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

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

DATE: **February 19, 2014**

SUBJECT: Financial Management Report

The Finance Department is supplying the January 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 principals. 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 January 31, 2014

	Annual Budget	Actual Amount	Year End Projection
REVENUES			
Taxes	$ 8,381,652	$ 7,291,122	$ 8,381,652
Sales taxes	1,164,916	282,841	1,181,364
Other taxes	2,029,935	575,631	2,031,639
Franchise fees	2,127,482	449,602	1,968,408
Fees and fines	25,707	5,656	24,968
Licenses and permits	327,608	150,056	450,168
Intergovernmental	2,956,924	677,913	2,886,652
Charges for services	206,290	41,357	184,071
Interest	171,291	37,955	163,865
Miscellaneous	721,104	132,033	646,099
Total revenues	18,112,909	9,644,166	17,918,886
EXPENDITURES			
Current:			
Mayor and council	248,476	101,018	248,054
City manager	489,243	170,296	488,888
Historical resources	217,587	61,019	217,057
City clerk	498,407	156,967	495,901
Finance	1,184,030	477,603	1,183,809
City attorney	300,000	117,398	299,694
Public works administration	206,451	76,459	206,377
City hall maintenance	225,635	63,747	221,241
General maintenance	1,127,572	437,764	1,127,292
Parks maintenance	1,127,853	302,459	1,107,377
Engineering	382,649	104,121	312,363
Police	8,073,603	2,757,430	8,073,290
Fire	6,502,811	2,266,687	6,502,061
Planning and zoning	571,719	186,673	560,019
Information services	918,769	471,334	918,002
Administrative services	533,549	183,882	533,446
Non-departmental	155,332	73,984	155,332
Total expenditures	22,763,686	8,008,841	22,650,203
Excess (deficiency) of revenues over (under) expenditures	(4,650,777)	1,635,325	(4,731,317)
OTHER FINANCING SOURCES (USES)			
Transfers in	3,534,260	682,398	3,534,260
Net other financing sources (uses)	3,534,260	682,398	3,534,260
Net change in fund balances	(1,116,517)	2,317,723	(1,197,057)
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	$ 6,617,866	$ 3,103,086

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

	Annual Budget	Actual Amount	Year End Projection
REVENUES			
Licenses and permits	$ 1,389,433	$ 635,032	$ 1,905,096
Interest	1,738	3,647	10,941
Miscellaneous	1,252	1,475	4,425
Total revenues	1,392,423	640,154	1,920,462
EXPENDITURES			
Current:			
General government	784,895	281,730	784,190
Capital outlay	126,000	-	126,000
Total expenditures	910,895	281,730	910,190
Excess (deficiency) of revenues over (under) expenditures	481,528	358,424	1,010,272
OTHER FINANCING SOURCES (USES)			
Transfers out	(291,394)	(97,128)	(291,394)
Net other financing sources (uses)	(291,394)	(97,128)	(291,394)
Net change in fund balances	190,134	261,296	718,878
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	$ 945,897	$ 1,403,479

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

	Annual Budget	Actual Amount	Year End Projection
OPERATING REVENUES			
Rentals	$ 1,776,362	$ 748,842	$ 1,846,526
Miscellaneous	33,645	11,399	34,197
Total operating revenues	1,810,007	760,241	1,880,723
OPERATING EXPENSES			
Personal services	572,327	166,659	549,977
Insurance	99,213	33,068	99,204
Professional services	399,562	187,980	398,940
Maintenance	288,425	119,811	288,423
Utilities	99,000	25,108	75,324
Other services and charges	140,993	77,874	140,622
Total operating expenses	1,599,520	610,500	1,552,490
Operating income (loss)	210,487	149,741	328,233
NON OPERATING REVENUES (EXPENSES)			
Interest earnings	12,000	18,149	34,447
Federal and state grants	2,317,500	-	2,317,500
Capital Outlay	(3,021,086)	(685,078)	(3,021,086)
Net non-operating revenues (expenses)	(691,586)	(666,929)	(669,139)
Income (loss) before contributions and transfers	(481,099)	(517,188)	(340,906)
Transfers out	(301,242)	(100,412)	(301,242)
Change in net assets	(782,341)	(617,600)	(642,148)
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	$ 2,509,415	$ 2,484,867

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

	Annual Budget	Actual Amount	Year End Projection
OPERATING REVENUES			
Charges for services	$ 19,235,487	$ 5,799,998	$ 18,799,994
Provision for bad debts	-	-	
Charges for services (net)	19,235,487	5,799,998	
Miscellaneous	303,183	327,561	982,683
Total operating revenues	19,538,670	6,127,559	19,782,677
OPERATING EXPENSES			
Personal services	4,674,952	1,515,993	4,547,979
Insurance	435,571	145,436	435,308
Professional services	1,315,904	697,115	1,315,345
Maintenance	1,569,894	703,545	1,569,635
Utilities	1,177,800	256,080	968,240
Other services and charges	1,705,054	671,371	1,704,113
Total operating expenses	10,879,175	3,989,540	10,540,620
Operating income (loss)	8,659,495	2,138,019	9,242,057
NON OPERATING REVENUES (EXPENSES)			
Interest earnings	55,431	98,654	295,962
Federal and state grants	-	204,502	613,506
Disposition of assets	-	8,340	25,020
Interest expense	(916,379)	(137,821)	(916,379)
Principal payments	(3,222,000)	(2,855,000)	(3,222,000)
Capital Outlay	(34,491,906)	(16,931,657)	(30,794,971)
Miscellaneous	-	-	-
Net non-operating revenues (expenses)	(38,574,854)	(19,612,982)	(33,998,862)
Income (loss) before contributions and transfers	(29,915,359)	(17,474,963)	(24,756,805)
Transfers out	(1,610,885)	(453,519)	(1,610,885)
Change in net assets	(31,526,244)	(17,928,482)	(26,367,690)
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 January 31, 2014

	Annual Budget	Actual Amount	Year End Projection
OPERATING REVENUES			
Charges for services	$ 4,918,118	$ 1,388,390	$ 4,865,170
Miscellaneous	85,068	58,541	175,623
Total operating revenues	5,003,186	1,446,931	5,040,793
OPERATING EXPENSES			
Personal services	1,468,064	544,973	1,467,919
Insurance	256,597	85,528	256,584
Supplies and materials	1,438,318	262,718	1,438,154
Professional services	25,074	18,741	25,073
Maintenance	597,371	93,348	580,044
Utilities	16,623	2,004	12,012
Other services and charges	19,891	3,793	11,379
Total operating expenses	3,821,938	1,011,105	3,791,165
Operating income (loss)	1,181,248	435,826	1,249,628
NON OPERATING REVENUES (EXPENSES)			
Interest earnings	32,880	17,532	52,596
Capital outlay	(1,154,262)	(768,619)	(1,154,262)
Miscellaneous	-	-	-
Net non-operating revenues (expenses)	(1,121,382)	(751,087)	(1,101,666)
Income (loss) before contributions and transfers	59,866	(315,261)	147,962
Transfers out	(751,567)	(250,520)	(751,567)
Change in net assets	(691,701)	(565,781)	(603,605)
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	$ 1,786,252	$ 1,748,428

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

	Annual Budget	Actual Amount	Year End Projection
OPERATING REVENUES			
Charges for services	$ 1,368,593	$ 505,588	$ 1,416,764
Total operating revenues	1,368,593	505,588	1,416,764
OPERATING EXPENSES			
Personal services	305,963	100,540	305,620
Insurance	13,174	4,388	13,164
Professional services	134,298	37,676	134,028
Maintenance	326,946	116,811	326,433
Utilities	200	23	69
Other services and charges	157,234	6,060	148,180
Total operating expenses	937,815	265,498	927,494
Operating income (loss)	430,778	240,090	489,270
NON OPERATING REVENUES (EXPENSES)			
Interest earnings	5,875	7,537	22,611
Federal and state grants	1,493,262	-	1,493,262
Interest expense	(10,399)	(867)	(10,399)
Principal payments	(162,000)	-	(162,000)
Capital outlay	(2,492,611)	(710,349)	(2,131,047)
Net non-operating revenues (expenses)	(1,165,873)	(703,679)	(787,573)
Income (loss) before contributions and transfers	(735,095)	(463,589)	(298,303)
Transfers out	(192,335)	(64,108)	(192,335)
Change in net assets	(927,430)	(527,697)	(490,638)
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	$ 1,155,475	$ 1,192,534