



## FY 2018 QUARTERLY BUDGET REPORT

### FIRST QUARTER ANALYSIS OF BUDGET COMPARED TO ACTUAL REVENUES AND EXPENDITURES FOR THE PERIOD BEGINNING OCTOBER 1, 2017 AND ENDING DECEMBER 31, 2017 WITH PROJECTIONS THROUGH SEPTEMBER 30, 2018

The purpose of this summary is to provide the Mayor and City Commission with the status of the FY 2018 budget relative to actual revenue and expenditures through the first quarter of the fiscal year and operating projections through September 30, 2018. The first quarter of any fiscal year is not necessarily the most reliable indication of the experience for the remainder of the fiscal year, but it does provide a first glance in identifying any potential issues.

#### GENERAL FUND

An analysis of the General Fund actual three-month operating revenues and expenditures for the period October 1, 2017 through December 31, 2017 indicates an estimated operating budget surplus of \$753,811. The budgeted fund balance reserve of the City's General fund at the start of FY 2018 was \$31,887,916 or 17 percent of operating expenditures as established in the City's Fund Balance Policy. In recent years, the City has dedicated any projected operating surplus to maintaining the 17 percent requirement in the next fiscal year.

#### General Fund Operating Revenues

GENERAL FUND REVENUE PROJECTIONS (as of December 31, 2017)							
Revenues	FY2017 Actual	FY2018 Revised Budget	FY2017 Q1	FY2018 Q1	FY2018 Year-End Projection	Favorable / (Unfavorable) Variance	Projected % (Over) / Under Budget
Property Taxes	95,054,038	109,045,852	77,915,482	87,246,943	108,708,688	(337,164)	-0.31%
Utilities Service Taxes	20,628,990	20,129,955	5,349,005	5,469,176	19,904,142	(225,813)	-1.12%
Franchise Fees	12,725,906	11,615,000	2,843,646	2,906,259	11,823,894	208,894	1.80%
Licenses & Permits	7,972,936	7,792,701	2,965,061	3,922,363	7,859,604	66,903	0.86%
Intergovernmental	17,150,045	15,921,215	3,641,469	4,143,808	16,042,374	121,159	0.76%
Charges For Services	38,507,309	37,913,881	22,002,023	20,684,044	38,231,775	317,894	0.84%
Other Charges For Services	8,319,707	7,624,273	3,018,729	3,234,032	7,727,225	102,952	1.35%
Misc & Other	2,338,729	2,019,650	491,358	456,313	1,962,560	(57,090)	-2.83%
Interest	390,535	130,000	53,422	91,361	282,442	152,442	117.26%
Transfers/Other	9,546,197	9,623,785	1,579,033	1,590,507	9,623,785	-	0.00%
Fund Balance	-	38,566,258	-	-	38,566,258	-	0.00%
<b>TOTAL</b>	<b>212,634,393</b>	<b>260,382,570</b>	<b>119,859,227</b>	<b>129,744,806</b>	<b>260,732,748</b>	<b>350,178</b>	<b>0.13%</b>

As of the end of the first quarter of FY 2018, \$129.7 million or 49.8 percent of budgeted revenues have been collected. Property Tax revenues represent approximately 42 percent of total budgeted revenues and represent 67 percent of the revenues received in the first quarter of the fiscal year as a greater percentage of ad valorem taxes are collected during the first quarter. Overall, revenues are projected to be approximately \$350,000 above the revised budget. Additionally, assumptions revenues continue to be refined as the fiscal year progresses.

## General Fund Operating Expenditures

GENERAL FUND EXPENDITURE PROJECTIONS (as of December 31, 2017)						
Departments	FY2018 Revised Budget	FY2018 Q1	FY2018 Budget Remaining	FY2018 Year-End Projection	Favorable/ (Unfavorable) Variance	Projected % (Over)/Under Budget
City Commission	1,443,920	508,965	934,955	1,435,965	7,955	0.55%
City Manager	2,085,986	846,075	1,239,911	2,082,481	3,505	0.17%
City Attorney	3,049,983	1,156,444	1,893,539	3,408,569	(358,586)	-11.76%
City Clerk	765,836	292,055	473,781	755,656	10,180	1.33%
Intergovernmental Affairs	434,747	100,882	333,865	411,731	23,016	5.29%
Procurement Services	2,713,403	511,289	2,202,114	2,704,723	8,680	0.32%
Financial Services	6,683,178	2,492,667	4,190,511	6,586,287	96,891	1.45%
Development Services	10,359,662	4,000,360	6,359,302	10,308,908	50,754	0.49%
CMED - Economic Development	773,669	271,107	502,562	732,725	40,944	5.29%
Police	80,208,039	34,536,909	45,671,130	79,787,620	420,419	0.52%
Fire-Rescue & Beach Safety	58,456,952	11,379,428	47,077,524	58,717,900	(260,948)	-0.45%
Human Resources	1,791,655	613,693	1,177,962	1,762,830	28,825	1.61%
Parks, Recreation & Cultural Arts	10,676,457	3,133,664	7,542,793	10,672,842	3,615	0.03%
Public Works	15,860,424	5,024,777	10,835,647	15,939,626	(79,202)	-0.50%
Non Departmental	33,190,743	24,641,282	8,549,461	32,783,157	407,586	1.23%
Fund Balance - 17% Target	31,887,916	-	-	31,887,916	-	0.00%
<b>TOTAL</b>	<b>260,382,570</b>	<b>89,509,597</b>	<b>138,985,057</b>	<b>259,978,937</b>	<b>403,633</b>	<b>0.16%</b>

Year-end projections through September 30, 2018, indicate that citywide expenditures will be \$260 million or \$403,633 under the revised budget.

Current issues being monitored include: ongoing legal fees related to Ikon litigation (City Attorney's Office), pending FEMA reimbursements for Hurricane Irma, pending outcome of outstanding pension issues, and union negotiations which could have significant impacts on our budget. Additionally, the Fire Department is projected to surpass their FY 2018 revised budget by approximately \$261,000 due to overtime and operational cost overruns.

### INTERNAL SERVICE AND SELF INSURANCE FUNDS

The cost of providing centralized services by the Internal Service and Self Insurance funds are allocated to other Departments for a full cost reimbursement. The goods and services provided by Fleet Management, Information Technology, Records and Archives, Communications and Marketing, Benefits Administration and Risk Management are included in this grouping.

INTERNAL SERVICES AND SELF INSURANCE FUNDS EXPENDITURE PROJECTIONS (as of December 31, 2017)						
	FY2018 Revised Budget	FY2018 Q1	FY2018 Budget Remaining	FY2018 Year-End Projection	Favorable/ (Unfavorable) Variance	Projected % (Over)/Under Budget
<b>Internal Services Fund</b>						
Information Technology	10,365,401	3,071,282	7,294,119	10,322,205	43,196	0.42%
City Clerk	577,280	142,761	434,519	568,357	8,923	1.55%
CMED - Public Affairs	1,550,700	486,390	1,064,310	1,546,106	4,594	0.30%
Public Works	9,058,611	1,897,315	7,161,296	9,055,016	3,595	0.04%
<b>TOTAL</b>	<b>21,551,992</b>	<b>5,597,749</b>	<b>15,954,243</b>	<b>21,491,685</b>	<b>60,307</b>	<b>0.28%</b>
<b>Self Insurance Fund</b>						
Human Resources	44,618,272	10,424,050	34,194,222	44,610,025	8,247	0.02%
<b>TOTAL</b>	<b>44,618,272</b>	<b>10,424,050</b>	<b>34,194,222</b>	<b>44,610,025</b>	<b>8,247</b>	

An analysis of the actual three-month operating expenditures for the period ending December 31, 2017, indicates that both the internal services and the self-insurance funds are expected to operate within their adopted budget through the end of the fiscal year.

## ENTERPRISE FUNDS

Enterprise funds are used to account for the City's ongoing activities that are similar to those found in the private sector. Parking, Sanitation, Water and Sewer, Stormwater, Golf and Records Preservation are included in this grouping.

ENTERPRISE FUND EXPENDITURE PROJECTIONS (as of December 31, 2017)						
	FY2018 Revised Budget	FY2018 Q1	FY2018 Budget Remaining	FY2018 Year-End Projection	Favorable/ (Unfavorable) Variance	Projected % (Over)/Under Budget
Water & Sewer Fund	94,549,178	26,025,143	68,524,035	93,945,929	603,249	0.64%
Stormwater Fund	3,128,686	841,207	2,287,479	3,084,862	43,824	1.40%
Golf Enterprise Fund	1,606,149	334,321	1,271,828	1,811,305	(205,156)	-12.77%
Sanitation Fund	14,053,427	2,353,985	11,699,442	14,009,380	44,047	0.31%
Parking Enterprise Fund	7,906,860	2,334,172	5,572,688	7,774,491	132,369	1.67%
Records Presevation Fund	38,500	147	38,353	38,500	-	0.00%
<b>TOTAL</b>	<b>121,282,800</b>	<b>31,888,976</b>	<b>89,393,824</b>	<b>120,664,468</b>	<b>618,332</b>	

An analysis of the actual three-month operating expenditures for the period ending December 31, 2017, indicates that all enterprise funds, with the exception of the Golf Enterprise Fund, are expected to operate within their adopted budget. The Golf Enterprise Fund is projected to close the fiscal year with a \$205,000 deficit primarily due to lower than expected revenue collection.

## CONCLUSION

This analysis of budget to actual operating revenues and expenses with projections through September 30, 2018 provides the status of the FY 2018 Budget for the first three months of the fiscal year. Based on preliminary projections, the General Fund is anticipated to have a \$753,811 surplus at year-end. At this time, all other funds are projected to break even or have surpluses with the exception of the Golf Enterprise Fund which is projected to close the fiscal year with a deficit of \$205,000. We will continue to monitor the revenue collections and expenditures on an ongoing basis.