

**St. Petersburg City Council
BUDGET, FINANCE & TAXATION COMMITTEE**

AGENDA

**Meeting of AUGUST 21, 2014
8:00 AM City Hall Room 100**

Members & Alternate: **Committee Chair James Kennedy, Vice-Chair Charles Gerdes, Councilmembers Karl Nurse, Amy Foster, and William Dudley (alternate)**

Support Staff: **Linda Livingston, Finance Department and John Armbruster, Human Resources**

- A. Call to Order
- B. Approval of Agenda
- C. Approval of Minutes
- D. New/Deferred Business
 - 1. Status of Proposed Investment: Water Stabilization Fund - Fritz
 - 2. Discussion for use of Tourist Development Tax follow-up - Metz/Zeoli
 - 3. [3rd Quarter Budget Report - Greene](#)
- E. Continued/Deferred Business
 - 1. None
- F. Upcoming Meeting Agenda Tentative Issues -
 - 1. August 28, 2014
 - (a) Review of City's FEMA Community Rating System Audit and Introduction of new FEMA Coordinator - Goodwin
 - (b) Utility Rates - Connors/Leavitt/Rosetti
 - (c) Utility Bond Issue - Fritz
 - 2. September 11, 2014
 - (a) 3rd Quarter Grants Report - Greene/Ojah-Maharaj

(b) Dome Industrial Pilot Area - Goodwin/Grimes

G. New Business Item Referrals -


1. [Referrals \(attached\)](#)

(a) Review and re-prioritize referral list

H. Adjournment

City of St. Petersburg
MEMORANDUM
Budget & Management

TO: Budget, Finance and Taxation Committee

FROM: Tom Greene, Budget and Management Director 

DATE: August 8, 2014

RE: **FY14 Third Quarter Budgetary Analysis and Fund Balance Report**

At the August 21, 2014 meeting of the Budget, Finance and Taxation Committee the Budget Department will present the Fiscal Year 2014 third quarter budget performance. During the meeting we will review the projected revenues and expenditure, the projected fund balance and their relationship to the targets as well as a review of the capital improvement projects that closed during the third quarter. The detailed information that will be discussed is attached for your review prior to the meeting.

OVERVIEW

The attached Quarterly Fund Status Report includes several sections with information on revenues, expenditures, ending fund balances based on actual performance through the third quarter and then projecting the performance during the remainder of fiscal year 2014.

The General Fund

The FY14 General Fund Group of Funds Target of 20% of our annual appropriation is \$42.489 million. Based on third quarter actual performance and projections over the balance of the year we are projecting \$212.170 million in total revenues compared to projected total expenditures of \$213.681 million, resulting in a projected operating loss of \$1.511 million. This projected performance would result in a General Fund Group of Fund balance at year-end of \$39.672 million or \$2.817 million below the target. Additionally, the adopted change in Fiscal Policy establishes a 5% target for the core General Fund. The 5% target is based on the same \$212.443 million FY14 budget and is equal to \$10.622 million. At the end of the third quarter we are projecting to finish the year slightly above that target at \$10.715 million.

General Fund Expenses

A closer look at the expense side of the budget shows that for the third quarter actual plus a projection for the balance of FY14, General Fund expenses are higher as compared to the second quarter projections. In the second quarter we projected General Fund expenditures to be \$212.996 million and our current projection is \$213.681 million or \$685,000 more than last quarter. Partially offsetting these increases in expenses is savings associated with the refunding of the Sports Facilities Sales Tax Bond which will provide \$324,000 in savings to the General Fund. Projected expenses are \$1.910 million below the Amended Budget of \$215.590 million.

General Fund Revenues

General Fund revenue projections based on third quarter actual collections plus a projection for the balance of the fiscal year improved as compared to the second quarter. The General Fund revenue projection based on second quarter receipts was \$211.467M. The third quarter year end projection is \$212.170 million for a net improvement of \$703,000. It should be pointed out that this increased revenue projection includes the transfer to the General Fund from the CIP of \$250,000 from the future annexation project and \$199,896 from the Jordan School project. Both of these projects have been closed and the resources are in the General CIP fund balance and will be transferred at clean up.

The Electric Franchise Fee and the Communication Services Tax (CST) continue to underperform our budget. In the case of the Electric Franchise Fee we are projecting it to come in \$1.064 million below our budget and the CST is projected to come in \$498,000 below budget. We have taken steps in the FY15 Budget to address these two underperforming revenues.

Enterprise Funds

The enterprise funds of Water Resources, Sanitation and Stormwater are performing well. Our current projections indicate each of these enterprises ending the year within acceptable ranges and will meet or exceed their fund balance targets. Additionally, because each of these funds exceeded their targets at the beginning of the year we programmed the use of a portion of their fund balance as a source of revenue in their respective FY14 budgets. Based on third quarter performance plus projections for the balance of the fiscal year each of these funds will use a smaller amount of their budgeted fund balance as they are performing better than expected.

There are three smaller funds that have fund balance targets, those of Marina, Golf Course and Jamestown. At the Marina, we project that revenues will exceed the budget and expenditures will be lower than the budget thus adding approximately \$44,000 to its fund balance at the end of the year. We project that the Golf Course revenues will come in below their budget and will need an unbudgeted advance from the General Fund of \$100,000. At Jamestown we are projecting the need for an unbudgeted General Fund subsidy of \$117,000.

In the FY14 Budget we included a total of \$2.912 million in various subsidies to other enterprise funds. Based on the third quarter performance we are projecting a net increase of \$312,400 for these subsidized funds. Increases include the following; \$30,000 at the Port, \$137,000 at Tropicana Field, and \$17,000 to the Pier. The Mahaffey will reduce its subsidy by approximately \$89,000.

Capital Improvement Project Closures

We have reformatted the CIP Project Close Out report adding in a couple of additional columns that provide more transparency. The first new column is labeled "Funded in FY15" represent the resources from closed projects that we anticipated would close during the FY15 budget development process so they are included in the respective fund to provide resources for FY15 projects. The second column labeled "Unrecognized Grant Resources" includes those projects that are complete and came in under budget, thus we will not incur any additional expense nor will recognize 100% of the grant resources. Finally, the column labeled "Remaining Balance" represents the resources that will be available in the respective fund balance that have not been budgeted.

During the third quarter we closed a total of 25 CIP projects, 21 projects in the Penny Funds and 4 in the other funds. To date we have closed 40 of the 79 projected identified earlier this year as being completed or nearly completed. We continue to monitor these projects and work with the Departments to ensure completed projects are closed on a timely basis.

Attachments

- 1) Quarterly Fund Status Report of Selected Funds
- 2) Third Quarter Project Close Out Report

cc: Mayor Rick Kriseman
Kanika Tomalin, Deputy Mayor
Gary Cornwell, City Administrator

QUARTERLY FUND STATUS REPORT OF SELECTED FUNDS
FY 2014: Q3 June 30, 2014

	Beginning Fund Balance	Revenues		Expenditures		Budget Annual Change	Fund Balance		
		Amended Budget	Revenue Estimate	Amended Budget	Expense Estimate		Variance	Year End Estimate	Target Fund Balance
General Fund and Reserves									
General Fund Operating	12,225	212,900	212,170	215,590	213,681	(2,690)	(1,511)	10,715	10,622
Economic Stability	22,539	251	292	0	-	251	292	22,831	N/A
Environmental Preservation	924	7	12	0	-	7	12	936	N/A
Special Assessments	173	136	60	7	7	129	53	226	N/A
Arts in Public Places	258	37	83	35	35	2	48	306	N/A
Technology & Infrastructure	7,138	1,124	1,135	3,615	3,615	(2,491)	(2,480)	4,658	N/A
Total General Group of Funds	43,257	214,455	213,752	219,247	217,338	(4,792)	(3,586)	39,672	42,489
Enterprise Funds									
Water Resources	15,567	107,635	107,649	113,269	110,427	(5,634)	(2,778)	27,038	27,038
Stormwater Utility	5,018	12,108	11,824	12,477	11,579	(369)	245	5,263	2,077
Sanitation Operating	11,741	40,399	41,138	42,809	42,681	(2,410)	(1,543)	10,198	7,115
Airport	73	1,079	1,149	1,098	1,147	(19)	2	75	0
Marina	109	3,540	3,718	3,568	3,674	(28)	44	153	290
Golf Course	132	3,761	3,631	3,785	3,757	(24)	(126)	6	317
Jamestown Port	28	612	625	618	629	(6)	(4)	24	48
Parking	5	396	398	384	398	12	-	5	0
Parking	3,086	5,838	6,250	6,144	6,144	(306)	106	3,061	0
Mahaffey Theater	70	3,859	3,921	3,853	3,921	6	-	70	0
Pier	49	420	438	428	438	(8)	-	49	0
Coliseum	11	790	787	794	782	(4)	5	16	0
Sunken Gardens	(21)	931	1,077	939	996	(8)	81	60	0
Tropicana Field	0	2,337	2,316	2,337	2,316	-	-	-	0
Special Revenue Funds									
Emergency Medical Services	1,762	13,224	14,672	13,833	12,883	(609)	1,789	3,551	N/A
Local Assistance Housing (SHIP)	1,021	275	752	687	1,192	(412)	(440)	581	N/A
Building Permits	3,134	4,228	4,750	4,162	4,008	66	742	3,876	N/A
Internal Service Funds									
Fleet Management	2,061	17,840	15,809	18,483	16,927	(643)	(1,118)	1,942	1,457
Equipment Replacement	12,231	5,416	5,415	13,902	13,902	(8,486)	(8,487)	8,855	19,000
Municipal Office Buildings	2,462	2,814	2,825	2,398	2,297	416	528	2,990	393
ICS	2,772	10,078	10,303	10,705	10,196	(627)	107	2,879	1,723
Supply Management	206	530	530	519	422	11	108	314	43
Billing and Collections	2,460	8,520	8,993	8,772	8,588	(252)	405	2,865	1,423
Workers Compensation	18,279	7,003	7,266	7,000	8,131	3	(865)	25,545	25,854
Medical Insurance	16,481	42,765	42,157	42,744	41,885	21	272	16,753	21,360
Life Insurance	23	816	806	812	796	4	10	33	199
Commercial Insurance	3,652	4,951	4,965	4,919	4,918	32	47	3,699	2,473
General Liabilities (Self Ins.)	5,184	2,073	2,089	2,072	1,686	1	403	7,273	6,785

Green: performance better than expected, or variance of less than 2% from expected
Yellow or X: unfavorable variance of 2% to 5% from expected
Red or X: more than 5% unfavorable variance from expected, or if fund balance is negative
Expectations are based on revised FY14 budget and other anticipated changes.

**Quarterly CIP Projects Closed Report
FY 2014 (June 30, 2014)**

Fund	Project Number	Project Name	Org	Start Date	Closed Date	Budget	Actual Costs	Remaining Balance	Funded in FY15	Unrecognized Grant Resources	Remaining Balance	Other Use of Funds
Penny Funds												
3027/3001/3061	CP57022	TACRA	P&ECO	1-Jan-00	13-May-14	\$ 4,147,556	\$ 4,026,632	\$ 120,924	\$ 120,924		\$ -	To transfer to Southside CRA and
3025	11649	Lake Mag Fire Stat 8 - New Sta	Fire	1-Oct-07	8-May-14	\$ 2,219,480	\$ 2,069,009	\$ 150,471	\$ 150,471		\$ -	To Fund Balance
3025/3031	12103	Lake Pasadena FS 9 Renovation	Fire	1-Oct-08	8-May-14	\$ 1,361,550	\$ 1,352,297	\$ 9,253			\$ 9,253	To Fund Balance
3025	12532	Lakewood Fire Station 11	Fire	1-Oct-09	8-May-14	\$ 1,638,450	\$ 1,624,643	\$ 13,807			\$ 13,807	To Fund Balance
3025	13715	Fire Engine 12/F412 Replacemen	Fire	1-Oct-12	20-May-14	\$ 242,000	\$ 242,000	\$ -			\$ -	No Balance Remaining
3027	10542	ARTERIAL CHANNEL E DREDGE FY05	Eng & CIP	1-Oct-04	26-Jun-14	\$ 373,868	\$ 311,533	\$ 62,335	\$ 62,335		\$ -	To Fund Balance
3027/4013	12548	Golf Creek Culvert	Eng & CIP	1-Oct-09	20-May-14	\$ 2,609,000	\$ 2,166,132	\$ 442,868	\$ 7,468	\$ 435,400	\$ -	\$7,466 return to Fund Balance; \$43,307 to Grant; \$392,093 to Grant
3027/4013	12549	Northeast Basin Jungle Lake	Eng & CIP	1-Oct-09	20-May-14	\$ 4,930,000	\$ 3,093,951	\$ 1,836,049	\$ 159,469	\$ 1,676,580	\$ -	\$159,469 return to Fund Balance; \$824,982 to Grant; \$851,597 to Grant
3027	13270	Emerg Dredging Small Boat FY12	Eng & CIP	1-Oct-11	21-Apr-14	\$ 50,000	\$ -	\$ 50,000	\$ 50,000		\$ -	To Fund Balance
3027	13724	Curb Replace/Ramps FY13	Eng & CIP	1-Oct-12	20-May-14	\$ 500,000	\$ 499,867	\$ 133			\$ 133	To Fund Balance
3027	13725	Sidewalk Recon/Expansion FY13	Eng & CIP	1-Oct-12	20-May-14	\$ 600,000	\$ 599,694	\$ 306	\$ 306		\$ -	To Fund Balance
3027	13726	Special Assessment Admin FY13	Eng & CIP	1-Oct-12	8-May-14	\$ 150,000	\$ -	\$ 150,000	\$ 150,000		\$ -	To Fund Balance
3027	13727	Emerg Dredging Small Boat FY13	Eng & CIP	1-Oct-12	8-May-14	\$ 50,000	\$ -	\$ 50,000	\$ 50,000		\$ -	To Fund Balance
3029	12770	Mahaffey Theater Catering	Eng & CIP	1-Oct-09	6-Jun-14	\$ 42,533	\$ 42,533	\$ -			\$ -	\$57K moved to Dressing room project
3029	12884	Recreation Center Imp FY11	Eng & CIP	1-Oct-10	26-Jun-14	\$ 175,000	\$ 174,943	\$ 57			\$ 57	To Fund Balance
3029	12888	Pier HVAC & Plumbing FY11	Eng & CIP	1-Oct-10	26-Jun-14	\$ 70,000	\$ 70,000	\$ -			\$ -	No Balance Remaining
3029/3031	12890	Dwight Jones Neigh Center	Eng & CIP	1-Oct-10	25-Jun-14	\$ 395,000	\$ 390,336	\$ 4,664	\$ 4,664		\$ -	\$3,950 to be used for Arts Transfer in Clean Up. \$700 to Fund Balance
3029	13243	Dugout Replacements FY12	Eng & CIP	1-Oct-11	26-Jun-14	\$ 60,000	\$ 59,979	\$ 21			\$ 21	To Fund Balance
3029	13244	Bay Beach Improvements	Eng & CIP	1-Oct-11	26-Jun-14	\$ 175,800	\$ 146,025	\$ 29,775			\$ 29,775	To Fund Balance
3029	13746	Play Equip Replacement FY13	Eng & CIP	1-Oct-12	26-Jun-14	\$ 250,000	\$ 249,993	\$ 7			\$ 7	To Fund Balance
3031	12580	City Fac Roof/Waterproof FY10	Eng & CIP	1-Oct-09	26-Jun-14	\$ 200,000	\$ 199,370	\$ 630			\$ 630	To Fund Balance
						\$ 20,240,237	\$ 17,318,937	\$ 2,921,300	\$ 755,637	\$ 2,111,980	\$ 53,683	
Other Enterprise Funds												
3001	12710	Solar Parks Initiative Grant	Eng & CIP	7-Jan-10	26-Jun-14	\$ 2,427,250	\$ 2,407,762	\$ 19,488		\$ 19,488	\$ -	To Fund Balance
3071	12901	Sidewalks FY11	TP	1-Oct-10	30-Jun-14	\$ 200,000	\$ 197,903	\$ 2,097			\$ 2,097	To Fund Balance
4013	P361041	Booker Lake Reg. Alum	Eng & CIP	1-Jan-00	8-May-14	\$ 1,264,000	\$ 1,021,139	\$ 242,861		\$ 242,861	\$ -	Back to Grant Funding
4043	11667	Marina Facility Improv FY08	DEF.Marina	1-Oct-07	13-May-14	\$ 420,000	\$ 294,776	\$ 125,224			\$ 125,224	To Fund Balance
						\$ 4,311,250	\$ 3,921,580	\$ 389,670		\$ 262,349	\$ 127,321	

**BUDGET, FINANCE & TAXATION COMMITTEE
PENDING / CONTINUING REFERRALS**

Aug. 21, 2014
Page 1 of 1

TOPIC	DATE REFERRED	REFERRED BY	RETURN DATE	STAFF RESPONSIBLE	SPECIAL NOTES
4th Qtr Financial & Budget Report	7.31.14	BF&T Committee	11.24.14	Fritz/Greene	Report
3rd Qtr Grants Report & Target List	6.12.14	BF&T Committee	9.11.14	Greene/Ojah Maharaj	Report
FL Strategic Plan for Economic Development – speaker from state	3.6.14	City Council	TBD	(Rice) Goodwin	Report
Lending practices as a criteria when considering a primary bank/Procurement Code follow-up	12.13.13	City Council	committee of whole	7/17/14: referred to committee of whole	Report
Review of City's FEMA Community Rating System Audit & Introduction of FEMA Coordinator	2.27.14	BF&T Committee	8.28.14	(Gerdes) Goodwin	Report
Local Hiring Update	4.24.14	BF&T Committee	TBD	(Foster) Connors	Report
Dome Industrial Pilot Project Area	6.19.14	City Council	9.11.14	(Nurse) Goodwin/Grimes	Report
Weeki Wachee Procedures Discussion	7.17.14	BF&T Committee	COW 9/25/14	7/17/14: referred to committee of whole	Report
Management Evaluation Discussion	7.31.14	BF&T Committee	10.9.14	(Kennedy) Scott	Report
Returning the PAL Building to the inventory of insured properties	8.7.14	City Council	TBD	(Gerdes) Grimes	Report

**BUDGET, FINANCE & TAXATION COMMITTEE
WEEKI WACHEE PROJECT LIST**

August 21, 2014
Page 1 of 2

<i>TOPIC</i>	<i>DATE REFERRED</i>	<i>REFERRED BY</i>	<i>RETURN DATE</i>	<i>STAFF RESPONSIBLE</i>	<i>SPECIAL NOTES</i>
Off-road bicycle trail in North St. Pete	05.12.11	Kennedy			
Maximo Park Project	05.12.11	Kornell			
Lighting improvement for Sunset Park	05.12.11	Polson			
Williams Park Project	05.26.11	Curran			
Childs Park Lake Project	12.13.12	Newton			
Park for Broadwater Area	01.17.13	Kornell			
Park Features on the Uplands (Pier)	10.10.13	Kennedy			
Earmark funds for Arts Funding	5/1/14	City Council Gerdes			
Twin Brooks Golf Course Renovation	5/22/14	City Council Gerdes			Estimated cost: \$1,464 million
Skateboard Park Project	6/5/14	City Council			
Upgrade Beach Volleyball Equipment, North Shore Park	6/5/14	City Council			

Rubber Track Project, Gibbs High School	6/19/14	City Council Newton			
Rahall Property: Real Estate staff to inquire on purchase of undeveloped land, 1.75 acres	6/19/14	City Council			\$1.2 million