



FY 2018 Second Quarter Budget Report

FY 2018 Second Quarter Budget Report

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FY 2018 Second Quarter All Funds

2nd Quarter Year-to-date Revenues and Expenditures

Fund Type	Amended Budget	To-date Revenues		To-date Expenditures	
		Actual	%	Actual	%
General	\$ 74,078,778	\$ 34,557,380	47%	\$ 38,610,917	52%
Enterprise	78,102,829	12,865,307	16%	20,719,840	27%
Special Revenue	24,031,485	5,455,705	23%	4,707,284	20%
Transportation	6,126,939	911,133	15%	3,427,582	56%
Internal Service	11,537,666	2,069,906	18%	4,477,821	39%
Debt Service	1,771,406	891,971	50%	253,841	14%
Total	\$ 195,649,103	\$ 56,751,401	29%	\$ 72,197,285	37%



FY 2018 Second Quarter General Fund Expenditures by Department

DEPARTMENT	Amended Budget	Year-to-date Expenditures	FY18 % Used	FY17 % Used
Budget Office	367,284	162,251	44%	52%
Building Department	1,948,515	824,423	42%	32%
City Attorney	1,356,360	723,018	53%	52%
City Clerk	648,372	331,782	51%	44%
City Manager	2,574,695	1,467,567	57%	50%
Code Compliance	1,619,035	794,875	49%	55%
Community Planning & Development	3,624,701	1,096,967	30%	64%
Finance	3,403,592	1,847,668	54%	52%
Information Technology	1,968,954	1,241,442	63%	73%
Library	1,132,790	591,983	52%	55%
Mayor/Council	1,185,897	768,022	65%	73%
Museum of Contemporary Art	1,439,648	1,024,255	71%	58%
Non-Departmental	11,390,915	3,348,769	29%	2%
Parks & Recreation Department	7,638,180	4,637,914	61%	60%
Personnel	798,839	482,377	60%	59%
Police	27,233,882	15,070,203	55%	64%
Public Works	5,240,597	3,914,356	75%	56%
Purchasing	506,521	283,046	56%	47%
TOTAL - GENERAL FUND	74,078,778	38,610,917	52%	49%

FY 2018 Second Quarter General Fund Revenues

REVENUES	BUDGET	ACTUAL	ACTUAL AS %	ACTUAL AS %	ACTUAL AS %
			OF BUDGET FY	OF BUDGET FY	OF BUDGET FY
			2018	2017	2016
Property Taxes	\$ 20,233,882	\$ 18,111,892	90%	89%	88%
Other Taxes	9,910,938	3,343,318	34%	32%	13%
Licenses and Permits	4,029,604	1,412,241	35%	53%	20%
Intergovernmental Revenue	7,549,406	3,761,830	50%	51%	25%
Charges for Services	5,498,383	1,855,678	34%	43%	28%
Fines & Forfeits	786,836	478,081	61%	74%	41%
Miscellaneous Revenues	9,572,444	3,119,108	33%	62%	360%
Non-Revenues	16,497,285	2,475,232	15%	7%	9%
Total Current Revenues	\$ 74,078,778	\$ 34,557,380	47%	47%	46%

FY 2018 Second Quarter Enterprise Funds

2nd Quarter Year-to-date Revenues and Expenditures

	Amended Budget	To-date Revenues		To-date Expenditures	
		Actual	%	Actual	%
Enterprise					
Water & Sewer	\$ 72,720,278	\$ 11,545,624	16%	\$ 19,352,999	27%
Water Fire Flow Demand	921,010	4,363	0%	26,892	3%
Stormwater	4,461,541	1,315,320	29%	1,339,950	30%
Total	\$ 78,102,829	\$ 12,865,307	16%	\$ 20,719,840	27%



FY 2018 Second Quarter Special Revenue Funds

2nd Quarter Year-to-date Revenues and Expenditures

Special Revenue	Amended		To-date Revenues		To-date Expenditures	
	Budget		Actual	%	Actual	%
CDBG - Housing Grant	\$ 936,354	\$	285,662	31%	\$ 260,880	28%
CRA	9,112,659		4,911,348	54%	3,502,162	38%
Federal Forfeiture	285,536		25,239	9%	89,832	31%
HIPP - Housing Grant	404,921		50,556	12%	55,512	14%
Impact Fees	-		72,448		-	
Landfill Closure Fund	12,177,578		13,634	0%	367,470	3%
Law Enforcement Trust	224,522		23,702	11%	50,576	23%
Library Special Revenue	28,000		-	0%	-	0%
Misc. Grants	356,128		70,413	20%	339,717	95%
NSP - Housing Grant	31,280		-	0%	10,381	33%
Police Training	8,880		2,703	30%	4,713	53%
SHIP - Housing Grant	465,626		-	0%	26,041	6%
Total	\$ 24,031,484	\$	5,455,705	23%	\$ 4,707,284	20%

FY 2018 Second Quarter Transportation Funds

2nd Quarter Year-to-date Revenues and Expenditures

Transportation	Amended Budget	To-date Revenues		To-date Expenditures	
		Actual	%	Actual	%
1/2 Cent Surtax	\$ 5,448,463	\$ 806,959	15%	\$ 3,128,188	57%
Gas Tax	678,476	104,174	15%	299,394	44%
Total	\$ 6,126,939	\$ 911,133	15%	\$ 3,427,582	56%

FY 2018 Second Quarter Internal Service Funds

2nd Quarter Year-to-date Revenues and Expenditures

	Amended Budget	To-date Revenues		To-date Expenditures	
		Actual	%	Actual	%
Internal Service					
Fleet Management	\$ 6,622,384	\$ 1,367,687	21%	\$ 3,601,176	54%
Risk Management	4,915,282	702,218	14%	876,645	18%
Total	\$ 11,537,666	\$ 2,069,906	18%	\$ 4,477,821	39%

FY 2018 Second Quarter Debt Service Fund

2nd Quarter Year-to-date Revenues and Expenditures

Debt	Amended Budget	To-date Revenues		To-date Expenditures	
		Actual	%	Actual	%
Pension Loan Repayment	\$ 1,771,406	\$ 891,971	50%	\$ 253,841	14%
Total	\$ 1,771,406	\$ 891,971	50%	\$ 253,841	14%



FY 2018 Second Quarter Finance Cash Report



FY 2018 Second Quarter List of Bank Accounts and Balances

BANK ACCOUNT NAME	ACCOUNT TYPE	BALANCE AT 03/31/2018	BALANCE AT 12/31/2017	\$ CHANGE	% CHANGE
BANK OF AMERICA					
Daily Investment Account	Business checking	\$ 45,336,145.88	\$ 47,124,455.98	\$ (1,788,310.10)	-4%
Utility Deposit	Business checking	2,347,075.89	2,347,075.89	-	0%
Flexible Spending Account (AFLAC)	Business checking	10,718.69	7,876.21	2,842.48	36%
Flexible Benefit Account	Saving	4,726.34	4,726.34	-	0%
Replacement Benefit Plan	Business checking	41,089.14	49,221.57	(8,132.43)	-17%
Total Funds at Bank of America		\$ 47,739,755.94	\$ 49,533,355.99	\$ (1,793,600.05)	-4%
WELLS FARGO					
Lockbox Account	Lock box	\$ 18,202.51	\$ 17,296.55	\$ 905.96	5%
Public Safety Corporation (CryWolf)	Business checking	11,862.27	16,075.73	(4,213.46)	-26%
Corvel	Business checking	51,290.47	37,404.73	13,885.74	37%
Total Funds at Wells Fargo		\$ 81,355.25	\$ 70,777.01	\$ 10,578.24	15%
INVESTMENTS					
City National Bank - Landfill	Saving	\$ 9,947,877.89	\$ 10,033,583.09	\$ (85,705.20)	-1%
Sabadell United Bank - Water & Sewer Utility Fund	CD	500,000.00	500,000.00	-	0%
Sabadell United Bank - Water & Sewer Utility Fund	CD	1,000,000.00	1,000,000.00	-	0%
State Board of Administration	FUND A	6,409,408.23	6,409,408.23	-	0%
SunTrust	CD	834,544.78	834,127.72	417.06	0%
Total Investments		\$ 18,691,830.90	\$ 18,777,119.04	\$ (85,288.14)	0%
TOTAL CASH AND INVESTMENTS		\$ 66,512,942.09	\$ 68,381,252.04	\$ (1,868,309.95)	-3%

FY 2018 Second Quarter Daily Investment Account

- Cash Balance in Operating Account

Account Balance:	\$45,336,146
Reserve Fund Ord. 1336	<u>(5,000,000)</u>
Cash Available for City Operations	<u>\$40,336,146</u>




FY 2018 Second Quarter General Fund: Fund Balance Reconciliation

Ending (Accounting/GAAP) Fund Balance at 09/30/2017		\$ (4,842,075)
ADD:		
Unearned Revenues SoleMia 2012 Payments Up-Front:		
Advance Amount Collected in 2012	\$ 18,500,000	
Amount of Prepaid Base Rent Collected in 2012	1,500,000	
Amount Earned Since 2012 of the amount Collected in 2012	<u>(7,496,197)</u>	
Balance Unearned as of 09/30/2017		<u>12,503,803</u>
Pro Forma Fund Balance at 09/30/2017		7,661,728
LESS:		
Fund Balance Reserve per Ordinance 1331		<u>(5,000,000)</u>
Pro Forma Available General Fund Balance at 9/30/2017		<u><u>\$ 2,661,728</u></u>



To: Mayor and Council

From: Terry Henley, Assistant Budget Director 

Date: May 22, 2018

RE: Fiscal Year 2017-2018 Second Quarter Report

The purpose of the following report is to provide the Mayor and City Council the status of the Fiscal Year 2018 Budget. This report covers the period of October 2017 through March 2018.

The City Council adopted a balanced budget for fiscal year 2017-2018 totaling \$166,561,156. The financial transactions of the City are budgeted and accounted for within six types of funds. Each fund type has a different source of revenue and/or certain restrictions on the use of the revenues.

The table below lists the current budget by fund type:

Fund Type	FY18 Adopted	FY18 Adjusted	Difference
General	\$ 70,666,273	\$ 74,078,778	\$ 3,412,505
Enterprise	56,365,435	78,102,829	21,737,394
Special Revenue	22,507,169	24,031,485	1,524,316
Transportation	4,396,559	6,126,939	1,730,380
Internal Service	10,854,314	11,537,666	683,352
Debt Service	1,771,406	1,771,406	-
Total	\$ 166,561,156	\$ 195,649,103	\$ 29,087,947

Budget amendments are adjustments to budgeted revenues and expenditures. The first quarter included \$22.5M in budget amendments for re-appropriations and \$4.2M for purchase order roll overs or encumbrances from prior year commitments (projects/grants). The second quarter included budget amendments in the amount of \$2.3 million for housing beautification initiatives from federal housing grants and the NMCRA. As a result, the total amended amount since adoption is \$29 million.

The table below provides a summary of revenues and expenditures for all funds:

2nd Quarter Year-to-date Revenues and Expenditures						
Fund Type	Amended Budget	To-date Revenues		To-date Expenditures		
		Actual	%	Actual	%	
General	\$ 74,078,778	\$ 34,557,380	47%	\$ 38,610,917	52%	
Enterprise	78,102,829	12,865,307	16%	20,719,840	27%	
Special Revenue	24,031,485	5,455,705	23%	4,707,284	20%	
Transportation	6,126,939	911,133	15%	3,427,582	56%	
Internal Service	11,537,666	2,069,906	18%	4,477,821	39%	
Debt Service	1,771,406	891,971	50%	253,841	14%	
Total	\$ 195,649,103	\$ 56,751,401	29%	\$ 72,197,285	37%	

GENERAL FUND

The General Fund provides basic City services and operations such as police services, parks and recreation services, general government, general planning, zoning, code enforcement, and general maintenance. The primary revenue sources for the general fund are property taxes, franchise fees, licenses, permits, state-shared revenues, and charges for services.

An analysis of current year revenues and expenditures indicates revenues are comparable to prior years' performance. Revenues are within the target budgets estimated for the fiscal year.

Prior Years' Comparison

The table below provides an analysis of the year-to-date General Fund revenues and expenditures as a proportion of the budget with a comparison to the performance over the last three fiscal years:

2nd Quarter Year-to-date Comparison - General Fund						
Fiscal Year	Annual Budget	To-date Revenues		To-date Expenditures		
		Actual	%	Actual	%	
2018	\$ 74,078,778	\$ 34,557,380	47%	\$ 38,610,917	52%	
2017	68,303,575	33,595,602	49%	33,537,976	49%	
2016	60,315,713	35,359,452	59%	33,364,416	55%	
Average			51%		52%	

General fund expenditures are at 52%, which as a percentage of budget, is consistent with the prior years' average. Revenue actuals through the second quarter are at 47% collected through the mid-point of FY18.

Revenue

The table below provides a summary schedule of the revenue sources in the general fund:

REVENUES	BUDGET	ACTUAL	ACTUAL AS % OF BUDGET FY 2018	ACTUAL AS % OF BUDGET FY 2017	ACTUAL AS % OF BUDGET FY 2016
Property Taxes	\$ 20,233,882	\$ 18,111,892	90%	89%	88%
Other Taxes	9,910,938	3,343,318	34%	32%	13%
Licenses and Permits	4,029,604	1,412,241	35%	53%	20%
Intergovernmental Revenue	7,549,406	3,761,830	50%	51%	25%
Charges for Services	5,498,383	1,855,678	34%	43%	28%
Fines & Forfeits	786,836	478,081	61%	74%	41%
Miscellaneous Revenues	9,572,444	3,119,108	33%	62%	360%
Non-Revenues	16,497,285	2,475,232	15%	7%	9%
Total Current Revenues	\$ 74,078,778	\$ 34,557,380	47%	47%	46%

The table below provides a detailed schedule of the revenue sources in the general fund:

Revenue Source	Amended Budget	Revenues through March 31	2018
TAXES	Amended Budget	Revenues through March 31	% RCVD
Property Taxes (Ad Valorem)	20,233,882	18,111,892	90%
Other Taxes			
- General Sales and Use Tax	800,000	271,525	34%
- Franchise Fees	4,132,730	1,474,790	36%
- Utility Service Taxes	3,681,003	1,174,535	32%
- Communications Service Tax	1,297,205	422,468	33%
	\$ 30,144,820	\$ 21,455,210	71%
LICENSES AND PERMITS	Amended Budget	Revenues through March 31	% RCVD
Occupational Licenses	408,000	341,022	84%
Building Permits	3,290,639	911,754	28%
Other Licenses, Fees, & Permits	330,965	159,465	48%
	\$ 4,029,604	\$ 1,412,241	35%
INTERGOVERNMENTAL REVENUE	Amended Budget	Revenues through March 31	% RCVD
State Shared Revenues	7,479,406	3,746,659	50%
Shared Revenue from Local Units	70,000	15,171	22%
	\$ 7,549,406	\$ 3,761,830	50%
CHARGES FOR SERVICE	Amended Budget	Revenues through March 31	% RCVD
Charges for Service	\$ 448,000	\$ 220,049	49%
Public Safety	1,286,946	507,892	39%
Physical Environment	2,952,437	816,705	28%
Culture/Recreation	811,000	311,032	38%
	\$ 5,498,383	\$ 1,855,678	34%
FINES & FORFEITS	Amended Budget	Revenues through March 31	% RCVD
Judgements & Fines	\$ 613,613	\$ 399,823	65%
Library Fines	2,000	1,819	91%
Violation of Local Ordinances	122,500	34,602	28%
Other Fines/Or Forfeits	48,723	41,838	86%
	\$ 786,836	\$ 478,081	61%
MISCELLANEOUS REVENUES	Amended Budget	Revenues through March 31	% RCVD
Interest and Other Earnings	\$ 594,876	\$ 572,763	96%
Rents & Royalties	3,285,805	576,532	18%
Contributions/Donations	253,000	34,596	14%
Disposition of Fixed Assets	4,750,399	1,750,400	37%
Miscellaneous Revenues	688,364	184,817	27%
	\$ 9,572,444	\$ 3,119,108	33%
NON-REVENUES	Amended Budget	Revenues through March 31	% RCVD
Interfund Transfer	(1,841,173)	(3,031,173)	165%
Contribution From Enterprise	7,662,709	5,439,639	71%
Non-Operating Sources	10,675,749	66,766	1%
	\$ 16,497,285	\$ 2,475,232	15%
Total General Fund	\$ 74,078,778	\$ 34,557,380	47%

Property Taxes and Other Taxes

- Property Taxes are the single largest revenue source in the general fund and represent 27% of budgeted revenue. Property tax revenue is managed by the Miami-Dade County Property Appraiser with periodic distribution being made to the various taxing authorities. Per Truth in Millage (TRIM) requirements, the City budgets at 95% to allow for discounts and quarterly payments. Tax bills are sent to property owners in late October / early November with unpaid taxes becoming delinquent on April 1 of each year. As of March 31, 2018, the City has received 90% of budgeted property taxes.
- Other Taxes include revenues collected from state and local agencies and are typically received later in the year. These include general sales and use taxes or the local option gas tax; franchise fees, which include FP&L, City Gas, Natural Gas, WastePro and Bus Bench Revenue; Utility Service Taxes, which include revenue from FP&L, Natural Gas, Fuel Oil taxes and Propane taxes; and communications taxes; which includes telecommunication, videos, direct to home satellite and related services. Together, 34% of other taxes have been collected through the second quarter compared to 32% at this point last year.

Licenses and Permits

- Overall, Licenses and Permits are at 35% for the quarter, which is less than the mark of 53% last year. The Building permits revenue collection at 28% accounts for the majority of the difference; however, it is the expectation to collect \$1.1M in revenue once the County fire and DERM approvals for Warren Henry, Costco, and the County wastewater Plant are completed.
- Occupational licenses are at 84%. This high percentage is typical since fees are due at the beginning of each fiscal year.
- Other Licenses, Fees and Permits are at 48%. This includes the revenue collected from MediaNet and Billboards.

Intergovernmental Revenue

- Intergovernmental revenue, which is at 50% overall, is revenue received from other government agencies. The source is comprised by almost 99% from state revenue and 1% from local agencies.
- Half Cent Sales Tax, which is distributed from the state, is at 50% and on target.
- Shared Revenue from Local Units is the occupational licenses from Dade County and Occupational Licenses from Dade County Contractors. This source, which is at 22%, is collected later in the year.

Charges for Services

- Overall, Charges for Services revenue is at 34% in FY18 when it was 43% at this time last year. The major difference is public safety.
- Public Safety includes Burglary alarm fees, reimbursement for off-duty policing, and miscellaneous police revenues. Public safety revenue is at 39%, which is less than FY17. This decrease is due to less demand for off-duty policing. This source is a pass-through for the corresponding expenditure. Expenses for public safety will offset with revenue received from third party businesses who request off-duty policing.
- Physical Environment revenue is where sanitation and lot clearing fees are posted. This source is at 28%, which is comparable to FY17.
- Culture and Recreation fees are at 38%. This includes fees from the swimming pool, tennis revenues, summer camp, and stadium and facility rentals fees which are seasonal.
- Other charges for service include passport application fees, zoning compliance and minimum housing review fees, which are at 49% for the quarter.

Fines and Forfeits

- Overall, fines and forfeits revenue is at 61% through the second quarter of FY18. Although the overall percent is less than last year's 74% at this time, the total collection is expected to be more and the collection percentage exceeds the 50% baseline to date.
- Judgement and Fines include code liens and amnesty program and settlements, and is currently at 65%.
- Library Fines, Violation of Local Ordinances or code fines, and other Fines and Forfeits make up the remainder of the revenue category.

Miscellaneous Revenue

- Miscellaneous revenue includes interest yielded, rents and royalties, donations, disposition of fixed assets and insurance refunds. Overall, \$3.1 of miscellaneous revenue has been collected in FY18 which is about \$400k more than it was for the quarter in FY17. The variance between the collection percentage of 33% in FY18 compared to 62% in FY17 is attributed to the growth of the budgeted revenue for disposition of fixed assets and rents and royalties, which is expected to increase.

Non-Revenues

- Non-revenues are journal entries of interfund transfers between funds. Overall, non-revenues are at 15% compared to 7% last year. The difference is due to a city budget amendment where city revenues were increased by \$1.2M for a CRA expenditure to the city for housing rehabilitation initiatives in FY18. Otherwise, the interfund transfer revenue would have been -\$3M as budgeted.
- Non-revenues also includes contribution from the Enterprise Funds to the City General Fund. This represents what the Water, Sewer, and Stormwater Funds pay into the general fund for services including legal, IT, and fleet. This is at 71% compared to 50% last year. The variance is attributed to a deferred revenue adjustment from General Accounting Standards Board 63, where the end of the year collection of \$1.5m of FY17 revenue in being recorded in FY18.
- Non-revenues also include non-Operating Sources, which are the carryover funds from reserves and unfinished projects moved to the new fiscal year. This revenue has already been collected in prior years and, as a result, has a collection percentage of zero in the second quarter.

Expenditures

The table below provides information on expenditures through the second quarter for the General Fund by department:

DEPARTMENT	Amended Budget	Year-to-date Expenditures	FY18 % Used	FY17 % Used
Budget Office	367,284	162,251	44%	52%
Building Department	1,948,515	824,423	42%	32%
City Attorney	1,356,360	723,018	53%	52%
City Clerk	648,372	331,782	51%	44%
City Manager	2,574,695	1,467,567	57%	50%
Code Compliance	1,619,035	794,875	49%	55%
Community Planning & Development	3,624,701	1,096,967	30%	64%
Finance	3,403,592	1,847,668	54%	52%
Information Technology	1,968,954	1,241,442	63%	73%
Library	1,132,790	591,983	52%	55%
Mayor/Council	1,185,897	768,022	65%	73%
Museum of Contemporary Art	1,439,648	1,024,255	71%	58%
Non-Departmental	11,390,915	3,348,769	29%	2%
Parks & Recreation Department	7,638,180	4,637,914	61%	60%
Personnel	798,839	482,377	60%	59%
Police	27,233,882	15,070,203	55%	64%
Public Works	5,240,597	3,914,356	75%	56%
Purchasing	506,521	283,046	56%	47%
TOTAL - GENERAL FUND	74,078,778	38,610,917	52%	49%

This report reflects half of the fiscal year, October 1, 2017 to March 31, 2018, a baseline mark for comparison is 50%. Overall expenditures for the first half of the year from the general fund are at 52% this fiscal year which is 3% or \$5M more than FY17. The increase is due to expenses from hurricane Irma, which are reimbursable and increased pension costs, which are paid at the start of the year. Of the \$38.6 Million expended in the first half of the year, the general fund had \$7.7 million out of \$9 Million in pension costs under the closed pension plans, which is approximately \$500 thousand more than last year. The new pension plans under FRS will cost \$135 thousand for the first half, and is

estimated to have an annual cost of approximately \$300 thousand. Also, the new FRS pension plans are done weekly through payroll, which is not an upfront cost as the closed plans. Lastly, encumbrances or committed funds shown as expenditures in the first half of the year account for \$2.7 million out of the \$38.6 million expended in the first half, which is \$1.2 Million more than last year. Together, pension and encumbrances account for \$10.4 million or 27% of the first half expenditures for FY18. Considering the up-front expenditures are at the start at the fiscal year, it is usual for department budgets to be above the 50% threshold after the first two quarters.

A few of the departments are more than 10% above the second quarter measure and/or differ from last year's budget percent for a number of reasons:

- Building department is at 42% of its annual budget in FY18, which is slightly below target. It was at 32% last year at this time. The variance from this year to last fiscal year is due to the number of vacancies associated with the reorganization and move to insource the department. The building department is fully staffed now and as a result, more expenses are covering personnel.
- Community Planning & Development is at 30% in FY18 compared to 64% at the end of the second quarter in FY17. This large difference is primarily due to amendments made to the budget for housing rehabilitation grants, TD charitable grant, and adult continuing education. The total amount amended to CP&D's budget is \$1.8M with the majority of it being the Housing rehab grants (\$1.2M) which are transferred from the CRA.
- Information Technology is at 63% which is 10% less than last year at this time. In prior years, leases and maintenance fees were paid on a monthly basis. These transactions are now paid annually and is recorded at the beginning of the year.
- Mayor and Council is at 65% due to civic grants.
- Museum of Contemporary Art is at 71% through the second quarter primarily due the budget dedicated to MOCA, Inc. being at 88%.
- Non-departmental is at 29% in FY18 compared to 2% in FY17. This difference is due to the expenditures associated with reimbursable hurricane Irma expenses.
- Parks has expended \$4.6 million or 61% of their \$7.6 Million annual budget through the second quarter. Pension (\$700 thousand) and encumbrances (\$300 thousand) account for \$1million of \$4.6 million to date. An increase of spending compared to last year can be attributed to special events.
- Police is at 55% which is on target.
- Public Works is at 75% or \$3.9 Million out of the \$5.2 Million budgeted. The encumbrance and expenditures to date for the solid waste contract accounts for \$2.3 Million of the \$3.9 used through the second quarter.
- The Purchasing department is fully staffed in FY18, whereas during this time last year there were vacancies and salary savings. Purchasing is at 56% through the second quarter.

The table below provides a summary of general fund expenditures by category:

Expenditure Category	Budgeted Expenditure	Expenditures through March 31	Percent of Budget Used
Personnel Services	40,697,086	22,744,132	56%
Operating	15,176,055	12,365,393	81%
Internal Services	2,605,904	1,271,545	49%
Capital	1,718,892	488,207	28%
Debt - budgeted in reserve			
Grants	2,396,437	991,937	41%
Reserves	11,484,404	749,702	7%
Total	74,078,778	38,610,917	52%

DEBT SERVICE FUNDS

The debt service fund is used to account for long-term debt obligations by general obligation and revenue bonds.

2nd Quarter Year-to-date Revenues and Expenditures						
	Amended	To-date Revenues			To-date Expenditures	
		Budget	Actual	%	Actual	%
Debt						
Pension Loan Repayment	\$ 1,771,406	\$ 891,971	50%	\$ 253,841	14%	
Total	\$ 1,771,406	\$ 891,971	50%	\$ 253,841	14%	

The primary revenue sources for the debt service funds are interfund transfers from the general fund revenue. The cost allocation basis for the interfund transfer amounts is prior year salaries by department/division. The interfund transfers are done quarterly from department reserve accounts to the pension debt repayment fund. The pension loan repayment fund is on target at 50% of revenue. The note requires two interest expense payments in January 2018 and July 2018 of \$507,681 as well as a principal payment of \$770,000 in July 2018. The current expenditure status shows a balance of \$253,840 or 14%.

TRANSPORTATION FUNDS

The Transportation Funds are comprised of two revenue sources: Half-Cent Transportation Surtax and Three-Cent Gas Tax. In 2002, Miami-Dade County voters approved a The Half-Cent Transportation Surtax Fund for transportation to account for the City's prorated share of the Charter County Transit System Surtax proceeds. Allocations to local municipalities are based on population and the monies received must be used for transportation related projects and programs. The Three-Cent Local Option Gas Tax established in 1994 also provides funding for transportation related capital projects.

The table below provides a summary of the revenues and expenditures for Transportation Funds:

2nd Quarter Year-to-date Revenues and Expenditures						
	Amended	To-date Revenues			To-date Expenditures	
		Budget	Actual	%	Actual	%
Transportation						
1/2 Cent Surtax	\$ 5,448,463	\$ 806,959	15%	\$ 3,128,188	57%	
Gas Tax	678,476	104,174	15%	299,394	44%	
Total	\$ 6,126,939	\$ 911,133	15%	\$ 3,427,582	56%	

Transportation Revenue

The table below provides a details review of transportation revenue:

Transportation

Surtax	Amended Budget	2nd Qtr	% received
Cap Improvement Surtax Rev	2,385,518	791,121	33%
Bus Pass Rev	50,000	15,838	32%
Prior Year Surplus (Deficit)	3,012,944	0	0%
Totals	5,448,462	806,959	15%

Gas Tax	Amended Budget	2nd Qtr	% received
Cap Improvement Gas Tax rev	294,500	104,174	35%
Prior Year Surplus (Deficit)	383,976	0	0%
Total	678,476	104,174	15%

Transportation Funds	Amended Budget	2nd Qtr	% received
Total	6,126,938	911,133	15%

The Surtax budget of \$5.4 million includes an annual allocation of \$2.4 million for capital improvements, where 33% has been collected to date. Bus passes have an expected revenue of \$50,000 and prior year surplus of a little more than \$3 million. The total revenue received is 15% due to the surplus revenue category not being recorded as new revenue. Expenses for the fund are on target at the 57% mark.

The Gas Tax budget of \$678k includes an annual allocation of \$294k, where 35% has been collected to date, and carryover revenue from prior years in the amount of \$38,976. The carryover revenue is not recorded as new revenue and impacts the 15% of total revenue received. Gas tax expenditures are below the quarter mark and should be expended as the planned capital projects in street repair are executed throughout the year.

SPECIAL REVENUE FUNDS

Special Revenue Funds are used for specific purposes and the associated revenue is dedicated for a single purpose only. The funds in this category include Federal Housing grants (CDBG, HIPP, SHIP, and NSP), Police grants and special revenue (Federal Forfeiture, Law Enforcement Trust fund, Police Training), CRA, Library grants, Miscellaneous Grants, Impact Fees, and the Landfill Closure Fund.

In addition to the current budgeted revenues that are anticipated during the fiscal year, existing cash balances (reserves and surplus) are also budgeted before the year and through re-appropriation during the year in support of the expenditures that are planned during the fiscal year.

The table below provides a summary of the receipts through the end of the first quarter in the various funds:

2nd Quarter Year-to-date Revenues and Expenditures						
Special Revenue	Amended Budget	To-date Revenues			To-date Expenditures	
		Actual	%	Actual	%	
CDBG - Housing Grant	\$ 936,354	\$ 285,662	31%	\$ 260,880	28%	
CRA	9,112,659	4,911,348	54%	3,502,162	38%	
Federal Forfeiture	285,536	25,239	9%	89,832	31%	
HIPP - Housing Grant	404,921	50,556	12%	55,512	14%	
Impact Fees	-	72,448		-		
Landfill Closure Fund	12,177,578	13,634	0%	367,470	3%	
Law Enforcement Trust	224,522	23,702	11%	50,576	23%	
Library Special Revenue	28,000	-	0%	-	0%	
Misc. Grants	356,128	70,413	20%	339,717	95%	
NSP - Housing Grant	31,280	-	0%	10,381	33%	
Police Training	8,880	2,703	30%	4,713	53%	
SHIP - Housing Grant	465,626	-	0%	26,041	6%	
Total	\$ 24,031,484	\$ 5,455,705	23%	\$ 4,707,284	20%	

ENTERPRISE FUNDS

Enterprise funds are used to account for services provided to specific users or segments of the community. The funds are operated similar to a private business. The primary funding source for an enterprise fund is user fees.

The table below provides a summary of the revenue budget for these funds:

2nd Quarter Year-to-date Revenues and Expenditures						
Enterprise	Amended Budget	To-date Revenues			To-date Expenditures	
		Actual	%	Actual	%	
Water & Sewer	\$ 72,720,278	\$ 11,545,624	16%	\$ 19,352,999	27%	
Water Fire Flow Demand	921,010	4,363	0%	26,892	3%	
Stormwater	4,461,541	1,315,320	29%	1,339,950	30%	
Total	\$ 78,102,829	\$ 12,865,307	16%	\$ 20,719,840	27%	

The below chart represents a more detailed view of the enterprise revenue sources:

Enterprise Revenue

Water & Sewer	Amended Budget	2nd Qtr	% received
Interest and Other Earnings	27,000	44,358	164%
Grants from Other Local Units	0	111,078	N/A
Physical Environment	26,619,213	11,380,183	43%
Miscellaneous Revenues	1	10,005	1000458%
Non-operating Sources	46,074,064	0	0%
Totals	72,720,278	11,545,624	16%

Water & Sewer Fire Flow Demand	Amended Budget	2nd Qtr	% received
Physical Environment	899,371	4,363	0%
Prior Year Surplus/Deficit	21,639	0	0%
Total	921,010	4,363	0%

Stormwater	Amended Budget	2nd Qtr	% received
Physical Environment	2,639,082	1,315,320	50%
Prior Year Surplus/Deficit	1,822,459	0	0%
Total	4,461,541	1,315,320	29%

Enterprise Funds	Amended Budget	2nd Qtr	% received
Total	78,102,829	12,865,306	16%

Utilities - Water & Sewer and Water Fire Flow Funds

Revenues are recognized when customers are billed. Customers are billed for Water & Sewer usage monthly or quarterly, and charges for this are expected to generate about \$26.6 million this year. Through the second quarter, 43% of this revenue is recognized under Water & Sewer Physical Environment. Interest and Other Earnings, grants, and miscellaneous revenue, account for approximately \$165,000 or 1% of what has been collected to date. The Non-Operating Sources, which are also called prior year surplus or carryover funds, are budgeted at approximately \$46 million. These carryover funds from the financial statement ending in 2016 and re-appropriations from 2017, make up the remainder of the total funds budgeted and are at 0% for the quarter because existing revenue is not recorded as new. As a result, total Water & Sewer revenue is at 16%. Expenditures are at 27%, as projects are completed from prior year funding, the gap between budgeted revenue and expenditures to date will narrow as expenditure totals increase. The Water & Sewer Fire Flow Demand fund is a separate fund established to facilitate the expansion and upgrading of the water facilities for the fire flow system of the water service area of the city. The only allowable expenses are from corresponding revenues generated in the fund.

Stormwater Fund

Revenues are recognized when customers are billed. Customers are billed for Stormwater monthly or quarterly and charges are expected to generate about \$2.6 million this year. The first half of FY18 saw 50% of this revenue recognized under Stormwater Physical Environment. The prior year Surplus of \$1.8 Million makes up the remainder of the budgeted revenue and this is at 0% for the quarter because existing revenue is not recorded as new. As a result, total Stormwater revenue is at 29%. Expenditures are at 30% compared to last year at this time when it was 40%. This variance is due to an increased budget for fund reserves.

INTERNAL SERVICE FUNDS

The costs of insurance programs are budgeted and accounted for in Internal Service Funds. An Internal Service Fund is a type of Proprietary Fund – a fund used to account for a government’s business-type activities. Internal Service Funds are designed to function on a cost-reimbursement basis. The Internal Service Fund receives revenue (charges for services) from the operating funds to cover the cost of premiums, administrative charges of third party administrator, and claims. For property/casualty, quarterly transfers of funds are made from the general, water and sewer, and stormwater funds, and are based on prior year salaries as a percentage value of personnel in each fund. The risk management fund includes workers’ compensation and general liability insurance. Fleet management services are charged to departments for their use of the motor pool and are also based on the acquisition and maintenance cost schedule for the vehicles assigned to the respective departments.

The table below provides a summary of the revenues and expenditures for Internal Service Funds:

2nd Quarter Year-to-date Revenues and Expenditures					
	Amended	To-date Revenues		To-date Expenditures	
		Budget	Actual	%	Actual
Internal Service					
Fleet Management	\$ 6,622,384	\$ 1,367,687	21%	\$ 3,601,176	54%
Risk Management	4,915,282	702,218	14%	876,645	18%
Total	\$ 11,537,666	\$ 2,069,906	18%	\$ 4,477,821	39%

The interfund contributions are executed quarterly and are all at 50%. However, the total budgeted revenue marks fall below the 50% target because rolled over revenue for planned expenses including vehicle acquisition and possible claims payments or reserves, are not recorded as new revenue when carried over to the new fiscal year. Risk Management expenditures are at 18% for the year but will increase on the possibility of claims. The expenditures for fleet are on target at 54%.