



# City of Miami Gardens

**To: The Honorable Mayor and City Council**

**Via: Danny O. Crew, City Manager**

**Fr: William Alonso, Finance Director** *WAL*

**Date: June 17, 2008**

**Re: May 2008 Budget Status Report**

The following report is the May 2008 monthly budget report for fiscal year 2007-08 and is also the eight 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 eight month period ending May 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 AMENDMENTS**

During May 2008, the Transportation Fund was amended to account for a new \$20,000 Urban Forestry Grant. Additionally, the Stormwater Fund was amended by \$152,575 in order to increase the management fee paid to the Transportation Fund.

## **FINANCIAL SUMMARY**

**We are still projecting a fiscal year end unreserved general fund balance of approximately \$8.5-\$9.5 million. This represents an increase of approximately \$0.5-\$1.5 million to our general fund balance for the current fiscal year end.**

**FINANCIAL SUMMARY (continued)**

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.

**Ad valorem revenues, however, are lagging behind last year's collection rate. As of May 31, 2008 we had collected almost 82.5% of the budgeted revenues, during the same period last year we had collected almost 100%. This is due mainly to the economic conditions nationwide in the housing market. We will monitor collections during June and July 2008 when tax deed certificates are sold by the County.**

As I mentioned last month, this continues to be an area of concern. If you would refer to page 24 you will notice that building permit revenues are reporting almost \$872,439 less than last year.

Referring to page 8, as of May 2008, the development service operation is reporting a deficit of almost \$1,467,438, which reduced their fund balance to a deficit of \$784,995. This deficit will need to be subsidized by the general Fund in the form of an operating transfer. Once we have an accurate estimate of the projected total deficit for the year, we will bring to Council a budget amendment in order to transfer the needed funds.

**However, 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  
 (67% 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 May-08		
Ad Valorem Taxes - Current	\$ 11,635,651	\$ 19,180,662	\$23,683,854	\$23,683,854	\$ 19,539,029	82.5%	(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	100,484	34.6%	
Franchise Fees-SolidWaste	756,499	911,762	850,000	850,000	583,215	68.6%	
Utility Tax-Electric	2,562,561	4,735,403	3,850,000	3,850,000	2,492,015	64.7%	
Utility Tax-Water	559,457	796,199	775,000	775,000	444,862	57.4%	
Utility Fees-Gas	631,722	209,874	200,000	200,000	192,127	96.1%	(4)
Communications Tax	3,313,754	2,995,674	3,700,000	3,700,000	2,104,325	56.9%	
Occupational Licenses - City	701,176	744,314	1,214,965	1,214,965	1,021,330	84.1%	(2)
Occupational Licenses - County	111,814	165,170	210,000	210,000	79,333	37.8%	
Certificates of Use	132,272	270,732	220,000	220,000	249,728	113.5%	(2)
Landlord Permits	154,832	151,020	175,000	175,000	154,430	88.2%	(2)
Lien Search/Reduction	87,374	79,954	90,000	90,000	30,964	34.4%	
Recording fees	-	436	-	-	1,157	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	1,544,608	45.3%	
Alcoholic Beverage License	17,776	13,648	15,000	15,000	14,134	94.2%	(5)
1/2-cent Sales Tax	7,054,689	7,002,963	7,394,785	7,394,785	4,115,064	55.6%	
Parks Program fees	450,687	485,488	600,000	600,000	223,711	37.3%	
MLK Celebration	20,431	12,484	10,000	10,000	36,875	368.8%	(3)
Special Events	-	-	-	-	44,606	100.0%	(5)
Alarm permits	27,099	42,200	35,000	35,000	23,102	66.0%	
Local Code Violations	37,248	136,765	115,000	115,000	147,511	128.3%	(3)
False Alarm Fines	-	-	1,000	1,000	-	0.0%	
Police service fees	-	-	-	-	3,668	100.0%	(5)
Traffic fines	84,331	113,923	150,000	150,000	56,941	38.0%	
Parking fines	27,673	36,951	45,000	45,000	30,832	68.5%	
Towing fines	-	-	-	-	8,385	100.0%	(5)
Police Off Duty Charges	-	-	-	-	172,438	100.0%	(5)
School crossing guards 1	313,132	255,491	320,000	320,000	164,696	51.5%	
School crossing guards 2	5,688	4,970	15,000	15,000	2,574	17.2%	
Interest	733,714	1,011,767	900,000	900,000	348,060	38.7%	
Rent - Bus Benches	75,326	92,430	105,000	105,000	63,029	60.0%	
County Code Enforcement Grant	115,534	4,691	-	-	-	0.0%	
Byrne Grant	28,725	6,746	15,352	15,352	10,000	65.1%	
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)
5TH Anniversary Banner Sales	-	-	-	-	12,136	100.0%	(5)
Other Miscellaneous	137,528	244,809	20,000	20,000	84,870	424.4%	(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	63,604	2544.2%	(4)
Lobbyist registration fees	5,807	5,250	5,000	5,000	5,000	100.0%	(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	253,333	101.3%	(1)
Overhead Charge-Transportation	116,247	159,463	172,060	172,060	114,707	66.7%	(1)
Overhead Charge-Development	55,644	189,309	164,284	164,284	109,523	66.7%	(1)
Overhead Charge-Stormwater	-	190,120	196,254	196,254	130,836	66.7%	(1)
Overhead Charge-CDBG	-	-	19,971	19,971	-	0.0%	
Overhead Charge-GSF	50,300	313,070	435,126	435,126	290,084	66.7%	(1)
Overhead Charge-Capital Projects	-	194,550	374,637	374,637	249,758	66.7%	(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%	
<b>SUB TOTAL GENERAL FUND</b>	<b>\$ 49,957,381</b>	<b>\$ 61,392,501</b>	<b>\$ 59,002,618</b>	<b>\$ 67,090,653</b>	<b>\$ 50,073,948</b>	<b>74.6%</b>	
General Services Fund:							
Transfers in from other funds	880,536	1,062,465	8,679,932	8,679,932	5,228,457	60.2%	
Debt proceeds	-	5,675,000	1,845,010	1,845,630	1,845,630	100.0%	
Interest earnings	-	166,204	-	-	-	0.0%	
Misc Revenues	14,058	1,872	-	-	-	0.0%	
<b>SUB TOTAL GENERAL SERVICES FUND</b>	<b>894,594</b>	<b>6,905,541</b>	<b>10,524,942</b>	<b>10,525,562</b>	<b>7,074,087</b>	<b>67.2%</b>	
<b>TOTAL GENERAL FUND</b>	<b>\$50,851,975</b>	<b>\$ 68,298,042</b>	<b>\$ 69,527,560</b>	<b>\$ 77,616,215</b>	<b>\$ 57,148,035</b>	<b>73.6%</b>	<b>(1)</b>

## 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 77% (10% higher than the 67% 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 May 2008. The last column shows the percentage of revenues received in May compared to the annual budget.

### **Note #1**

It is important to note that as of May 2008 the city had received 73.6% of the total annual budgeted revenues, May 2008 means that 77% 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. **Ad valorem revenues, however, are lagging behind last year's collection rate. As of May 31, 2008 we had received 82.5% of the budgeted revenues, during the same period last year we had collected almost 100%. This is due to economic conditions nationwide in the housing market. We will monitor collections during July 2008 when tax deed certificates are sold by the County.**

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 April 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.

## NOTES TO THE BUDGET REPORT

### Revenues (continued)

#### **Note # 5**

Other revenue items which are showing increases greater than 77% 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  
 (67% 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 May-08		
<b>General Government:</b>							
Mayor & City Council	653,538	717,666	997,976	991,576	626,433	63.2%	
Office of the City Manager	1,480,054	940,272	1,140,815	1,144,315	797,822	69.7%	
Office of the City Manager-Outreach	-	1,316,670	1,770,095	2,022,395	1,698,100	84.0%	(2)
Office of the City Clerk	222,805	265,495	404,324	396,357	255,250	64.4%	
Office of the City Attorney	174,404	293,644	201,000	201,000	151,823	75.5%	
Human Resource Department	317,038	659,373	852,765	840,765	570,473	67.9%	
Finance /Budget	305,110	429,093	777,878	722,590	494,990	68.5%	
Public Works	110,756	-	-	-	-	0.0%	
Non-Departmental	898,984	9,056,988	8,199,724	9,558,956	2,213,991	23.2%	
Total General Government	4,162,690	13,679,201	14,344,577	15,877,954	6,808,882	42.9%	
<b>Public Safety:</b>							
Police Department	26,762,728	30,511,775	33,457,413	34,971,525	26,575,951	76.0%	
School Crossing Guards	618,089	716,591	1,235,840	1,125,340	648,837	57.7%	
Code Enforcement	937,796	1,322,495	1,967,397	1,941,397	1,269,334	65.4%	
Total Public Safety	28,318,613	32,550,861	36,660,650	38,038,262	28,494,122	74.9%	
<b>Parks and Recreation:</b>							
Administration	3,024,930	4,277,984	5,348,797	5,880,059	3,014,291	51.3%	
Park Maintenance	1,097,433	1,910,896	2,648,593	2,593,180	1,407,012	54.3%	
Total Parks and Recreation	4,122,363	6,188,880	7,997,390	8,473,239	4,421,303	52.2%	
<b>SUB TOTAL GENERAL FUND</b>	<b>36,603,666</b>	<b>52,418,942</b>	<b>59,002,617</b>	<b>62,389,455</b>	<b>39,724,307</b>	<b>63.7%</b>	
<b>General Services Fund:</b>							
Purchasing	221,035	179,082	435,462	405,462	171,673	42.3%	
City Hall	952,118	1,158,196	3,576,607	3,126,631	1,532,945	49.0%	
IT	527,170	620,147	1,497,102	2,315,972	1,653,033	71.4%	
Fleet	855,287	4,514,466	4,636,499	4,677,497	2,849,921	60.9%	
<b>SUB TOTAL GENERAL SERVICES</b>	<b>2,555,610</b>	<b>6,471,891</b>	<b>10,145,670</b>	<b>10,525,562</b>	<b>6,207,572</b>	<b>59.0%</b>	
Ending fund balance	11,692,700	11,244,771	1,380,582	4,701,198	-	0.0%	
<b>TOTAL GENERAL FUND USES</b>	<b>50,851,976</b>	<b>70,135,604</b>	<b>70,528,869</b>	<b>77,616,215</b>	<b>45,931,879</b>	<b>59.2%</b>	(1)

## NOTES TO THE BUDGET REPORT

### General Fund

Since expenditures do not occur evenly during the year, only expenditures which show an actual to budget percentage of 77% (10% higher than the 67% of the fiscal year completed) or higher will be explained herein.

### Expenditures

Page 4 is a detailed listing of all general fund departments. It shows actual expenditures for FY2005-06 and FY2006-07, the amended budgeted expenditures for FY2007-08 and actual expenditures incurred for the month of May 2008. The last column shows the percentage of expenditures incurred as of May 2008 compared to the annual budget.

#### **Note #1**

As of May 2008 the city had incurred 59.2% of the total annual budgeted expenditures with 77% of the fiscal year completed. This shows that our current spending pattern is in line with budget through the first eight months of the fiscal year.

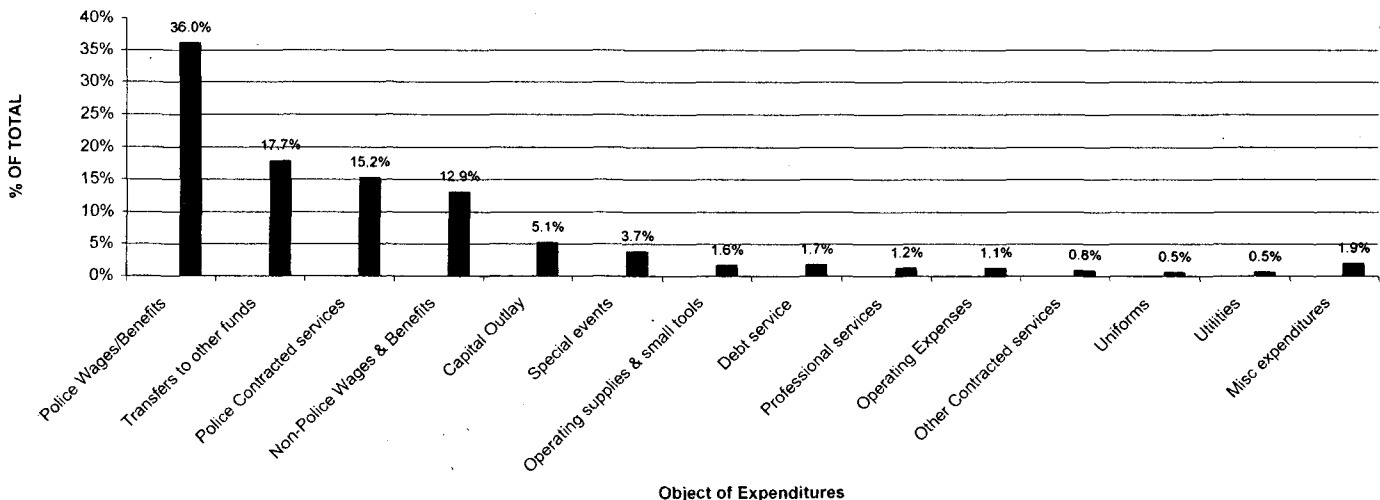
#### **Note #2**

Community Outreach is showing 84% actual vs. budget since the major part of their budget is used during the January to April period for the Jazz in the garden and MLK events.

**CITY OF MIAMI GARDENS  
EXPENDITURES BY OBJECT-GENERAL FUND  
FOR THE EIGHT MONTHS ENDED MAY 31, 2008**

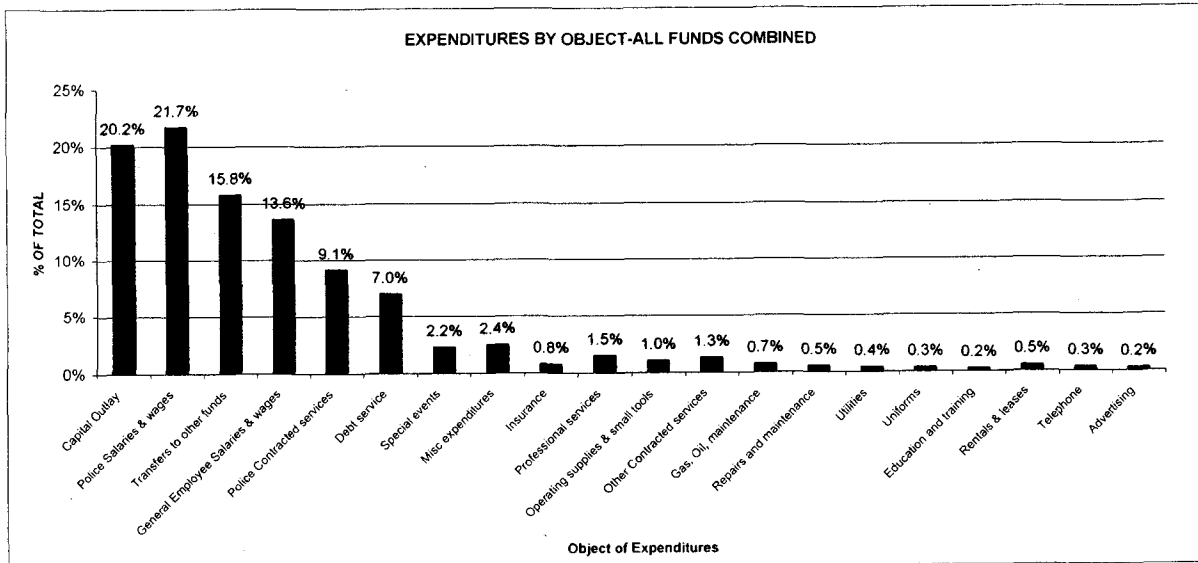
	<b>Actual Expenditures</b>	
<b>Police:</b>	<b>as of 5/31/08</b>	<b>% of Total</b>
Police Salaries & wages	8,395,721	21.1%
Overtime	502,029	1.3%
Special pay	796,693	2.0%
Off Duty Services	175,539	0.4%
Payroll taxes	737,625	1.9%
Retirement	1,811,659	4.6%
Life & health Insurance	594,188	1.5%
ICMA Deferred benefits	202,617	0.5%
Workers' compensation	1,092,007	2.7%
<b>Subtotal police wages and benefits</b>	<b>14,308,078</b>	<b>36.0%</b>
<b>Non-Police:</b>		
General Employee Salaries & wages	3,709,539	9.3%
Council salaries	45,923	0.1%
Special pay	31,471	0.1%
Overtime	41,680	0.1%
Payroll taxes	286,569	0.7%
Retirement	385,149	1.0%
Life & health Insurance	383,719	1.0%
ICMA Deferred benefits	43,779	0.1%
Unemployment compensation	13,085	0.0%
Workers' compensation	202,550	0.5%
<b>Subtotal non-police wages and benefi</b>	<b>5,143,464</b>	<b>12.9%</b>
Police Contracted services	6,023,217	15.2%
Transfers to other funds	7,045,623	17.7%
Capital Outlay	2,032,240	5.1%
Special events	1,480,068	3.7%
Operating supplies & small tools	623,143	1.6%
Debt service	671,360	1.7%
Professional services	475,003	1.2%
Operating Expenses	455,934	1.1%
Other Contracted services	308,445	0.8%
Uniforms	213,360	0.5%
Utilities	200,734	0.5%
Misc expenditures	743,637	1.9%
<b>Total Expenditures</b>	<b>39,724,306</b>	<b>100.0%</b>

**GENERAL FUND EXPENDITURES BY OBJECT**



**CITY OF MIAMI GARDENS  
EXPENDITURES BY OBJECT-ALL FUNDS COMBINED  
FOR THE EIGHT MONTHS ENDED MAY 31, 2008**

	<b>Actual Expenditures</b>	
<b>Police:</b>	<b>as of 5/31/08</b>	<b>% of Total</b>
Police Salaries & wages	8,395,721	12.7%
Overtime	502,029	0.8%
Special pay	796,693	1.2%
Off Duty Services	175,539	0.3%
Payroll taxes	737,625	1.1%
Retirement	1,811,659	2.8%
Life & health Insurance	594,188	0.9%
ICMA Deferred benefits	202,617	0.3%
Workers' compensation	1,092,007	1.7%
<b>Subtotal police wages and benefits</b>	<b>14,308,078</b>	<b>21.7%</b>
<b>Non-Police:</b>		
General Employee Salaries & wages	6,492,758	9.9%
Council salaries	45,923	0.1%
Special pay	45,480	0.1%
Overtime	81,423	0.1%
Payroll taxes	502,691	0.8%
Retirement	671,715	1.0%
Life & health Insurance	655,428	1.0%
ICMA Deferred benefits	85,132	0.1%
Unemployment compensation	16,110	0.0%
Workers' compensation	388,332	0.6%
<b>Subtotal non-police wages and benefits</b>	<b>8,984,992</b>	<b>13.6%</b>
Police Contracted services	6,023,217	9.1%
Transfers to other funds	10,413,566	15.8%
Capital Outlay	13,295,854	20.2%
Insurance	496,628	0.8%
Special events	1,480,068	2.2%
Gas, Oil, maintenance	476,305	0.7%
Advertising	160,767	0.2%
Education and training	147,828	0.2%
Repairs and maintenance	349,842	0.5%
Rentals & leases	335,426	0.5%
Telephone	212,368	0.3%
Operating supplies & small tools	680,486	1.0%
Debt service	4,583,170	7.0%
Professional services	980,806	1.5%
Other Contracted services	853,361	1.3%
Uniforms	216,944	0.3%
Utilities	269,434	0.4%
Misc expenditures	1,606,729	2.4%
<b>Total Expenditures</b>	<b>65,875,869</b>	<b>100.0%</b>



III) TRANSPORTATION FUND

CITY OF MIAMI GARDENS  
ACTUAL VS BUDGET REPORT-TRANSPORTATION  
(67% OF YEAR COMPLETED)

	FISCAL YEAR 2007-2008						% OF ACTUAL VS. BUDGET	Notes
	FY2005-06 ACTUAL	FY2006-07 ACTUAL	ADOPTED BUDGET	AMENDED BUDGET	AS OF May 08			
<b>Appropriated Fund Balance</b>	<b>\$ 2,365,320</b>	<b>\$ 995,259</b>	<b>\$ 632,935</b>	<b>\$ 500,211</b>	<b>\$ 500,211</b>			
Revenues:								
Local Option Gas Tax	\$ 2,154,245	\$ 2,297,107	\$ 2,385,024	\$ 2,385,033	\$ 1,333,073	55.9%		
State Revenue Sharing	1,478,690	1,063,708	1,450,000	1,450,000	587,114	40.5%		
Charges for services	6,923	80,066	100,000	100,000	45,685	45.7%		
Grant revenue	4,065,829	1,042,641	73,257	767,522	656,292	85.5%		
Interest earnings	2,237	5,453	-	-	10,444	100.0%		
Misc revenues	59,185	78,150	2,009	2,000	15,715	785.8%		
Transfers in	185,505	-	99,609	252,184	218,981	86.8%		
Total revenues & appropriated fund balance	<u>10,317,933</u>	<u>5,562,384</u>	<u>4,742,834</u>	<u>5,456,950</u>	<u>3,367,515</u>	61.7%	(1)	
Expenditures:								
Administrative	947,391	1,063,560	1,542,512	2,329,335	862,308	37.0%		
KMGB	382,204	443,676	512,914	537,293	352,252	65.6%		
Streets	<u>7,993,080</u>	<u>3,554,937</u>	<u>2,687,408</u>	<u>2,394,580</u>	<u>1,614,689</u>	67.4%		
Total expenditures	<u>9,322,675</u>	<u>5,062,173</u>	<u>4,742,834</u>	<u>5,261,208</u>	<u>2,829,249</u>	53.8%	(1)	
<b>Ending fund balance</b>	<b><u>995,258</u></b>	<b><u>500,211</u></b>	<b><u>-</u></b>	<b><u>195,742</u></b>	<b><u>538,266</u></b>			

## NOTES TO THE BUDGET REPORT

### Transportation Fund

Page 6 is a detailed budget report for the Transportation Fund. This fund is used to account for all revenues and expenditures related to streets and road maintenance, Keep Miami gardens Beautiful, and other public works activities.

#### **Note#1**

Revenues as of May 2008 were 61.7% of budget and expenditures were at 53.8% of budget. This fund receives the bulk of its revenues from the local option gas tax and State revenue sharing, these State funds are received one month in arrears so we will not see the May revenues until at least June of 2008 and so on.