



# V I L L A G E   O F   K E Y   B I S C A Y N E

*Village Council*

Michael W. Davey, *Mayor*  
Allison McCormick, *Vice Mayor*  
Luis Lauredo  
Edward London  
Brett Moss  
Katie Petros  
Ignacio J. Seguroola

## MEMORANDUM

DATE: April 23, 2019  
TO: Honorable Mayor and Council Members  
FROM: Andrea M. Agha, Village Manager *AMA*  
RE: Fiscal Year 2018-19 Second Quarterly Report

Attached is the second quarterly report summarized at the fund level for revenue and expenditures incurred from October 1, 2018, to March 31, 2019. This represents six months of expenses and revenues for FY2019.

There were 13 pay periods as of March 31, 2019; therefore, the percentage for personnel expenditures and operating should be approximately 50% for routine and regularly recurring operations. Explanations of variances as compared to the same period in FY2019 are included in the report. We are developing a budget projection system that will account for business decisions made throughout the year that will impact our year-end projections. The budget monitoring system will consider the timing of expenditures that do not take place in regular monthly cycles.

Intergovernmental revenues such as State Revenue Sharing, Half-Cent Sales Tax, Telecommunication Services Tax, and Local Option Gas Taxes are lagging behind by one to two months due to timing differences. Utility revenues are lagging by one month. Explanations are also provided by category for major variances.

On cash management and investments, we are eliminating all most all of the Village's bank accounts. Excess funds will be invested in the Village's account at the State Board of Administration's Prime Fund. Additionally, we have negotiated a higher earnings credit rate with the Village's bank. Taken together, we estimate that the Village should receive an additional \$200,000 annually in investment income. This should be complete by the second week of May.

### General Fund Revenues

		<b>FY 19</b>	<b>FY 19</b>	<b>%</b>		<b>FY 18</b>	<b>FY 18</b>	<b>%</b>	<b>FY 18</b>	<b>%</b>
		<b>Budget</b>	<b>as of 3/31/2019</b>	<b>of Budget</b>		<b>Budget</b>	<b>as of 3/31/2018</b>	<b>of Budget</b>	<b>EOY Revenue</b>	<b>of Budget</b>
<i>Property Tax</i>	<sup>1</sup>	\$25,128,582	\$22,058,820	88%		\$24,643,294	\$22,224,264	90%	\$24,992,663	101%
<i>Utility Tax</i>	<sup>2</sup>	2,825,426	1,049,449	37%		2,680,000	1,042,779	39%	2,870,642	107%
<i>Franchise Fees</i>	<sup>3</sup>	600,000	0	0%		475,000	0	0%	655,599	138%
<i>Permits/Licenses Tax/Other Fees</i>	<sup>4</sup>	1,999,500	889,479	44%		1,438,500	511,446	36%	1,220,012	85%
<i>Intergovernmental Revenue</i>	<sup>5</sup>	1,475,897	525,643	36%		1,367,000	559,910	41%	2,343,299	171%
<i>Charges for Services</i>	<sup>6</sup>	3,334,700	1,365,937	41%		3,400,300	1,574,513	46%	3,698,895	109%
<i>Fines and Forfeitures</i>	<sup>7</sup>	110,000	108,579	99%		225,000	117,574	52%	252,893	112%
<i>Sales of Assets</i>	<sup>8</sup>	0	61,000	100%		0	36,350	100%	36,350	
<i>Donations &amp; Contributions</i>	<sup>9</sup>	0	3,200	100%		0	38,325	10%	38,325	
<i>Settlement</i>	<sup>10</sup>	0	0	0%		0	66,560	100%	66,560	
<i>Grant</i>	<sup>11</sup>	0	0	0%		0	3,210	100%	53,210	
<i>Miscellaneous Revenues</i>	<sup>12</sup>	50,000	57,588	115%		50,000	14,300	29%	59,065	118%
<b>TOTAL</b>		<b>35,524,105</b>	<b>26,119,696</b>	<b>74%</b>		<b>34,279,094</b>	<b>26,189,231</b>	<b>76%</b>	<b>\$36,287,513</b>	<b>106%</b>

- <sup>1</sup> Property Taxes are not due until April 1, however homeowners receive discounts if paid before April 1 encouraging early payments. is slightly lower because at the end of FY 18, the Village has created a Special Revenue Fund for the Land Trust which previously was recorded in the General Fund.
- <sup>2</sup> Electric and gas tax are lagging by 2 month, Water utility is lagging by 3 months and the Telcommunication tax from the State is lagging by 2 month. Currently staff does not foresee any deficit based on current trend.
- <sup>3</sup> Electric franchise fee is to be distributed from the County once a year in August.
- <sup>4</sup> Building Permit Revenues generated an additional \$309K and Business License generated an additional \$46K when compared to FY 18. However, it is still slightly under what is being budgeted.
- <sup>5</sup> Lower revenue received in FY 19 is partly attributed to Firefighter Supplement received from the State. FY 18, the Village received \$25K, while in FY 19, only \$9K is received. Also in FY 18, the Village received \$9K distribution on Dec. 8, 2017 for the quarterly distribution of School Crossing Guards revenue. This distribution should have been recorded as revenue in the previous year 2017. The Quarterly distribution of School Crossing guard was received on March 15, 2018 in the amount of \$10,77.07, however the City has not received the first quarterly distribution yet in FY 2019.
- <sup>6</sup> Decrease is attributed to Fire transport fees and lower Recreation revenues.
- <sup>7</sup> Should almost double our budget estimate.
- <sup>8</sup> In FY 19, the Village received \$61,000 in proceeds for the sale of fire apparatus.
- <sup>9</sup> In FY 18, the Village received a donation from Mashta Island Association for CCTV Cameras, while in FY 19 the Village received \$700 for Adopt a Bench program and donations for sport programs
- <sup>10</sup> The Village received a settlement from Gateway Partners in FY 18.
- <sup>11</sup> In FY 18, the Village received Urban Areas Security Initiative grant.
- <sup>12</sup> The increase in FY 19 is mostly attributed to interests earned in the Certificate of Deposits.

### General Fund Expenditures

		FY 19	FY 19	%	FY 18	FY 18	%	FY 18	%
		Budget	as of 3/31/2019	of Budget	Budget	as of 3/31/2019	of Budget	EOY Expenditures	of Budget
<i>Personnel Expenses</i>	1	\$18,776,379	\$9,165,236	48.81%	\$17,025,440	\$8,239,524	48.40%	\$18,191,345	106.85%
<i>Operating Expenses</i>	2	11,233,031	4,219,268	37.56%	10,916,981	5,733,123	52.52%	11,733,601	107.48%
<i>Capital Outlay</i>		21,500	3,984	18.53%	119,585	235,040	196.55%	391,502	327.38%
<i>Debt Service</i>	3	4,175,764	2,400,447	57.49%	4,249,255	2,674,549	62.94%	3,893,032	91.62%
<i>Interfund Transfers</i>		1,262,431	841,950	66.69%	0	2,364,510		3,658,385	
<i>Contingency</i>	4	55,000	25,418	46.21%	55,000	30,617	55.67%	47,658	86.65%
<b>TOTAL</b>		<b>\$35,524,105</b>	<b>\$16,656,303</b>	<b>46.89%</b>	<b>\$32,366,261</b>	<b>\$19,277,363</b>	<b>59.56%</b>	<b>\$37,915,522</b>	<b>117.15%</b>

- <sup>1</sup> Salaries should reflect 50% for 13 periods paid in the fiscal year.
- <sup>2</sup> Operating expenditures when compared to FY 18 are comparable both in dollar value and percentage of budget. Lower percentage for YTD expenses compared to last year reflects hurricane expenses incurred during early FY18. The variance of expenses between FY 18 and FY 19 is attributed to the storm preparations which the City incurred \$1.1 million as of 3/31/2018.
- <sup>3</sup> In FY 19 The School Improvement Bond was not due until October and was paid on 10/17/2018. In FY 18, the Village made the principal payment in September and was charged to FY 17.
- <sup>4</sup> In FY 19, the expenses on this line item is for Employee of the Year service pins and awards, Ultra Music Festival Public Relations, Thanksgiving luncheon, atmospheric water generators to eliminate single use plastic bottles in the Manager's office and Mast donation.

**Special Revenue Fund - Transportation Revenues**

	<b>FY 19 Budget</b>	<b>FY 19 as of 3/31/2019</b>	<b>% of Budget</b>		<b>FY 18 Budget</b>	<b>FY 18 as of 3/31/2018</b>	<b>% of Budget</b>	<b>FY 18 EOY Revenue</b>	<b>% of Budget</b>
<i>Local Option Gas Tax</i>	\$201,082	\$72,284	35.95%		\$0	\$72,373		\$213,463	
<i>Intergovernmental Revenue</i>	905,000	459,005	50.72%		874,274	444,807	50.88%	891,429	101.96%
<i>Miscellaneous Revenues</i>	100	56	56.01%		185	69	37.19%	170	91.82%
<b>TOTAL</b>	<b>\$1,106,182</b>	<b>\$531,345</b>	<b>48.03%</b>		<b>\$874,459</b>	<b>\$517,249</b>	<b>59.15%</b>	<b>\$1,105,062</b>	<b>126.37%</b>

<sup>1</sup> This revenue source is projected by the State of Florida. The revenue is lagging by 2 months

<sup>2</sup> CITT funds and a portion of state shared revenue

**Special Revenue Fund - Transportation Expenditures**

	<b>FY 19 Budget</b>	<b>FY 19 as of 3/31/2019</b>	<b>% of Budget</b>		<b>FY 18 Budget</b>	<b>FY 18 as of 3/31/2019</b>	<b>% of Budget</b>	<b>FY 18 EOY Expenditures</b>	<b>% of Budget</b>
<i>Operating Expenses</i>	\$422,000	\$201,987	47.86%		\$422,000	\$141,250	33.47%	\$305,366	72.36%
<i>Capital Outlay</i>	82,494	0	0.00%		79,345	0	0.00%	\$0	0.00%
<i>Debt Service</i>	601,688	298,955	49.69%		593,114	298,955	50.40%	\$597,910	100.81%
<b>TOTAL</b>	<b>\$1,106,182</b>	<b>\$500,942</b>	<b>45.29%</b>		<b>\$1,094,459</b>	<b>\$440,205</b>	<b>40.22%</b>	<b>\$903,276</b>	<b>82.53%</b>

<sup>1</sup> The transit service was not commenced until February 2018. The first payment the Village made in December 2017 is for a six month services.

**Special Revenue Fund - Land Trust Fund Revenues**

	<b>FY 19 Budget</b>	<b>FY 19 as of 3/31/2019</b>	<b>% of Budget</b>		<b>FY 18 Budget</b>	<b>FY 18 as of 3/31/2018</b>	<b>% of Budget</b>	<b>FY 18 EOY Revenue</b>	<b>% of Budget</b>
<i>Property Tax</i>	0	\$222,821			0	0	0.00%	\$249,926	
<b>TOTAL</b>	\$0	\$222,821			\$0	\$0	0.00%	\$249,926	

<sup>1</sup> Land Trust Fund was created at the end of Fiscal Year 2018, previously it was recorded in the General Fund

**Special Revenue Fund - Land Trust Expenditures**

	<b>FY 19 Budget</b>	<b>FY 19 as of 3/31/2019</b>	<b>% of Budget</b>		<b>FY 18 Budget</b>	<b>FY 18 as of 3/31/2019</b>	<b>% of Budget</b>	<b>FY 18 EOY Expenditures</b>	<b>% of Budget</b>
<i>Capital Outlay</i>	0	0			0	0		\$0	
<b>TOTAL</b>	\$0	\$0			\$0	\$0		\$0	

### Enterprise Fund - Stormwater Revenues

	<b>FY 19 Budget</b>	<b>FY 19 as of 3/31/2019</b>	<b>% of Budget</b>		<b>FY 18 Budget</b>	<b>FY 18 as of 3/31/2018</b>	<b>% of Budget</b>	<b>FY 18 EOY Revenue</b>	<b>% of Budget</b>
<i>Stormwater Fees</i>	\$991,555	\$239,359	24.14%		\$985,000	\$228,418	23.19%	\$941,302	95.56%
<i>Miscellaneous Revenues</i>	0	18,612	100.00%		0	10,274	0.00%	23,278	
<i>Non-operating Revenues</i>	716,347	0	0.00%		0	0	0.00%	0	0.00%
<b>TOTAL</b>	<b>\$1,707,902</b>	<b>\$257,971</b>	<b>15.10%</b>		<b>\$985,000</b>	<b>\$238,691</b>	<b>0.00%</b>	<b>\$964,580</b>	<b>97.93%</b>

<sup>1</sup> The Stormwater Fees is collected by Dade County under the water utility billing. The distribution from the County is lagging by three months, so the percentage of collection should be reflecting as 25%.

<sup>2</sup> The Miscellaneous revenue reflected the interest earned.

### Enterprise Fund - Stormwater Expenditures

	<b>FY 19 Budget</b>	<b>FY 19 as of 3/31/2019</b>	<b>% of Budget</b>		<b>FY 18 Budget</b>	<b>FY 18 as of 3/31/2019</b>	<b>% of Budget</b>	<b>FY 18 EOY Expenditures</b>	<b>% of Budget</b>
<i>Personnel Expenses</i>	\$111,309	\$40,252	36.16%		\$105,974	\$43,517	41.06%	\$100,204	94.56%
<i>Operating Expenses</i>	404,785	123,221	30.44%		399,399	210,844	52.79%	\$677,788	169.70%
<i>Capital Outlay</i>	716,347	\$0	0.00%		0	0	0.00%	\$0	0.00%
<i>Debt Service</i>	475,461	\$58,337	12.27%		479,627	62,504	13.03%	\$125,008	26.06%
<i>Depreciation Expenses</i>	0	\$0	0.00%		0	0	0.00%	\$332,245	
<b>TOTAL</b>	<b>\$1,707,902</b>	<b>\$221,810</b>	<b>12.99%</b>		<b>\$985,000</b>	<b>\$316,865</b>	<b>32.17%</b>	<b>\$1,235,245</b>	<b>125.41%</b>

<sup>1</sup> More expenses incurred in FY 2018 for Storm drain maintenance

**Enterprise Fund -Solid Waste Revenues**

	<b>FY 19 Budget</b>	<b>FY 19 as of 3/31/2019</b>	<b>% of Budget</b>		<b>FY 18 Budget</b>	<b>FY 18 as of 3/31/2018</b>	<b>% of Budget</b>	<b>FY 18 EOY Revenue</b>	<b>% of Budget</b>
<i>Charges for Services</i>	\$825,600	\$812,990	98.47%		\$807,540	\$817,991	101.29%	\$817,991	101.29%
<i>Miscellaneous Revenues</i>	6,000		0.00%		0	2,364	100.00%	23,510	
<b>TOTAL</b>	<b>\$831,600</b>	<b>\$812,990</b>	<b>97.76%</b>		<b>\$807,540</b>	<b>\$820,355</b>	<b>101.59%</b>	<b>\$841,501</b>	<b>104.21%</b>

- <sup>1</sup> The Village performs the annual billing in the month of February for the full fiscal year. Amount billed for FY 19 is slightly below the budget amount.
- <sup>2</sup> due to enhanced level of service required to bring the system up to an acceptable standard. FY19 expenditure will reflect savings due to contract award at lower rates.

**Enterprise Fund -Solid Waste Expenditures**

	<b>FY 19 Budget</b>	<b>FY 19 as of 3/31/2019</b>	<b>% of Budget</b>		<b>FY 18 Budget</b>	<b>FY 18 as of 3/31/2019</b>	<b>% of Budget</b>	<b>FY 18 EOY Expenditures</b>	<b>% of Budget</b>
<i>Operating Expenses</i>	\$772,106	\$381,987	49.47%		\$740,958	\$371,407	50.13%	\$682,620	92.13%
<i>Contingency</i>	\$59,494	0	0.00%		\$0	\$0	0.00%	\$0	0.00%
<b>TOTAL</b>	<b>\$831,600</b>	<b>\$381,987</b>	<b>45.93%</b>		<b>\$740,958</b>	<b>\$371,407</b>	<b>50.13%</b>	<b>\$682,620</b>	<b>92.13%</b>