



TOWN OF MIAMI LAKES

MEMORANDUM

To: Honorable Mayor and Town Councilmembers

From: Edward Pidermann, Town Manager

Subject: FY 2018-19 Year-End Budget Revision

Date: November 12, 2019

RECOMMENDATION

It is recommended that the Town Council approve final revision to the FY 2018-19 Amended Budget as presented in Exhibit A to the Resolution.

BACKGROUND

Pursuant to Section 166.241 (4) of the Florida Statutes, the final revision to the budget must be adopted within 60 days following the end of the fiscal year prior to November 30th. Modifications to line items that significantly exceed budgeted appropriations and that exceed the Town Manager's authority (\$8,400 per year) per Ordinance No. 2018-230 are required. The significant line item adjustments are discussed below and summarized in Exhibit A:

GENERAL FUND

At the end of FY 2018-19, the General Fund is projected at an operating deficit of \$37,381; this includes the litigation/settlement reserves (\$342,500) which was appropriated in FY19-20.

Below is a summary of the FY 2018-19 General Fund Revenue and Expense Budget and Fund Balance Analysis as projected at the end of the fiscal year.

FY2018-19 Year-End Budget Revision
November 12, 2019

ACCOUNT NAME/DEPARTMENT	FY2018-19 REVISED BUDGET	FY2018-19 YEAR-END PROJECTION	VARIANCE REVISED VS YE PROJECTION \$	VARIANCE REVISED VS YE PROJECTION %
Revenues				
Ad Valorem Taxes	\$7,111,200	\$7,202,534	\$91,334	1.28%
Franchise Fees	\$1,275,000	\$1,130,788	(\$144,212)	-11.31%
Utility Service Tax	\$3,325,501	\$2,857,576	(\$467,925)	-14.07%
Intergovernmental Revenues	\$4,522,810	\$4,480,402	(\$42,408)	-0.94%
Permits & Fees (Non-Building Dept.)	\$433,500	\$383,907	(\$49,593)	-11.44%
Fines & Forfeitures	\$195,000	\$188,092	(\$6,908)	-3.54%
Miscellaneous Revenues	\$420,693	\$325,067	(\$95,626)	-22.73%
Sub-total Recurring Revenues	\$17,283,704	\$16,568,368	(\$715,336)	-4.32%
Transfers In	\$0	\$0	\$0	0%
Prior Year Carry-Over Funds	\$1,275,000	\$1,275,000	\$0	0%
Sub-total Other Revenues	\$1,275,000	\$1,275,000	\$0	0%
Total Revenues	\$18,558,703	\$17,843,368	(\$715,336)	-4.01%
Expenditures				
Town Mayor & Council	\$402,095	\$356,077	\$46,018	11.44%
Town Clerk	\$255,315	\$229,547	\$25,767	10.09%
Town Attorney	\$255,000	\$253,439	\$1,561	0.61%
Administration	\$2,101,257	\$1,837,520	\$263,737	12.55%
Police & School Crossing Guards	\$8,616,691	\$8,671,331	(\$54,640)	-0.63%
Planning & Zoning	250,242	241,732	\$8,510	3.40%
Code Compliance	\$308,557	\$301,570	\$6,987	2.26%
Parks & Recreation	\$2,847,786	\$2,571,807	\$275,979	9.69%
Community Outreach & Engagement	\$345,461	\$344,509	\$952	0.28%
Committees'	\$318,219	\$326,760	(\$8,541)	-2.68%
Public Works	\$1,270,006	\$1,107,726	\$162,280	12.78%
QNIP	\$48,855	\$48,855	\$0	0%
Non-Departmental	\$510,930	\$502,222	\$8,708	1.70%
Sub-total Expenditures	\$17,530,414	\$16,793,095	\$737,319	4.39%
Transfers Out	\$1,028,289	\$1,087,654	(\$59,365)	-5.77%
Total Expenditures	\$18,558,703	\$17,880,748	\$677,954	3.79%
Excess (Deficiency) of Revenues over Expenditures	\$0	(\$37,381)	(\$37,381)	

FY 2018-19 Beginning Fund Balance (CAFR)	\$ 5,048,869
Carryover projects and legal reserves	<u>\$ (1,275,000)</u>
Hurricane Irma Disallowance	<u>\$ (500,000)</u>
Excess (Deficiency) of Revenues over Expenditures	<u>\$ (37,381)</u>
Revised Fund Balance	<u>\$ 3,236,488</u>

The General Fund total departmental expenditure allocations for FY2018-19 are approximately \$678,000 lower than budgeted. All departments are within their revised budget allocation except for Police primarily as a result of patrol service contract increase. The committees also reflect a deficit due to the pending budget adjustments required for the donations and sponsorship received.

Mayor and Council – Regular Salaries – increase in appropriation due to sick and vacation payout (\$9,910) for employee who resigned. Funds are transferred from travel & per diem and subscriptions & memberships line items within Mayor and Council. *Mayor's Gala* - Donations received for the benefit of the Special Needs Advisory Board initiatives. These are donations that were received in the first half of the fiscal year for the previous Mayors Gala which occurred in FY17-18. Budgeted funds are to be reflected in the correct account in the Special Needs Advisory Board Committee line item (\$8,488).

Town Clerk – Software – increase in appropriation and to correctly classify the purchase of the new agenda manager software to the proper account (\$57,500). Funds are transferred from Election Costs and Agenda Manager line items within the Town Clerk budget.

Administration – ICMA 457 PL – increase in appropriation due to transition and overlapping of the Town Manager's position (\$11,065). Funds are transferred from regular salaries line item within administration. *Information Technology-Network Support* - increase in appropriation due to contract renewal (\$20,500). Funds are available in the Software line item within Information Technology due to savings from the deferred purchase of the new Parks reservation software.

Police – Patrol Services & Overtime – increase in appropriation due to the increase in contract services of Miami Dade County Police contract negotiations (\$47,500). Funds are transferred from regular salaries line item within administration. This savings is due to employee turnover and vacancies.

Parks & Recreation Services – Salaries and Benefits – increase in appropriation due to the reorganization of the department adjustments are required to accurately reflect expenses in the appropriate sub-sections (\$39,000). Funds are transferred from various line items within the Park & Recreation department.

Community Outreach & Engagement - Salaries and Benefits – increase in appropriation of salaries and benefits are required to accurately reflect expenses in the appropriate sub-sections (\$61,800). Funds are transferred from various line items within the Community Outreach & Engagement department. *Committees* – increase in appropriation due to the contributions, donations and sponsorships received for specific events (\$25,547). Funds are transfer from the committee reserve for future donations line item within administration, which is offset by revenues received.

Public Works - Green Space - Tree Removal – increase in appropriation due to the removal of several hazardous trees, down branches on roadways, and stump grindings (\$7,000). Funds are

transferred from the repair and maintenance line item within Public Works-Green Space sub-section.

Non-Departmental – *Special Item FEMA Reimbursement* – increase in appropriation due to reimbursement to FEMA for Hurricane Wilma project de-obligation (\$9,722). Funds are transferred from regular salaries line item within administration. This savings is due to employee turnover and vacancies.

SPECIAL REVENUE FUND

The sub-funds within the Special Revenue Fund is projected to end with a total of \$560,480 of revenues over budgeted expenditure allocations including the prior year carryover reserves as follows:

Transportation Gas Tax – The projected fund balance at the end of FY18-19 for this sub-fund is \$11,892. No line item adjustment is required.

Transit (PTP 20%) – The projected fund balance at the end of FY18-19 for this sub-fund is \$93,371. A line item adjustment of \$46,540 is required for the transit bus circulator and Freebee overlapping service. Funds will be transferred from Contingency line item.

Transportation (PTP 80%) - The projected fund balance at the end of FY18-19 for this sub-fund is \$106,566. A line item adjustment of \$10,000 is required for professional engineering assistance on grant applications, and the development of basic graphics and opinions of probable cost (OPC) for TAP applications. Funds will be transferred from Street Lighting Repairs & Maintenance line item.

Mobility Fees – The projected fund balance at the end of FY-18-19 is \$0. No line item adjustment is required.

Black Olive Tree Removal Program – The projected fund balance at the end of FY18-19 is \$27,370. No line item adjustment is required.

Special Revenue Other - representing contribution from developer for educational purposes. No line item adjustment is required.

IMPACT FEES FUND

The Impact Fees Fund is projected to end with a total of \$1,210,085 of revenues over budgeted expenditure allocation for the following sub-funds: Parks Improvements - \$65,691; Parks Open Space - \$1,067,205; Road Impact - \$0; and Public Safety - \$77,189. All line items are within budget allocation and therefore no adjustment to the budget is required.

BUILDING FUND

The Building Department Fund is projected to end FY 2019 with approximately \$2,600,442 in revenues over total budgeted expenditures. A line item adjustment is required to cover overtime salaries due to extra workload created by a vacant position (\$9,688). Funds will be transferred from Regular Salaries line item.

SPECIAL TAXING DISTRICTS

The Special Taxing District Fund is projected to end with a total of \$246,053 of revenues over expenditure allocation for the following districts: Miami Lakes Section One - \$46,018; Loch Lomond - \$6,385; Royal Oaks Section One - \$67,518; Royal Oaks East - \$117,760; Lake Patricia \$3,535 and Lake Hilda - \$4,837. All line items are within budget allocation and therefore no adjustment to the budget is required.

CAPITAL PROJECTS FUND

Substantial progress has been made toward implementing the Town's Five (5) Year Capital Improvement Program including completion of the following projects in FY 2019: Lake Sarah roadway and drainage improvements; Miami Lakeway South resurfacing between NW 67th Avenue and Miami Lakes Drive; retrofit LED field lighting at Royal Oaks Park (ROP); redevelop the SW vacant parcel of ROP, West Lake Neighborhood Reforestation Phase 3, replacement of new shade structure and safety surface at Mary Collins Community Center, as well as Phase 3 installation of benches, receptacles, and signs at the parks.

At the end of FY2018-19, the Capital Projects Fund balance is projected at \$1,470,818. This amount includes projects that have started but are scheduled to complete in FY 2020, such as Royal Oaks drainage and improvement project; NW 59th Avenue roadway extension, NW 60th Avenue Complete Street implantation, Safe Routes to School project, Palmetto and NW 67th Avenue widening, and Optimist Park Storage Facility improvements. Any unexpended funds at the close of FY2019 audit will be re-programmed in the FY 2019-2020 Budget with the Carryforward Budget Amendment in January 2020.

Revisions to line items in the Capital Projects FY 2018-19 Amended Budget are required as follows:

Parks Improvements – Allocate funds for Bridge Park topographic survey, and installation of silt fencing and signs (\$11,100). Funds will be transferred from the savings of ROP LED field light retrofit project which came in under budget.

Facilities & Equipment Improvements – Line item adjustment to cover final expenses for the government center generator project (\$10,000). Funds will be transferred from the contingency line item for this project.

STORMWATER UTILITY FUND

The Stormwater Utility Fund is projected to end with approximately \$7,147 in revenues over expenditure allocations. A line item adjustment is required to reclassify budgeted funds from Computer Software Licenses to Software for the purchase of the Asset Management Software (\$29,488).

FACILITIES MAINTENANCE FUND

The Facilities Maintenance Fund captures all costs associated with the operations, maintenance and repairs of the Town's Government Center. The cost of centralized services is allocated between the General Fund (Administration at 60% and Police Department at 27%) and Building Department Fund (13%). Line item adjustments are required to cover salaries and benefits (\$11,700), and for the security access system for the 4 door and the elevators within government center (\$13,000). Funds will be transferred from several line items within Facilities Maintenance.

ATTACHMENTS:

Exhibit A
Resolution