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TO: **Honorable Mayor, City Council Members and**
Ed Lavallee, MPA, City Manager

FROM: **Jeff Snyder, CPA, Finance Director**

DATE: **April 15, 2014**

SUBJECT: **Financial Management Report**

The Finance Department is supplying the March budget to actual financial management report. This report does not take into account the cyclical nature of many of our revenues and expenditures/expenses; property taxes and capital projects are prime examples. The vast majority of property taxes are collected during the first quarter of the year with the remaining balance collected during the last half. Additionally, many of our expenditures/expenses are not spent evenly throughout the year for instance most capital projects and the City's annual financial audit will be paid as work is completed. We have also included an annual projection for each fund based upon the first four months trends.

This management report is more like a cash flow analysis than a report like our Comprehensive Annual Financial Report (CAFR) which is prepared using generally accepted accounting principles. There are no accruals for expenditures/expenses committed but not paid or for revenue earned but not paid. It also does not include contractually agreed upon payments which the City will be required to make. These reports are for management only and should not be taken out of context; however I believe they will provide a useful snap shot picture of the results of operations to date and a good approximation of the results expected for the year.

The General Fund revenues overall are projected to be meet the beginning of the year budgeted amounts. Sales taxes appear to be on the increase early probably due to the bitter cold the northern states are experiencing. Because of the prudent spending practices of the past the City continues to be in a good position to weather the extended economic recession.

All of the funds presented appear to be performing as anticipated. The bright spot is the Building Fund which continues to improve year over year. The projected operations of this fund would tend to indicate that the economy is improving.

This report is a work in progress which can and will change as we determine what types of information are useful for City Council's review. Please do not hesitate to contact me with questions, concerns and/or recommendations.

City of Venice, Florida
Budget Comparison Management Report
General Fund
For the Period Ended March 31, 2014

	Annual Budget	Actual Amount	Year End Projection
REVENUES			
Taxes	$ 8,381,652	$ 7,777,857	$ 8,381,652
Sales taxes	1,164,916	479,930	1,212,455
Other taxes	2,029,935	941,941	2,093,202
Franchise fees	2,127,482	845,267	2,113,168
Fees and fines	25,707	7,444	14,888
Licenses and permits	327,608	240,930	481,860
Intergovernmental	2,956,924	1,086,562	2,807,749
Charges for services	206,290	59,381	118,762
Interest	171,291	48,478	96,956
Miscellaneous	721,104	663,295	826,590
Total revenues	18,112,909	12,151,085	18,147,282
EXPENDITURES			
Current:			
Mayor and council	248,476	144,913	216,626
City manager	489,243	244,568	484,536
Historical resources	217,587	93,634	217,268
City clerk	498,407	240,924	481,848
Finance	1,184,030	653,543	1,183,086
City attorney	300,000	163,892	299,784
Public works administration	206,451	104,022	203,044
City hall maintenance	225,635	102,149	204,298
General maintenance	1,127,572	599,279	1,127,558
Parks maintenance	1,127,853	485,373	1,120,746
Engineering	382,649	153,683	307,366
Police	8,073,603	3,908,753	8,067,506
Fire	6,502,811	3,285,310	6,502,620
Planning and zoning	571,719	250,142	560,284
Information services	918,769	584,914	918,728
Administrative services	533,549	270,735	533,470
Non-departmental	155,332	75,000	155,332
Total expenditures	22,763,686	11,360,834	22,584,100
Excess (deficiency) of revenues over (under) expenditures	(4,650,777)	790,251	(4,436,818)
OTHER FINANCING SOURCES (USES)			
Transfers in	3,534,260	1,364,796	3,534,260
Net other financing sources (uses)	3,534,260	1,364,796	3,534,260
Net change in fund balances	(1,116,517)	2,155,047	(902,558)
Unassigned fund balance (deficit) at beginning of year	9,991,064	9,991,064	9,991,064
Fund balance policy - emergency reserves	(5,690,922)	(5,690,922)	(5,690,922)
Unassigned fund balance (deficit) at end of period	$ 3,183,626	$ 6,455,190	$ 3,397,585

City of Venice, Florida
Budget Comparison Management Report
Building Permit Fees Fund
For the Period Ended March 31, 2014

	Annual Budget	Actual Amount	Year End Projection
REVENUES			
Fees and fines	$ -	$ 2,425	$ 4,850
Licenses and permits	1,389,433	918,997	1,717,994
Interest	1,738	4,653	9,306
Miscellaneous	1,252	25	50
Total revenues	1,392,423	926,100	1,732,200
EXPENDITURES			
Current:			
General government	784,895	417,907	784,814
Capital outlay	126,000	41,606	126,000
Total expenditures	910,895	459,513	910,814
Excess (deficiency) of revenues over (under) expenditures	481,528	466,587	821,386
OTHER FINANCING SOURCES (USES)			
Transfers out	(291,394)	(145,692)	(291,394)
Net other financing sources (uses)	(291,394)	(145,692)	(291,394)
Net change in fund balances	190,134	320,895	529,992
Unassigned fund balance (deficit) at beginning of year	912,325	912,325	912,325
Fund balance policy - emergency reserves	(227,724)	(227,724)	(227,724)
Unassigned fund balance (deficit) available for appropriations	$ 874,735	$ 1,005,496	$ 1,214,593

City of Venice, Florida
Budget Comparison Management Report
Airport Fund
For Period Ended March 31, 2014

	Annual Budget	Actual Amount	Year End Projection
OPERATING REVENUES			
Rentals	$ 1,776,362	$ 1,052,886	$ 1,905,772
Miscellaneous	33,645	20,239	40,478
Total operating revenues	1,810,007	1,073,125	1,946,250
OPERATING EXPENSES			
Personal services	572,327	241,203	522,406
Insurance	99,213	49,602	99,204
Professional services	399,562	277,774	399,548
Maintenance	288,425	128,663	287,326
Utilities	99,000	45,677	91,354
Other services and charges	140,993	84,166	140,832
Total operating expenses	1,599,520	827,085	1,540,670
Operating income (loss)	210,487	246,040	405,580
NON OPERATING REVENUES (EXPENSES)			
Interest earnings	12,000	21,977	43,954
Federal and state grants	2,317,500	25,122	2,317,500
Capital Outlay	(3,021,086)	(608,496)	(3,021,086)
Net non-operating revenues (expenses)	(691,586)	(561,397)	(659,632)
Income (loss) before contributions and transfers	(481,099)	(315,357)	(254,052)
Transfers out	(301,242)	(150,618)	(301,242)
Change in net assets	(782,341)	(465,975)	(555,294)
Total unrestricted net assets - beginning	3,757,270	3,757,270	3,757,270
Fund balance policy - emergency reserves	(630,255)	(630,255)	(630,255)
Total unrestricted net assets available for appropriations	$ 2,344,674	$ 2,661,040	$ 2,571,721

City of Venice, Florida
Budget Comparison Management Report
Water and Sewer Fund
For Period Ended March 31, 2014

	Annual Budget	Actual Amount	Year End Projection
OPERATING REVENUES			
Charges for services	$ 19,235,487	$ 9,869,618	$ 19,489,236
Miscellaneous	303,183	461,966	923,932
Total operating revenues	19,538,670	10,331,584	20,413,168
OPERATING EXPENSES			
Personal services	4,674,952	2,182,701	4,515,402
Insurance	435,571	218,154	435,568
Professional services	1,315,904	775,861	1,315,722
Maintenance	1,569,894	867,781	1,569,562
Utilities	1,177,800	431,188	862,376
Other services and charges	1,705,054	920,816	1,704,632
Total operating expenses	10,879,175	5,396,501	10,403,262
Operating income (loss)	8,659,495	4,935,083	10,009,906
NON OPERATING REVENUES (EXPENSES)			
Interest earnings	55,431	111,001	197,002
Federal and state grants	-	563,225	1,126,450
Disposition of assets	-	18,977	37,954
Interest expense	(916,379)	(170,467)	(916,379)
Principal payments	(3,222,000)	(3,038,000)	(3,222,000)
Capital Outlay	(34,491,906)	(18,005,120)	(34,010,240)
Net non-operating revenues (expenses)	(38,574,854)	(20,520,384)	(36,787,213)
Income (loss) before contributions and transfers	(29,915,359)	(15,585,301)	(26,777,307)
Transfers out	(1,610,885)	(652,367)	(1,610,885)
Change in net assets	(31,526,244)	(16,237,668)	(28,388,192)
Total unrestricted net assets - beginning	8,576,644	8,576,644	8,576,644
Fund balance policy - emergency reserves	(5,426,082)	(5,426,082)	(5,426,082)
Total unrestricted net assets available for appropriations	$ -	$ -	$ -

City of Venice, Florida
Budget Comparison Management Report
Solid Waste Fund
For Period Year Ended March 31, 2014

	Annual Budget	Actual Amount	Year End Projection
OPERATING REVENUES			
Charges for services	$ 4,918,118	$ 2,363,964	$ 4,827,928
Miscellaneous	85,068	80,594	161,188
Total operating revenues	5,003,186	2,444,558	4,989,116
OPERATING EXPENSES			
Personal services	1,468,064	788,487	1,467,974
Insurance	256,597	128,292	256,584
Supplies and materials	1,438,318	493,938	1,387,876
Professional services	25,074	20,757	41,514
Maintenance	597,371	214,117	548,234
Utilities	16,623	3,457	11,914
Other services and charges	19,891	6,161	12,322
Total operating expenses	3,821,938	1,655,209	3,726,418
Operating income (loss)	1,181,248	789,349	1,262,698
NON OPERATING REVENUES (EXPENSES)			
Interest earnings	32,880	21,292	42,584
Capital outlay	(1,154,262)	(768,619)	(1,154,262)
Net non-operating revenues (expenses)	(1,121,382)	(747,327)	(1,111,678)
Income (loss) before contributions and transfers	59,866	42,022	151,020
Transfers out	(751,567)	(375,780)	(751,567)
Change in net assets	(691,701)	(333,758)	(600,547)
Total unrestricted net assets - beginning	3,856,526	3,856,526	3,856,526
Fund balance policy - emergency reserves	(1,504,493)	(1,504,493)	(1,504,493)
Total unrestricted net assets available for appropriations	$ 1,660,332	$ 2,018,275	$ 1,751,486

City of Venice, Florida
Budget Comparison Management Report
Storm Water Drainage Fund
For Period Ended March 31, 2014

	Annual Budget	Actual Amount	Year End Projection
OPERATING REVENUES			
Charges for services	$ 1,368,593	$ 787,801	$ 1,500,602
Total operating revenues	1,368,593	787,801	1,500,602
OPERATING EXPENSES			
Personal services	305,963	142,921	305,842
Insurance	13,174	6,582	13,164
Professional services	134,298	41,314	82,628
Maintenance	326,946	144,218	318,436
Utilities	200	39	78
Other services and charges	157,234	49,136	148,272
Total operating expenses	937,815	384,210	868,420
Operating income (loss)	430,778	403,591	632,182
NON OPERATING REVENUES (EXPENSES)			
Interest earnings	5,875	9,047	18,094
Federal and state grants	1,493,262	5,202	510,404
Interest expense	(10,399)	(867)	(10,399)
Principal payments	(162,000)	-	(162,000)
Capital outlay	(2,492,611)	(710,396)	(1,420,792)
Net non-operating revenues (expenses)	(1,165,873)	(697,014)	(1,064,693)
Income (loss) before contributions and transfers	(735,095)	(293,423)	(432,511)
Transfers out	(192,335)	(96,162)	(192,335)
Change in net assets	(927,430)	(389,585)	(624,846)
Total unrestricted net assets - beginning	2,079,195	2,079,195	2,079,195
Fund balance policy - emergency reserves	(396,023)	(396,023)	(396,023)
Total unrestricted net assets available for appropriations	$ 755,742	$ 1,293,587	$ 1,058,326