



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

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



**DATE:** February 7, 2016

**SUBJECT:** Financial Management Report

The Finance Department is supplying the first four months of FY2017 budget to actual financial management report. This report provides a way to review the financial progress for each of the City's major activities and alerts department directors of areas needing additional scrutiny by using icons in the far right column. A red ✖ indicates that the line items required additional analysis, a yellow bar 🟡 indicates that the line item is tracking as expected, and a green ✔ indicates that the line item is performing better than anticipated. Keep in mind there is a cyclical nature of many of our revenues and expenditures/expenses. Many of our expenditures/expenses are not spent evenly throughout the year, for instance most capital projects will be paid as work is completed.

#### General Fund

- Ad valorem property tax revenues are collected early which earns a green check mark. The vast majority of property taxes are collected during the first quarter of the year with the remaining balance collected during the second and third quarters.
- Communication Services is tracking as expected. The Use Tax includes fire and police casualty insurance premium taxes that are not collected until the end of the fiscal year.
- Licenses and permits are tracking favorably due to the timing and/or volume of zoning permits and mitigation fees collected through building permits.
- Charges for services are tracking a little better than expected due to the volume of fire inspections and related billings for fees.
- Miscellaneous revenue is less at this time due to rents received from the Venice Pier Group which is usually received in the spring.
- Not all of the budgeted transfers-in have occurred or been recorded at this time.

Overall, General Fund revenues are on target and tracking well with original projections.

The General Fund adopted budget for FY2017 was \$26,323,805, the encumbrance roll-over amount from FY2016 was \$440,703, for a total adjusted general fund budget amount of \$26,688,491. Expenditures are tracking well and appear to be in line with authorized appropriations. However, two departments are over the year to date budget; Parks Maintenance/Development related to Ponce Del Leon and Wellfield drainage improvements, and Information Technology due to computer support and maintenance agreements paid within the first quarter of the fiscal year.

The unassigned general fund balance at September 30, 2016 was \$10.7 million. The City's estimated addition to fund balance for FY2017 is \$419,155 **without any budget amendments**, therefore the estimated unassigned fund balance at 9/30/2017 is \$11.1 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 Permit Fees Fund** revenues which are related to the timing and/or volume of building permits are on target with the budget which indicates that revenues are tracking well with the original projections. Expenditures are tracking less than budgeted at this time due to the timing of vacancies being filled and vehicle purchases.

**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; apron rehabilitation, northeast drainage improvements, new airport administration building, airport avenue entrance road, design and construct t-hangars – midfield #1, and security improvements.

**Water & Sewer Utility Fund** total revenues which included SRF funds are less than budgeted since we have not drawn down any SRF funds as of 1/31/2017. Charges for services revenues are on target with the budgeted revenues. Expenditures are less than budgeted at this time due to the timing of capital projects and debt service payments.

**Solid Waste** revenues exceeded budgeted revenues for garbage collections of cans, dumpsters and roll offs, and recycling collections due to the 5% solid waste increase effective 10/1/2017 that were not included in the adopted budgeted revenues. The solid waste operating expenses are below budgeted expenses within contractual services due to the timing of landfill expenses and the timing of vehicle purchases.

**Storm Water** total revenues which included \$1.4 million SRF funds are less than budgeted since we have not drawn down any SRF funds as of 1/31/2017, storm water utility charges for services are on target with the budgeted revenues. Expenses are below budget due to the timing of capital projects.

**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. There are no accruals for expenditures/expenses committed but not paid. It also does not include contractually agreed upon payments which the City will be required to make.

Please do not hesitate to contact me with questions.

City of Venice  
001 - GENERAL FUND  
as of January 31, 2017

	FY 2014	FY 2015	FY 2016	FY2017 Adopted Budget	9/30/2016 Encumbrance Rolled-Over to FY17	FY2017 Amended Budget	FY2017 YTD Budget (4 months)	FY2017 YTD Actual (4 months)	FY2017 YTD Variance (4 months)	YTD % Variance	Variance Icon
<b>001 - GENERAL FUND</b>											
<b>REVENUES:</b>											
PROPERTY TAX	8,398,173	9,059,063	9,699,625	12,080,974	-	12,080,974	4,026,991	10,107,403	6,080,412	151%	✓
COMMUNICATION SERV & USE TAX	1,602,147	1,559,698	1,543,312	1,579,252	-	1,579,252	526,417	357,788	(168,629)	-32%	✗
UTILITY SERVICES TAXES	2,402,437	2,494,179	2,564,309	2,452,927	-	2,452,927	817,642	876,605	58,963	7%	👉
FRANCHISE FEES	2,213,124	2,337,425	2,305,140	2,276,981	-	2,276,981	758,994	752,421	(6,573)	-1%	👉
FEES & FINES	18,693	20,802	23,174	22,528	-	22,528	7,509	7,244	(265)	-4%	👉
LICENSES & PERMITS	540,238	632,502	588,245	548,946	-	548,946	182,982	238,175	55,193	30%	✓
INTERGOVERNMENTAL	2,712,037	2,689,288	3,070,604	2,760,257	-	2,760,257	920,086	835,961	(84,125)	-9%	👉
CHARGES FOR SERVICES	106,622	74,535	119,424	92,984	-	92,984	30,995	41,188	10,193	33%	✓
INTEREST & MISC	983,086	1,258,250	1,309,199	1,278,316	-	1,278,316	426,105	318,179	(107,926)	-25%	✗
TRANSFERS IN	3,534,260	3,953,813	3,913,202	3,649,795	-	3,649,795	1,216,598	948,740	(267,858)	-22%	✗
SPECIAL ITEM:BP SETTLE FUNDS	-	1,444,163	-	-	-	-	-	-	-	-	
<b>REVENUES</b>	<b>22,510,817</b>	<b>25,523,718</b>	<b>25,136,234</b>	<b>26,742,960</b>	<b>-</b>	<b>26,742,960</b>	<b>8,914,320</b>	<b>14,483,704</b>	<b>5,569,384</b>		
<b>Expenditures:</b>											
MAYOR AND COUNCIL	273,568	148,680	157,382	169,392	-	169,392	56,464	46,768	9,696	17%	✓
CITY MANAGER	466,226	645,282	813,521	829,529	42,012	871,541	290,514	215,369	75,145	26%	✓
HISTORICAL RESOURCES	206,499	216,453	242,296	269,016	12,000	281,016	93,672	64,950	28,722	31%	✓
CITY CLERK	477,698	509,090	634,068	545,938	-	545,938	181,979	165,783	16,196	9%	👉
FINANCE DIRECTOR	1,186,974	1,361,172	1,323,198	1,374,483	-	1,374,483	458,161	379,654	78,507	17%	✓
CITY ATTORNEY	312,971	368,131	372,003	338,650	-	338,650	112,883	111,803	1,080	1%	👉
PUBLIC WORKS ADMIN	196,566	236,420	278,564	226,456	66,191	292,647	97,549	71,201	26,348	27%	✓
CITY HALL MAINTENANCE	188,534	194,071	250,653	425,468	14,860	440,328	146,776	53,279	93,497	64%	✓
GENERAL MAINTENANCE	3,661,235	1,078,861	1,169,043	1,133,720	49,015	1,182,735	394,245	330,242	64,003	16%	✓
PARKS MAINT & DEVELOPMENT	1,232,352	1,210,742	1,649,375	1,377,605	189,551	1,567,156	522,385	571,011	-48,626	-9%	👉
ENGINEERING	302,102	511,982	449,832	434,253	-	434,253	144,751	124,218	20,533	14%	✓
POLICE CHIEF	7,878,156	8,221,198	8,537,677	8,535,163	20,394	8,555,557	2,851,852	2,564,258	287,594	10%	👉
FIRE CHIEF	6,559,402	5,939,273	7,829,389	7,581,646	45,000	7,626,646	2,542,215	2,269,324	272,891	11%	✓
PLANNING DIRECTOR	481,212	565,680	709,545	1,180,686	-	1,180,686	393,562	228,702	164,860	42%	✓
INFORMATION TECHNOLOGY	931,304	949,832	1,096,315	1,215,555	1,680	1,217,235	405,745	446,053	-40,308	-10%	👉
ADMINISTRATIVE SERVICES	585,366	570,778	544,336	610,228	-	610,228	203,409	156,172	47,237	23%	✓
TRANSFERS TO CAPITAL PROJ	1,276,749	1,125,000	46,721	-	-	-	-	-	-	-	✓
TRANSFERS TO FLEET FUND	-	-	-	76,017	-	76,017	25,339	-	25,339	100%	✓
<b>TOTAL EXPENDITURES</b>	<b>26,216,913</b>	<b>23,852,645</b>	<b>26,103,918</b>	<b>26,323,805</b>	<b>440,703</b>	<b>26,688,491</b>	<b>8,896,164</b>	<b>7,798,787</b>	<b>1,097,377</b>		
<b>Addition (use) of General Fund Reserves</b>	<b>(3,706,096)</b>	<b>1,671,073</b>	<b>(967,684)</b>	<b>419,155</b>							

City of Venice  
**116 - BUILDING PERMIT FEES FUND**  
as of January 31, 2017

116 - BUILDING PERMIT FEES	FY 2014	FY 2015	FY 2016	FY2017 Adopted Budget	9/30/2016 Encumbrance Rolled-Over to FY17	Budget Amendment #1	FY2017 Amended Budget	FY2017 YTD Budget (4 months)	FY2017 YTD Actual (4 months)	FY2017 YTD Variance (4 months)	YTD % Variance	Variance Icon
<b>REVENUES</b>	<b>2,002,032</b>	<b>2,138,819</b>	<b>2,771,764</b>	<b>2,336,109</b>	-	-	<b>2,336,109</b>	<b>778,703</b>	<b>826,606</b>	<b>47,903</b>	<b>6%</b>	
<b>EXPENDITURES</b>												
BUILDING OFFICIAL	1,179,020	1,486,021	1,666,148	2,107,279	54,168	155,541	2,316,988	772,329	526,903	245,426	32%	
TRANSFERS TO FLEET	-	65,000	-	-	-	37,000	37,000	12,333	18,545	(6,212)	-50%	
<b>TOTAL EXPENDITURES</b>	<b>1,179,020</b>	<b>1,551,021</b>	<b>1,666,148</b>	<b>2,107,279</b>	<b>54,168</b>	<b>192,541</b>	<b>2,353,988</b>	<b>784,663</b>	<b>545,448</b>	<b>239,215</b>		
<b>Addition (use) of Building Fund Reserves</b>	<b>823,012</b>	<b>587,798</b>	<b>1,105,616</b>	<b>228,830</b>	<b>(54,168)</b>	<b>(192,541)</b>	<b>(17,879)</b>					

City of Venice  
401- AIRPORT FUND  
as of January 31, 2017

401 - AIRPORT	FY 2014	FY 2015	FY 2016	FY2017 Adopted Budget	9/30/2016 Encumbrance Rolled-Over to FY17	FY2017 Amended Budget	FY2017 YTD Budget (4 months)	FY2017 YTD Actual (4 months)	FY2017 YTD Variance (4 months)	YTD % Variance	Variance Icon
<b>REVENUES</b>	5,958,676	6,717,576	9,275,873	11,563,563	-	11,563,563	3,854,521	643,711	(3,210,810)	-83%	✗
<b>EXPENSES:</b>											
AIRPORT OPERATIONS	2,614,673	3,305,143	2,558,075	14,392,424	196,304	14,588,728	4,862,909	775,210	4,087,699	84%	✓
TRANSFERS TO FLEET SERVICES	-	-	51,942	72,217	-	72,217	24,072	-	24,072	100%	✓
<b>TOTAL EXPENSES</b>	<b>2,614,673</b>	<b>3,305,143</b>	<b>2,610,017</b>	<b>14,464,641</b>	<b>196,304</b>	<b>14,660,945</b>	<b>4,886,982</b>	<b>775,210</b>	<b>4,111,772</b>		
<b>Total Revenues Over Expenditures</b>	<b>3,344,003</b>	<b>3,412,433</b>	<b>6,665,856</b>	<b>(2,901,078)</b>	<b>(196,304)</b>	<b>(3,097,382)</b>					

City of Venice  
**421 - WATER/SEWER UTILITY FUND**  
as of January 31, 2017

421 - WATER/SEWER UTILITIES OPER	FY 2014	FY 2015	FY 2016	FY2017 Adopted Budget	9/30/2016 Encumbrance Rolled-Over to FY17	FY2017 Amended Budget	FY2017 YTD Budget (4 months)	FY2017 YTD Actual (4 months)	FY2017 YTD Variance (4 months)	YTD % Variance	Variance Icon
<b>REVENUES &amp; TRANSFERS-IN</b>	22,467,461	25,598,785	22,934,128	26,819,337	-	26,819,337	8,939,779	7,481,655	(1,458,124)	-16%	✗
<b>EXPENSES:</b>											
UTILITY ADMINISTRATION	3,686,273	4,468,483	4,438,335	6,146,128	96,265	6,242,393	2,080,798	2,108,174	(27,376)	-1%	✓
DISTRIBUTION	2,641,801	2,659,989	2,864,074	8,825,061	2,340,515	11,165,576	3,721,859	805,227	2,916,632	78%	✓
WATER PRODUCTION	3,803,016	3,763,035	3,403,255	5,984,485	2,291,813	8,276,298	2,758,766	1,248,561	1,510,205	55%	✓
WATER RECLAMATION	5,908,787	6,090,030	6,025,997	6,070,079	1,491,782	7,561,861	2,520,620	1,012,030	1,508,590	60%	✓
TRANSFERS TO FLEET SERVICES	417,795	155,000	377,440	179,520	-	179,520	59,840	-	59,840	100%	✓
<b>TOTAL EXPENSES</b>	<b>16,457,672</b>	<b>17,136,537</b>	<b>17,109,101</b>	<b>27,205,273</b>	<b>6,220,375</b>	<b>33,425,648</b>	<b>11,141,883</b>	<b>5,173,992</b>	<b>5,967,891</b>		
<b>Total Revenues Over Expenditures</b>	<b>6,009,789</b>	<b>8,462,248</b>	<b>5,825,027</b>	<b>(385,936)</b>	<b>(6,220,375)</b>	<b>(6,606,311)</b>					

City of Venice\*  
**470 - SOLID WASTE FUND**  
as of January 31, 2017

	FY 2013	FY 2014	FY 2015	FY 2016	FY2017 Adopted Budget	9/30/2016 Encumbrance Rolled-Over to FY17	FY2017 Amended Budget	FY2017 YTD Budget (4 months)	FY2017 YTD Actual (4 months)	FY2017 YTD Variance (4 months)	YTD % Variance	Variance Icon
<b>470 - SOLID WASTE</b>												
<b>REVENUES:</b>												
GARBAGE COLLECTIONS	3,023,489	3,325,717	3,317,688	3,407,337	3,348,125	-	3,348,125	1,116,042	1,171,571	55,529	5%	👉
RECYCLING	1,930,842	1,983,257	1,948,518	1,946,952	1,933,349	-	1,933,349	644,450	675,478	31,028	5%	👉
<b>TOTAL REVENUES</b>	<b>4,954,331</b>	<b>5,308,974</b>	<b>5,266,206</b>	<b>5,354,289</b>	<b>5,281,474</b>	<b>-</b>	<b>5,281,474</b>	<b>1,760,491</b>	<b>1,847,049</b>	<b>86,558</b>		
<b>EXPENSES:</b>												
GARBAGE COLLECTION	3,088,096	3,301,687	3,418,649	3,514,734	3,331,537	29,549	3,361,086	1,120,362	944,736	175,626	16%	✅
RECYCLING	1,861,468	1,880,632	1,943,765	1,918,386	1,821,741	-	1,821,741	607,247	486,686	120,561	20%	✅
TRANSFERS TO FLEET SERVICES	-	-	855,000	1,230,000	710,000	-	710,000	236,667	-	236,667	100%	✅
<b>TOTAL EXPENSES</b>	<b>4,949,564</b>	<b>5,182,319</b>	<b>6,217,414</b>	<b>6,663,120</b>	<b>5,863,278</b>	<b>29,549</b>	<b>5,892,827</b>	<b>1,964,276</b>	<b>1,431,422</b>	<b>532,854</b>		
<b>Total Revenues Over Expenditures</b>	<b>4,767</b>	<b>126,655</b>	<b>(951,208)</b>	<b>(1,308,831)</b>	<b>(581,804)</b>	<b>(29,549)</b>	<b>(611,353)</b>					

City of Venice\*  
**480- STORMWATER FUND**  
For Period September 2016

480 Stormwater	FY 2013	FY 2014	FY 2015	FY 2016	FY2017 Adopted Budget	9/30/2016 Encumbrance Rolled-Over to FY17	FY2017 Amended Budget	FY2017 YTD Budget (4 months)	FY2017 YTD Actual (4 months)	FY2017 YTD Variance (4 months)	YTD % Variance	Variance Icon
<b>REVENUES</b>	1,506,348	1,724,918	2,021,241	1,742,941	2,810,243	-	2,810,243	936,748	501,889	(434,859)	-46%	✗
<b>EXPENSES;</b>												
OPERATIONS	984,120	1,327,375	1,133,183	1,300,933	2,946,307	39,550	2,985,857	995,286	317,961	677,325	68%	✓
TRANSFERS TO FLEET SERVICES	-	-	21,869	51,785	155,354	-	155,354	51,785	-	51,785	100%	✓
<b>TOTAL EXPENSES</b>	<b>984,120</b>	<b>1,327,375</b>	<b>1,155,052</b>	<b>1,352,718</b>	<b>3,101,661</b>	<b>39,550</b>	<b>3,141,211</b>	<b>1,047,070</b>	<b>317,961</b>	<b>729,109</b>		
<b>Total Revenues Over Expenditures</b>	<b>522,228</b>	<b>397,543</b>	<b>866,189</b>	<b>390,223</b>	<b>(291,418)</b>	<b>(39,550)</b>	<b>(330,968)</b>					