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

**FROM:**    **Linda Senne, CPA, CGFM, Finance Director**

**DATE:**     **November 16, 2016**

**SUBJECT: Financial Management Report**

The Finance Department is supplying the September 2016 budget to actual financial management report. This report provides a way to review the unaudited financial status at the end of the fiscal year for each of the City's major activities.

**General Fund** revenues exceeded budgeted revenues by approximately \$800,000 for the fiscal year. \$160,000 of this increase is for property taxes, \$238,800 is due to intergovernmental revenue received for the local government half cent sales taxes and state revenue sharing, \$146,000 is attributed to park impact fees received from Sarasota County for the LED sports lighting system at soccer field 3 at Wellfield Park, \$238,000 is related to utility service taxes (electricity & propane), and \$17,200 is miscellaneous revenues.

The General Fund adopted budget for FY2016 was \$25,932,327, the encumbrance roll-over amount from FY2015 was \$307,089, and there was one budget amendment in the amount of \$899,550 for a total adjusted general fund budget amount of \$27,138,966. This budget amendment was largely due to the police and fire pension shortfall resulting from the actuary's revised investment earnings assumptions, change in actuarial methodology from percent of payroll to dollar amount funding, and impacts from Ordinance No. 2015-23 that was adopted at the December 8, 2015 City Council meeting. The estimated use of Fund Balance for FY2016 is approximately \$1 million. The City's expected unassigned fund balance at September 30, 2016 is \$10.6 million. The Financial Management Policy target is to maintain an unassigned fund balance of three months operating expenditures (25%) which equates to \$6.5 million.

**Building Fund** revenues exceeded budgeted revenues due to an increase in the number of building permits issued. Expenditures are less than budgeted due to the timing of vacancies being filled. Also, due to the timing of implementing the expired permit policy other contractual services were less than anticipated for expired permit inspection services.

**Airport Fund** revenues and expenditures are less than budgeted based on the timing of capital projects and budgeting grant funding. If the funding is not received the corresponding expense will not occur. Several such projects include; new airport administration building, design and construct t-hangars – midfield #1, and security improvements.

**Water & Sewer Utility Fund** charges for services increased from FY15 to FY16 as a result of rate increases that goes into effect each October 1. However, the total revenues decreased from FY15 to FY16 as a result of FY15 receiving \$780,000 from Southwest Florida Water Management District used for the EWRF Water Filtration Project, and \$1.1 million was transferred from the one cent sales tax fund to the utility fund in FY15. Expenditures were less than budgeted for FY16 due to the timing of capital projects, and less funds needed for repairs and maintenance, and for professional services.

**Solid Waste** revenues exceeded budgeted revenues for garbage collections of cans, dumpsters and roll offs, and just slightly below for recycling collections. The solid waste operating expenses were a little below budgeted expenses within professional services.

**Storm Water** revenues exceeded budgeted revenues for storm water utility charges and as a result of receiving funds from EPA for the Westgate Drainage Improvement Project.

**Note:**

This management report is more like a cash flow analysis than our Comprehensive Annual Financial Report (CAFR) which is prepared using generally accepted accounting principles. We are still making year-end adjustments and enterprise funds will be recorded on the full accrual basis in the CAFR (capital expenditures recorded as a capital asset and depreciation expense recorded).

Please do not hesitate to contact me with questions.

City of Venice\*

**001 - GENERAL FUND**

**Dept Grp Details**

**For Period September 2016**

	Fiscal 2013 YTD Actuals	Fiscal 2014 YTD Actuals	Fiscal 2015 YTD Actuals	Fiscal 2016 Total Budget	Fiscal 2016 YTD Actuals	YTD Variance
<b>001 - GENERAL FUND</b>						
<b>Revenues:</b>						
<b>REVENUES</b>	<b>21,113,636</b>	<b>22,510,817</b>	<b>25,523,718</b>	<b>24,280,230</b>	<b>25,112,396</b>	<b>832,166</b>
<b>Expenditures:</b>						
MAYOR AND COUNCIL	243,273	273,568	148,680	165,997	157,382	8,615
CITY MANAGER	447,587	466,226	645,282	872,043	813,520	58,523
HISTORICAL RESOURCES	152,978	206,499	216,453	251,978	242,999	8,979
CITY CLERK	434,892	477,698	509,090	689,860	634,068	55,792
FINANCE DIRECTOR	1,055,971	1,186,974	1,361,172	1,425,480	1,323,198	102,282
CITY ATTORNEY	360,305	312,971	368,130	397,000	394,503	2,497
PUBLIC WORKS ADMIN	166,108	196,566	236,420	338,238	247,636	90,602
CITY HALL MAINTENANCE	182,525	188,534	194,071	278,712	256,323	22,389
GENERAL MAINTENANCE	1,318,982	3,661,235	1,078,861	1,218,015	1,155,323	62,692
PARKS MAINT & DEVELOPMENT	1,125,271	1,232,352	1,210,742	1,864,890	1,678,870	186,020
ENGINEERING	354,858	302,102	511,982	547,297	449,832	97,465
POLICE CHIEF	7,884,411	7,878,156	8,221,198	8,556,110	8,544,167	11,943
FIRE CHIEF	5,659,006	6,559,402	5,939,273	7,836,468	7,831,290	5,178
PLANNING DIRECTOR	514,904	481,212	565,680	887,962	709,545	178,417
INFORMATION SYSTEMS	780,141	931,304	949,832	1,130,954	1,096,315	34,639
ADMINISTRATIVE SERVICES	483,132	585,366	570,779	631,241	544,336	86,905
NON-OPERATING	0	1,276,749	1,125,000	46,721	46,721	0
<b>TOTAL EXPENDITURES</b>	<b>21,164,343</b>	<b>26,216,913</b>	<b>23,852,645</b>	<b>27,138,966</b>	<b>26,126,027</b>	<b>1,012,939</b>
<b>Addition (use) of General Fund Reserves</b>	<b>(50,707)</b>	<b>(3,706,096)</b>	<b>1,671,073</b>	<b>(2,858,736)</b>	<b>(1,013,631)</b>	

\*Report Contains Filters

**City of Venice\***  
**116 - BUILDING PERMIT FEES**  
**Dept Grp Details**  
**For Period September 2016**

116 - BUILDING PERMIT FEES	Fiscal 2013 YTD Actuals	Fiscal 2014 YTD Actuals	Fiscal 2015 YTD Actuals	Fiscal 2016 Total Budget	Fiscal 2016 YTD Actuals	YTD Variance
<b>Revenues:</b>						
REVENUES	1,894,829	2,002,032	2,138,819	2,230,143	2,771,765	541,622
<b>Expenditures:</b>						
BUILDING OFFICIAL	1,091,852	1,179,020	1,551,021	2,034,589	1,666,149	368,440

\*Report Contains Filters

City of Venice\*  
**401- AIRPORT Fund**  
**Dept Grp Details**  
**For Period September 2016**

	Fiscal 2013 YTD Actuals	Fiscal 2014 YTD Actuals	Fiscal 2015 YTD Actuals	Fiscal 2016 Total Budget	Fiscal 2016 YTD Actuals	YTD Variance
<b>401 - AIRPORT</b>						
<b>Revenues:</b>						
REVENUES	8,768,877	5,958,678	6,717,576	13,770,426	9,275,744	-4,494,682
<b>Expenses:</b>						
AIRPORT OPERATIONS	2,517,161	1,719,418	2,047,227	15,225,104	10,425,678	4,799,426
TRANSFERS TO FLEET SERVICES	0	0	0	51,942	51,942	0
Total Expenses	<b>2,517,161</b>	<b>1,719,418</b>	<b>2,047,227</b>	<b>15,277,046</b>	<b>10,477,620</b>	<b>4,799,426</b>
<b>Total Revenues Over Expenditures</b>	<b>6,251,716</b>	<b>4,239,260</b>	<b>4,670,349</b>	<b>-1,506,620</b>	<b>-1,201,876</b>	

\*Report Contains Filters

City of Venice\*

**421 - WATER/SEWER UTILITY FUND**

**Dept Grp Details**

**For Period September 2016**

	Fiscal 2013 YTD Actuals	Fiscal 2014 YTD Actuals	Fiscal 2015 YTD Actuals	Fiscal 2016 Total Budget	Fiscal 2016 YTD Actuals	YTD Variance
<b>421 - WATER/SEWER UTILITIES OPER</b>						
<b>Revenues:</b>						
REVENUES & TRANSFERS-IN	20,279,332	36,739,869	25,598,785	20,580,940	23,558,413	2,977,473
<b>Expenses:</b>						
UTILITY ADMINISTRATION	3,506,643	7,967,058	4,468,897	8,511,131	4,478,213	-4,032,918
DISTRIBUTION	2,706,717	12,557,675	2,637,223	12,921,804	3,917,182	-9,004,622
WATER PRODUCTION	4,057,724	15,407,107	3,754,681	10,137,904	6,313,295	-3,824,609
WATER RECLAMATION	6,575,107	18,326,748	6,092,779	10,785,259	9,394,375	-1,390,884
TRANSFERS TO FLEET SERVICES	0	417,795	155,000	187,847	377,440	189,593
<b>Total Expenses</b>	<b>16,846,191</b>	<b>54,676,383</b>	<b>17,108,580</b>	<b>42,543,945</b>	<b>24,480,505</b>	<b>-18,063,440</b>

City of Venice\*  
**470 - SOLID WASTE**  
**Dept Grp Details**  
**For Period September 2016**

	Fiscal 2013 YTD Actuals	Fiscal 2014 YTD Actuals	Fiscal 2015 YTD Actuals	Fiscal 2016 Total Budget	Fiscal 2016 YTD Actuals	YTD Variance
<b>470 - SOLID WASTE</b>						
<b>Revenues:</b>						
GARBAGE COLLECTIONS	3,023,489	3,325,718	3,317,688	3,298,721	3,778,511	479,790
RECYCLING	1,930,842	1,983,259	1,948,518	2,030,302	1,946,952	-83,350
<b>Total Revenues:</b>	<b>4,954,331</b>	<b>5,308,977</b>	<b>5,266,206</b>	<b>5,329,023</b>	<b>5,725,463</b>	
<b>Expenses:</b>						
GARBAGE COLLECTION	3,088,098	4,100,547	3,418,648	3,520,145	3,467,827	-52,318
RECYCLING	1,861,468	1,966,786	2,798,765	2,067,745	1,933,096	-134,649
TRANSFERS TO FLEET SERVICES	0	0	0	1,230,000	1,230,000	0
<b>Total Expenses</b>	<b>4,949,566</b>	<b>6,067,333</b>	<b>6,217,413</b>	<b>6,817,890</b>	<b>6,630,923</b>	

\*Report Contains Filters

**City of Venice\***  
**480- STORMWATER Fund**  
**Dept Grp Details**  
**For Period September 2016**

	Fiscal 2013 YTD Actuals	Fiscal 2014 YTD Actuals	Fiscal 2015 YTD Actuals	Fiscal 2016 Total Budget	Fiscal 2016 YTD Actuals	YTD Variance
480 Stormwater						
Revenues:						
REVENUES	1,506,346	3,680,570	2,021,243	1,401,803	1,742,943	341,140
Expenses:						
OPERATIONS	984,119	1,327,373	1,133,185	1,983,411	1,469,310	514,101
TRANSFERS TO FLEET SERVICES	0	20,000	21,869	51,785	51,785	0
Total Expenses	984,119	1,347,373	1,155,054	2,035,196	1,521,095	514,101
Total Revenues Over Expenditures	522,227	2,333,197	866,189	-633,393	221,848	

\*Report Contains Filters