardens)		400,000	450,000	73,262	1,572,338
Debt service (Pioneer Gardens LOC)		-	52,000	-	105,733
Repayment to City on Agency Creation		-	-	-	450,000
Repayment to City on Current Advance		-	-	218,500	250,000
Transfers out to others (COUNTY)		785,800	781,468	781,468	2,437,680
Other Oper. Exps (see budget page 12)		-	-	232	125,000
(C) Subtotal Oper. Expenses	-	3,146,800	2,147,208	1,578,940	8,402,519
(D) Reserve/Contingency	-	316,773	250,000	-	(0)
Expenditure Total (A+B+C+D)	-	4,265,325	3,015,325	2,132,159	9,155,314
Cash Position (Rev-Exp)	-	-	-	610,860	-

NORTH MIAMI COMMUNITY REDEVELOPMENT AGENCY

**FINANCIAL STATEMENTS
COMPILED**

June 30, 2006

NORTH MIAMI COMMUNITY REDEVELOPMENT AGENCY

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NORTH MIAMI COMMUNITY REDEVELOPMENT AGENCY
615 NE 124TH AVENUE
NORTH MIAMI, FLORIDA 33161

MANAGEMENT'S COMPILATION REPORT

We have compiled the accompanying balance sheets of the North Miami Community Redevelopment Agency as of June 30, 2006, and the related statements of revenues, expenditures and changes in fund balances (actual compared to budget) for the periods then ended. A compilation is limited to presenting in the form of financial statements information that is the representation of management.

Management has elected not to include certain accruals that are under review and are intended to be posted at fiscal year end, and as disclosed in the accompanying notes to the financial statements. The accompanying notes to the financial statements are not intended to make all disclosures required by generally accepted accounting principles.

These financial statements are a management report. Certain information when represented as audited financial statements may appear differently, but the results are intended to be the same.

NORTH MIAMI COMMUNITY REDEVELOPMENT AGENCY

August 10, 2006
North Miami, Florida

**NORTH MIAMI COMMUNITY REDEVELOPMENT AGENCY
CONSOLIDATED
BALANCE SHEET
June 30, 2006**

ASSETS AND OTHER DEBITS

ASSETS:

Equity in Pooled Cash and Investments	\$	1,909,099	
Cash - Operating		<u>178,737</u>	
TOTAL ASSETS AND OTHER DEBITS	\$		<u><u>2,087,836</u></u>

LIABILITIES AND FUND BALANCE

LIABILITIES

Advances from Other Governments:		-	
Long-Term Debt:		<u>-</u>	
Total Liabilities			<u>-</u>

FUND BALANCE AND OTHER CREDITS

Fund Balances:			
Current Year Excess (Deficiency) of Revenues Over Expenditures	\$	<u>2,087,836</u>	
Total Fund Balance and Other Credits			<u><u>2,087,836</u></u>

TOTAL LIABILITIES AND FUND BALANCE	\$		<u><u>2,087,836</u></u>
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SEE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS

NORTH MIAMI COMMUNITY REDEVELOPMENT AGENCY

CONSOLIDATED
STATEMENT OF REVENUES AND EXPENDITURES
BUDGETED AND ACTUAL

FOR SIX MONTH PERIOD ENDING JUNE 30, 2006

	Revised Budget	Actual - YTD	Variance Favorable (Unfavorable)
REVENUES			
Tax Increment Revenues:			
City of North Miami	1,461,825	1,461,825	-
Miami-Dade County	1,003,500	1,003,500	-
Other:			
Interest and Earnings	-	40,396	40,396
Miscellaneous Income	-	20	20
Total Revenues	<u>2,465,325</u>	<u>2,505,741</u>	<u>40,416</u>
EXPENDITURES			
Personnel Services:			
Salaries & Wages	357,839	260,660	97,179
Fringe Benefits	90,561	20,501	70,061
Total Personnel Services	<u>448,400</u>	<u>281,161</u>	<u>167,239</u>
Operating Expense:			
Professional Services	533,800	271,873	261,927
Other Services	1,000	2,837	(1,837)
Insurance	16,105	7,539	8,566
Marketing and Promotion	50,000	14,982	35,018
Printing and Reproduction	10,000	3,696	6,304
Communications	12,000	4,134	7,866
Leases and Rentals	45,500	16,950	28,550
Repair & Maintenance	-	750	(750)
Supplies	2,000	6,459	(4,459)
Utilities	-	9	(9)
Non-Local Travel	10,000	458	9,542
Local Meetings and Schools	-	523	(523)
Dues and Memberships	20,000	1,720	18,280
Total Operating Expenses	<u>700,405</u>	<u>331,929</u>	<u>368,476</u>
Capital Outlay:			
Office Furniture	8,000	3,257	4,743
Computer Equipment	8,000	3,828	4,172
Other Office Equipment	2,000	1,177	823
Total Capital Outlay	<u>18,000</u>	<u>8,263</u>	<u>9,737</u>
TOTAL OPERATING EXPENDITURES	<u>1,166,805</u>	<u>621,352</u>	<u>545,453</u>
OTHER EXPENDITURES			
Service Charge-County Administrative Fee	15,053	15,053	-
Refunds-County Tax Increment Payment (Partial)	781,468	-	(781,468)
TOTAL OTHER EXPENDITURES	<u>796,521</u>	<u>15,053</u>	<u>(781,468)</u>
TOTAL EXPENDITURES	<u>1,963,326</u>	<u>636,405</u>	<u>(236,015)</u>
EXCESS REVENUES OVER (UNDER) EXPENDITURES	<u>501,999</u>	<u>1,869,336</u>	<u>276,431</u>
OTHER FINANCING SOURCES (USES)			
City Advance:			
Proceeds from Advance	250,000	218,500	31,500
Repayments on Advance	-	-	-
Loan Proceeds:			
TIF Line of Credit Loan Proceeds	300,000	-	300,000
Operating Transfers In (Out):			
General Fund	1,065,740	1,065,740	-
Capital Projects Fund	(1,065,740)	(1,065,740)	-
Debt Service Fund	-	-	-
Total Other Financing Sources (Uses)	<u>550,000</u>	<u>218,500</u>	<u>331,500</u>
EXCESS REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	<u>1,051,999</u>	<u>2,087,836</u>	<u>607,931</u>

SEE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS

**NORTH MIAMI COMMUNITY REDEVELOPMENT AGENCY
GENERAL FUND
BALANCE SHEET
June 30, 2006**

ASSETS AND OTHER DEBITS

ASSETS:

Equity in Pooled Cash and Investments	\$	1,080,172	
Cash - Operating		<u>178,737</u>	
TOTAL ASSETS AND OTHER DEBITS	\$		<u><u>1,258,909</u></u>

LIABILITIES AND FUND BALANCE

LIABILITIES

Advances from Other Governments:		<u>-</u>	
Total Liabilities			<u>-</u>

FUND BALANCE AND OTHER CREDITS

Fund Balances:			
Current Year Excess (Deficiency) of Revenues Over Expenditures	\$	<u>1,258,909</u>	
Total Fund Balance and Other Credits			<u>1,258,909</u>

TOTAL LIABILITIES AND FUND BALANCE	\$		<u><u>1,258,909</u></u>
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SEE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS

NORTH MIAMI COMMUNITY REDEVELOPMENT AGENCY

**GENERAL FUND
STATEMENT OF REVENUES AND EXPENDITURES
BUDGETED AND ACTUAL**

FOR SIX MONTH PERIOD ENDING JUNE 30, 2006

	<u>Revised Budget</u>	<u>Actual - YTD</u>	<u>Variance Favorable (Unfavorable)</u>
REVENUES			
Tax Increment Revenues:			
City of North Miami	1,461,825	1,461,825	-
Miami-Dade County	1,003,500	1,003,500	-
Other:			
Interest and Earnings	-	40,396	40,396
Miscellaneous Income	-	20	20
Total Revenues	<u>2,465,325</u>	<u>2,505,741</u>	<u>40,416</u>
EXPENDITURES			
Personnel Services:			
Salaries & Wages	205,660	185,201	20,459
Fringe Benefits	19,000	7,484	11,516
Total Personnel Services	<u>224,660</u>	<u>192,685</u>	<u>31,975</u>
Operating Expense:			
Professional Services	233,800	140,441	93,359
Other Services	1,000	755	245
Insurance	16,105	7,539	8,566
Marketing and Promotion	10,000	200	9,800
Printing and Reproduction	10,000	3,696	6,304
Communications	12,000	4,134	7,866
Leases and Rentals	45,500	16,950	28,550
Repair & Maintenance	-	750	(750)
Supplies	2,000	6,426	(4,426)
Non-Local Travel	10,000	458	9,542
Local Meetings and Schools	-	523	(523)
Dues and Memberships	20,000	1,720	18,280
Total Operating Expenses	<u>360,405</u>	<u>183,592</u>	<u>176,814</u>
Capital Outlay:			
Office Furniture	8,000	3,257	4,743
Computer Equipment	8,000	3,828	4,172
Other Office Equipment	2,000	1,177	823
Total Capital Outlay	<u>18,000</u>	<u>8,263</u>	<u>9,737</u>
TOTAL OPERATING EXPENDITURES	<u>603,065</u>	<u>384,539</u>	<u>218,526</u>
OTHER EXPENDITURES			
Service Charge-County Administrative Fee	15,053	15,053	-
Refunds-County Tax Increment Payment (Partial)	781,468	-	(781,468)
TOTAL OTHER EXPENDITURES	<u>796,521</u>	<u>15,053</u>	<u>(781,468)</u>
TOTAL EXPENDITURES	<u>1,399,586</u>	<u>399,592</u>	<u>(562,942)</u>
EXCESS REVENUES OVER (UNDER) EXPENDITURES	<u>1,065,739</u>	<u>2,106,149</u>	<u>603,358</u>
OTHER FINANCING SOURCES (USES)			
City Advance:			
Proceeds from Advance	250,000	218,500	31,500
Repayments on Advance	-	-	-
Operating Transfers In (Out):			
General Fund	-	-	-
Capital Projects Fund	(1,065,740)	(1,065,740)	-
Debt Service Fund	-	-	-
Total Other Financing Sources (Uses)	<u>(815,740)</u>	<u>(847,240)</u>	<u>31,500</u>
EXCESS REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	<u>249,999</u>	<u>1,258,909</u>	<u>634,858</u>

SEE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS

NORTH MIAMI COMMUNITY REDEVELOPMENT AGENCY

**CAPITAL PROJECTS FUND
STATEMENT OF REVENUES AND EXPENDITURES
BUDGETED AND ACTUAL**

FOR SIX MONTH PERIOD ENDING JUNE 30, 2006

	Revised Budget	Actual - YTD	Variance Favorable (Unfavorable)
REVENUES			
Other:			
Interest and Earnings	-	-	-
Miscellaneous Income	-	-	-
Total Revenues	-	-	-
EXPENDITURES			
Personnel Services:			
Salaries & Wages	190,179	75,460	114,719
Fringe Benefits	33,561	13,016	20,545
Total Personnel Services	223,740	88,476	135,264
Operating Expense:			
Professional Services	300,000	131,432	168,568
Other Services	-	2,082	(2,082)
Marketing and Promotion	40,000	14,782	25,218
Supplies	-	33	(33)
Utilities	-	9	(9)
Total Operating Expenses	340,000	148,337	191,663
Capital Outlay:			
Office Furniture	-	-	-
Computer Equipment	-	-	-
Other Office Equipment	-	-	-
Vehicle Purchase	-	-	-
Total Capital Outlay	-	-	-
Capital Projects:			
Rucks Park	450,000	-	450,000
Area-Wide Business Assistance	200,000	-	200,000
Downtown Business Assistance	100,000	-	100,000
Total Capital Projects	750,000	-	750,000
Debt Service:			
Borrowing Costs	50,000	-	50,000
Interest Payment	2,000	-	2,000
Total Debt Service	52,000	-	52,000
TOTAL OPERATING EXPENDITURES	1,365,740	236,813	1,128,927
EXCESS REVENUES OVER (UNDER) EXPENDITURES	(1,365,740)	(236,813)	(1,128,927)
OTHER FINANCING SOURCES (USES)			
Loan Proceeds:			
TIF Line of Credit Loan Proceeds	300,000	-	300,000
Operating Transfers In (Out):			
General Fund	1,065,740	1,065,740	-
Capital Projects Fund	-	-	-
Debt Service Fund	-	-	-
Total Other Financing Sources (Uses)	1,365,740	1,065,740	300,000
EXCESS REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	-	828,927	(828,927)

SEE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS

NORTH MIAMI COMMUNITY REDEVELOPMENT AGENCY
NOTES TO FINANCIAL STATEMENTS
June 30, 2006

NOTE 1 – The North Miami Community Redevelopment Agency is a newly formed entity created under Florida Statutes, Chapter 163, Part III. Its first year of operations commenced on October 1, 2005 with Fiscal Year 2005/06. At the October 1, 2005 commencement of the fiscal year, the Agency had no assets and no recognized liabilities.

NOTE 2 – Prior to the establishment of the Agency, the City of North Miami incurred costs over the three years preceding fiscal 2006 for the planning, organization and establishment of the Agency. These costs, preliminarily estimated at \$750,000, are under review by Agency staff. It is the Agency's intent to recognize supportable costs at the 2006 fiscal year end as long term debt, and make provision in future years for the repayment of this debt to the City of North Miami.

North Miami Community Redevelopment Agency

**General Fund
Schedule of Administrative Operating Expenditures
Budget to Actual
As of June 30, 2006**

	Revised Budget	Actual - YTD	Variance Favorable (Unfavorable)
EXPENDITURES			
Personnel Services:			
Salaries and Wages			
Regular Salaries & Wages			
Executive Director	-	7,308	(7,308)
Assistant Director	101,472	60,617	40,855
Special Projects Manager	47,567	37,360	10,207
Administrative Assistant	38,000	-	38,000
Other Salaries & Wages			
Executive Director	198,000	147,743	50,257
Expense Allowance	10,800	7,633	3,167
Allocated Salaries & Wages	(190,179)	(75,460)	(114,719)
Subtotal-Salaries & Wages	<u>205,660</u>	<u>185,201</u>	<u>20,459</u>
Fringe Benefits			
Pension - Employer Contribution	27,835	9,093	18,742
FICA/MD - Employee	14,308	9,334	4,975
Health/Dental Insurance	-	1,781	(1,781)
Life/Disability Insurance	900	-	900
Mileage, Tolls and Parking Fees	-	70	(70)
Other Benefits	9,518	-	9,518
Unemployment Compensation	-	224	(224)
Allocated Fringe Benefits	(33,561)	(13,016)	(20,545)
Subtotal-Fringe Benefits	<u>19,000</u>	<u>7,484</u>	<u>11,516</u>
Total-Personnel Services	<u>224,660</u>	<u>192,685</u>	<u>31,975</u>
Operating Expenditures:			
Materials and Services			
Professional Services			
Accounting & Auditing	10,000	825	9,175
Legal Services	70,000	72,689	(2,689)
Management Services	40,000	36,323	3,678
Financial Services	20,000	18,006	1,994
Community Outreach Services	23,800	7,109	16,691
Other Professional Services	70,000	5,490	64,510
Subtotal-Professional Services	<u>233,800</u>	<u>140,441</u>	<u>93,359</u>
Other Services			
Finance & Bank Charges	1,000	30	970
Licenses and Permit Fees	-	25	(25)
Other Current Services	-	700	(700)
Subtotal-Other Services	<u>1,000</u>	<u>755</u>	<u>245</u>
Insurance	<u>16,105</u>	<u>7,539</u>	<u>8,566</u>
Subtotal-Insurance	16,105	7,539	8,566
Marketing and Promotion			
Marketing	10,000	200	9,800
Subtotal-Marketing & Promotions	<u>10,000</u>	<u>200</u>	<u>9,800</u>
Printing and Reproduction	<u>10,000</u>	<u>3,696</u>	<u>6,304</u>
Subtotal-Printing & Reproduction	10,000	3,696	6,304

North Miami Community Redevelopment Agency

**General Fund
Schedule of Administrative Operating Expenditures
Budget to Actual
As of June 30, 2006**

	Revised Budget	Actual - YTD	Variance Favorable (Unfavorable)
Communications			-
Advertising & Notices	4,000	315	3,685
Postage and Delivery	2,000	87	1,913
Telephone/DSL/Cable TV	6,000	2,137	3,863
Cell Phone/Beeper	-	1,090	(1,090)
Internet/WEB Services	-	505	(505)
Subtotal-Communications	<u>12,000</u>	<u>4,134</u>	<u>7,866</u>
Leases and Rentals			-
Office Rental	45,500	16,547	28,953
Equipment Rental	-	403	(403)
Other Rental	-	-	-
Subtotal-Leases & Rentals	<u>45,500</u>	<u>16,950</u>	<u>28,550</u>
Repair & Maintenance			-
Computer Maintenance	-	510	(510)
Equipment R&M	-	240	(240)
Subtotal-Repair & Maintenance	<u>-</u>	<u>750</u>	<u>(750)</u>
Supplies:			-
Office Supplies	-	4,187	(4,187)
Operating Supplies	2,000	1,082	918
Data Processing Supplies/Software	-	1,020	(1,020)
Books, Manuals & Subscriptions	-	137	(137)
Subtotal-Supplies	<u>2,000</u>	<u>6,426</u>	<u>(4,426)</u>
Other Operating Expenses			-
Non-Local Travel and Per Diem:			-
Conferences	-	458	(458)
Schools and Training	10,000	-	10,000
Subtotal-Non-Local Travel	<u>10,000</u>	<u>458</u>	<u>9,542</u>
Local Meetings & Schools	-	523	(523)
Subtotal-Local Meetings & Schools	<u>-</u>	<u>523</u>	<u>(523)</u>
Dues and Memberships	20,000	1,720	18,280
Subtotal-Dues & Memberships	<u>20,000</u>	<u>1,720</u>	<u>18,280</u>
Total Operating Expenses	<u>360,405</u>	<u>183,592</u>	<u>176,814</u>
Capital Outlay - Operating:			-
Office Furniture	8,000	3,257	4,743
Computer Equipment	8,000	3,828	4,172
Other Office Equipment	2,000	1,177	823
Total Capital Outlay	<u>18,000</u>	<u>8,263</u>	<u>9,737</u>
TOTAL OPERATING EXPENDITURES	<u><u>603,065</u></u>	<u><u>384,540</u></u>	<u><u>218,526</u></u>

North Miami Community Redevelopment Agency

Capital Projects Fund
 Schedule of Projects Operating Expenditures
 Budget to Actual
As of June 30, 2006

	Revised Budget	Actual - YTD	Variance Favorable (Unfavorable)
EXPENDITURES			
Personal Services:			
Salaries and Wages			
Allocated Salaries & Wages	190,179	75,460	114,719
Subtotal-Salaries & Wages	190,179	75,460	114,719
Fringe Benefits			
Allocated Fringe Benefits	33,561	13,016	20,545
Subtotal-Fringe Benefits	33,561	13,016	20,545
Total-Personnel Services	223,740	88,476	135,264
Operating Expenditures:			
Materials and Services			
Professional Services			
Legal Services	150,000	60,075	89,925
Management Services	-	28,541	(28,541)
Real Property Services	35,000	42,815	(7,815)
Other Professional Services	115,000	-	115,000
Subtotal-Professional Services	300,000	131,432	168,568
Other Services			
Licenses and Permit Fees	-	2,082	(2,082)
Subtotal-Other Services	-	2,082	(2,082)
Marketing and Promotion			
Special Events	40,000	14,782	25,218
Subtotal-Marketing & Promotions	40,000	14,782	25,218
Supplies:			
Operating Supplies	-	33	(33)
Subtotal-Supplies	-	33	(33)
Utilities			
Electric	-	9	(9)
Subtotal-Utilities	-	9	(9)
Total Operating Expenses	340,000	148,337	191,663
TOTAL OPERATING EXPENDITURES	563,740	236,813	326,927