



City of Miami Gardens

To: The Honorable Mayor and City Council

Via: Danny O. Crew, City Manager

Fr: William Alonso, Finance Director

Date: April 7, 2008

Re: March 2008 Budget Status Report

The following report is the March 2008 monthly budget report for fiscal year 2007-08 and is also the sixth full month of the fiscal year. The purpose of this report is to apprise the City's policy makers of the current budgetary status for the five month period ending March 2008. This report is organized as follows:

	<u>Page</u>
I. General Fund Revenues.....	2
II. General Fund Expenditures.....	4
III. Transportation Fund.....	6
IV. Development Services Fund.....	8
V. General Services Fund.....	10
VI. Stormwater Enterprise Fund.....	12
VII. CDBG Fund.....	14
VIII. Capital Projects Fund.....	16
IX. Special Revenue Fund.....	18
X. SHIP Fund.....	20
XI. Law Enforcement Trust Fund.....	22
XII. Monthly and YTD Expenditure Report-All Funds.....	24
XIII. Monthly and YTD Revenue Report-All Funds.....	26
XIV. City's Investment Report.....	29

BUDGET REPORT UPDATES

In an effort to keep improving on our quarterly budget reports, we have added new pages 5A, 7A, 9A, 11A, 13A, 15A, and 17A to this quarter's report. These pages contain a breakdown of the actual expenses for each fund by object. This will provide a clear picture of where our money is going. For example, looking at page 5A, you can see that 31.2% of the total expenditures for this six month period is for police salaries and benefits and 11.3% is for all other salaries and benefits. The next category of expenditure is transfers to other funds at 20.4%, this covers transfers to the General Services Fund for overhead and debt service costs and to the Capital Projects Fund as our annual contribution. Police contracted services is the next category with 19.3%. This covers County costs for police services. We hope you will find these new reports informative and welcome any comments you may have on improving them.

BUDGET AMENDMENTS

During March 2008, Council approved the establishment of a new "Law Enforcement Trust Fund" to be used to account for all forfeiture related revenues and expenses in accordance with State Statutes. The new fund is listed as number XI above.

In addition, a budget amendment for \$766,489 was done to transfer debt proceeds for the purchase of equipment which had been budgeted under the General Services Fleet Fund to the new Stormwater Enterprise Fund. An amendment was also done to the Transportation Fund to account for a \$10,000 developer donation specifically earmarked for sidewalk improvements.

FINANCIAL SUMMARY

We are currently projecting a fiscal year end unreserved general fund balance of approximately \$9.0-\$10 million. This represents an increase of approximately \$1.0-\$2.0 million to our general fund balance for the current fiscal year end.

This projection is based on current revenue and spending patterns, actual year-end results may differ due to changes in revenues, current spending rates, or budget amendments for supplemental appropriations(if any) approved by Council during the fiscal year.

As I mentioned in the prior months, the development services operation continues to be an area of concern. If you would refer to page 26 you will notice that revenues are coming in almost \$675,103 less than the prior year. Building permit revenues are reporting almost \$678,886 less than last year.

Referring to page 8, as of March 2008, the development service operation is reporting a deficit of almost \$1,054,617, which reduced their fund balance to a deficit of \$372,174. If the current trend continues, it is projected that a subsidy in the amount of \$1 to \$1.2 million may be required to cover this fund's operating deficit for FY2008. A number of budgetary actions have been taken to hopefully reduce this projected loss, including not filling vacant positions, cuts to line items, and freezing of the working capital reserve. Please refer to pages 8 and 9 for more information on this fund.

I) GENERAL FUND REVENUES

Schedule of General Fund Budgeted and Actual Revenues
 Fiscal Year Ending September 30, 2008
 (50% OF YEAR COMPLETED)

Department	FISCAL YEAR 2007-2008					% OF ACTUAL VS. BUDGET	NOTES
	FY2005-06 ACTUAL	FY2006-07 ACTUAL	ADOPTED BUDGET	AMENDED BUDGET	As of Mar-08		
Ad Valorem Taxes - Current	\$ 11,635,651	\$ 19,180,662	\$23,683,854	\$23,683,854	\$ 17,452,861	73.7%	(1)
Franchise Fees-Electric	3,015,219	3,477,481	2,475,000	2,475,000	-	0.0%	(1)
Franchise Fees-Gas	297,989	234,788	290,000	290,000	37,659	13.0%	
Franchise Fees-SolidWaste	756,499	911,762	850,000	850,000	451,630	53.1%	
Utility Tax-Electric	2,562,561	4,735,403	3,850,000	3,850,000	1,776,589	46.1%	
Utility Tax-Water	559,457	796,199	775,000	775,000	282,645	36.5%	
Utility Fees-Gas	631,722	209,874	200,000	200,000	158,412	79.2%	(4)
Communications Tax	3,313,754	2,995,674	3,700,000	3,700,000	1,496,438	40.4%	
Occupational Licenses - City	701,176	744,314	1,214,965	1,214,965	975,314	80.3%	(2)
Occupational Licenses - County	111,814	165,170	210,000	210,000	73,075	34.8%	
Certificates of Use	132,272	270,732	220,000	220,000	213,642	97.1%	(2)
Landlord Permits	154,832	151,020	175,000	175,000	122,756	70.1%	(2)
Lien Search	87,374	79,954	90,000	90,000	20,570	22.9%	
Recording fees	-	436	-	-	500	100.0%	(5)
Bid Spec Fees	245	8,136	2,000	2,000	4,800	240.0%	(3)
State Revenue Sharing	3,826,368	2,846,204	3,410,615	3,410,615	1,118,045	32.8%	
Alcoholic Beverage License	17,776	13,648	15,000	15,000	4,084	27.2%	
1/2-cent Sales Tax	7,054,689	7,002,963	7,394,785	7,394,785	2,929,057	39.6%	
Parks Program fees	450,687	485,488	600,000	600,000	157,150	26.2%	
MLK Celebration	20,431	12,484	10,000	10,000	26,375	263.8%	(3)
Special Events	-	-	-	-	44,456	100.0%	(5)
Alarm permits	27,099	42,200	35,000	35,000	20,938	59.8%	
Local Code Violations	37,248	136,765	115,000	115,000	100,581	87.5%	(3)
False Alarm Fines	-	-	1,000	1,000	-	0.0%	
Police service fees	-	-	-	-	1,842	100.0%	(5)
Traffic fines	84,331	113,923	150,000	150,000	40,051	26.7%	
Parking fines	27,673	36,951	45,000	45,000	23,269	51.7%	
Towing fines	-	-	-	-	1,800	100.0%	(5)
Police Off Duty Charges	-	-	-	-	26,687	100.0%	(5)
School crossing guards 1	313,132	255,491	320,000	320,000	164,163	51.3%	
School crossing guards 2	5,688	4,970	15,000	15,000	1,993	13.3%	
Interest	733,714	1,011,767	900,000	900,000	275,356	30.6%	
Rent - Bus Benches	75,326	92,430	105,000	105,000	47,433	45.2%	
County Code Enforcement Grant	115,534	4,691	-	-	-	0.0%	
Byrne Grant	28,725	6,746	15,352	15,352	10,000	65.1%	(5)
Childrens Trust Grant	-	116,363	91,109	91,109	351,430	385.7%	(5)
Hurricane Relief	1,873,479	68,062	-	-	-	0.0%	
Transportation	-	965	-	-	-	0.0%	
Tennis in theParks Grant	-	-	-	-	600	100.0%	(5)
Other Miscellaneous	137,528	244,809	20,000	20,000	77,364	386.8%	(5)
Grants and Donations	551,305	9,600	261,000	11,000	2,000	18.2%	
Insurance Reimbursements	88,590	1,977	2,500	2,500	24,772	990.9%	(4)
Lobbyist registration fees	5,807	5,250	5,000	5,000	4,500	90.0%	(5)
County Misc Fees	-	-	65,000	65,000	15	0.0%	
Transfer from Transportation QNIP	118,274	317,000	317,000	317,000	298,878	94.3%	(4)
Transfer from Impact Fee Fund	-	135,936	-	250,000	185,400	100.0%	(1)
Overhead Charge-Transportation	116,247	159,463	172,060	172,060	86,030	50.0%	(1)
Overhead Charge-Development	55,644	189,309	164,284	164,284	82,142	50.0%	(1)
Overhead Charge-Stormwater	-	190,120	196,254	196,254	98,127	50.0%	(1)
Overhead Charge-CDBG	-	-	19,971	19,971	-	0.0%	
Overhead Charge-GSF	50,300	313,070	435,126	435,126	217,563	50.0%	(1)
Overhead Charge-Capital Projects	-	194,550	374,637	374,637	187,319	50.0%	(1)
Debt Proceeds	-	1,725,000	2,653,371	2,854,370	2,854,370	100.0%	
Appropriated fund balance	10,181,219	11,692,700	3,357,735	11,244,771	11,244,771	100.0%	
SUB TOTAL GENERAL FUND	\$ 49,957,381	\$ 61,392,501	\$ 59,002,618	\$ 67,090,653	\$ 43,775,452	65.2%	(1)
General Services Fund:							
Transfers in from other funds	880,536	1,062,465	8,679,932	8,679,932	4,271,514	49.2%	
Debt proceeds	-	5,675,000	1,845,010	1,079,010	1,079,010	100.0%	
Interest earnings	-	166,204	-	-	-	0.0%	
Misc Revenues	14,058	1,872	-	-	-	0.0%	
SUB TOTAL GENERAL SERVICES FUND	894,594	6,905,541	10,524,942	9,758,942	5,350,524	54.8%	
TOTAL GENERAL FUND	\$50,851,975	\$ 68,298,042	\$ 69,527,560	\$ 76,849,595	\$ 49,125,976	63.9%	

NOTES TO THE BUDGET REPORT

General Fund

Since revenues are not received evenly during the year, only revenues which show an actual to budget percentage of 60% (10% higher than the 50% of the fiscal year completed) or higher will be explained herein.

Revenues

Page 2 is a detailed listing of all general fund revenues. It shows actual revenues received for FY2005-06 and FY2006-07, original and amended budgeted revenues for FY2007-08 and actual revenues received for the month of March 2008. The last column shows the percentage of revenues received in March compared to the annual budget.

Note #1

It is important to note that as of March 2008 the city had received 65.3% of the total annual budgeted revenues, March 2008 means that 50% of the year has been completed. It would be simple if revenues were received evenly during the year, however that is never the case since ad valorem revenues are usually received between December and April of the fiscal year, and other revenue sources are usually paid in arrears. For example, all of the State revenue sharing and other taxes are paid one to two months in arrears. Certain transfers from other funds were recorded in October since those are due at the beginning of the fiscal year. The \$2,475,000 budgeted for Electric franchise Fees is paid by the County later in the year in one lump sum payment.

Note #2

Business tax revenue is generally mostly received in October & November since that is the normal renewal date for most occupational licenses. Certificates of use and Landlord permits are also billed out in batches and as such the revenues fluctuate from month to month.

Note #3

Bid spec fees, and local code violations are not within our control since these are based on user activity and may fluctuate from month to month. All of the MLK celebration revenues are received during December and March each year.

Note #4

Gas utility taxes and insurance reimbursements are revenue sources out of our control which fluctuate from month to month.

The QNIP debt payment is paid during December and not evenly throughout the year.

Note # 5

Other revenue items which are showing increases greater than 60% are not within our control and are unexpected revenue sources that were not originally budgeted or may have been under-budgeted based on prior history.

II) EXPENDITURES

Schedule of General Fund Budgeted and Actual Expenditures
Fiscal Year Ending September 30, 2008
(50% OF YEAR COMPLETED)

Department	FISCAL YEAR 2007-2008					% OF ACTUAL VS. BUDGET	Notes
	FY2005-06 ACTUAL	FY2006-07 ACTUAL	ADOPTED BUDGET	AMENDED BUDGET	AS OF Mar-08		
General Government:							
Mayor & City Council	653,538	717,666	997,976	994,376	463,384	46.6%	
Office of the City Manager	1,480,054	940,272	1,140,815	1,125,815	568,923	50.5%	
Office of the City Manager-Outreach	-	1,316,670	1,770,095	1,772,395	1,311,282	74.0%	(2)
Office of the City Clerk	222,805	265,495	404,324	409,057	166,893	40.8%	
Office of the City Attorney	174,404	293,644	201,000	201,000	95,779	47.7%	
Human Resource Department	317,038	659,373	852,765	890,765	400,504	45.0%	
Finance /Budget	305,110	429,093	777,878	778,590	353,797	45.4%	
Public Works	110,756	-	-	-	-	0.0%	
Non-Departmental	898,984	9,056,988	8,199,724	9,362,788	2,169,432	23.2%	
Total General Government	4,162,690	13,679,201	14,344,577	15,534,786	5,529,994	35.6%	
Public Safety:							
Police Department	26,762,728	30,511,775	33,457,413	35,107,893	21,314,307	60.7%	(3)
School Crossing Guards	618,089	716,591	1,235,840	1,235,340	458,762	37.1%	
Code Enforcement	937,796	1,322,495	1,967,397	1,941,397	897,885	46.2%	
Total Public Safety	28,318,613	32,550,861	36,660,650	38,284,630	22,670,954	59.2%	
Parks and Recreation:							
Administration	3,024,930	4,277,984	5,348,797	5,951,859	2,240,260	37.6%	
Park Maintenance	1,097,433	1,910,896	2,648,593	2,618,180	899,077	34.3%	
Total Parks and Recreation	4,122,363	6,188,880	7,997,390	8,570,039	3,139,337	36.6%	
SUB TOTAL GENERAL FUND	36,603,666	52,418,942	59,002,617	62,389,455	31,340,285	50.2%	
General Services Fund:							
Purchasing	221,035	179,082	435,462	405,462	121,335	29.9%	
City Hall	952,118	1,158,196	3,576,607	3,575,631	1,567,232	43.8%	
IT	527,170	620,147	1,497,102	1,745,972	1,118,310	64.1%	
Fleet	855,287	4,514,466	4,636,499	4,031,878	2,048,617	50.8%	
SUB TOTAL GENERAL SERVICES	2,555,610	6,471,891	10,145,670	9,758,943	4,855,494	49.8%	
Ending fund balance	11,692,700	11,244,771	1,380,582	5,432,655	-	0.0%	
TOTAL GENERAL FUND USES	50,851,976	70,135,604	70,528,869	77,581,053	36,195,779	46.7%	(1)