



Memorandum

Memorandum No: 21-088

Date: September 21, 2021

To: Honorable Mayor and Commissioners

From: Chris Lagerbloom, ICMA-CM, City Manager

Re: Third Quarter Fiscal Year 2021 Budget Projection Report

Attached is a copy of the Third Quarter Fiscal Year (FY) 2021 Budget Projection Report. This report serves as a projection of the year-end revenue and expenditure performance for FY 2021 and the programmatic changes that have occurred since the budget was adopted in September 2020. These forward-looking projections allow the City to proactively identify and address potential issues such as over-expenditures or low revenue collection.

This quarterly budget projection report is a point-in-time snapshot of the City's current financial trends. The Office of Management and Budget will continue to partner with the Executive Strategy Team and department staff to closely monitor changes as they occur to ensure the City's continued financial stability.

For further information, please contact Laura Reece, Director of Office of Management and Budget, at lreece@fortlauderdale.gov.

Attachment:

Fiscal Year 2021 Third Quarter Budget Projection Report

c: Tarlesha W. Smith, Esq., Assistant City Manager
Greg Chavarria, Assistant City Manager
Alain E. Boileau, City Attorney
Jeffrey A. Modarelli, City Clerk
John C. Herbst, City Auditor
Department Directors
CMO Managers

Third Quarter Fiscal Year 2021 Budget Projection Report

Office of Management & Budget
Budget/CIP and Grants Division
September 2021

Table of Contents

Third Quarter Projection Overview

Quarterly Projection System Overview.....	2
Third Quarter Year-End Projection Highlights	2
Significant Risk Factors That Could Impact Financial Results.....	3

Summary Projections

Summary of City-wide Expenditure Projections	4
--	---

Projections by Fund

General Fund	6
General Fund Projections by Department	7
Airport Fund	8
Building Funds	9
Cemetery System Fund.....	10
Central Regional Wastewater System	11
Central Services Fund	12
City Insurance Fund.....	13
CRA Fund.....	14
Parking Fund	15
Project Management Fund.....	16
Sanitation Fund	17
Self-Insurance Fund.....	18
Stormwater Fund	19
Water and Sewer Fund	20

Third Quarter Projection Overview

The Budget/CIP and Grants Division of the Office of Management and Budget (OMB) is pleased to share its Fiscal Year (FY) 2021 Third Quarter Projection Report. This report serves as a year-end review of revenue and expenditure performance for FY 2021 and the programmatic changes that have occurred since the budget was adopted in September.

Staff continues to engage with the City's budget monitoring and projection system. The purpose of this system is to inform senior leadership's budgetary decisions throughout the year on a quarterly basis. The forward-looking projections allow senior leadership to proactively identify and address potential issues such as over-expenditures or low revenue collection.

Quarterly Projection System Overview

Projections are based on year-to-date expenditure and revenue line-item data, standard formulas, and departmental input. Projections are designed to estimate expenses and revenues through the remainder of the fiscal year. All funds' projected year-end financials are relative to the FY 2021 Amended Budget.

Projections are developed using department/fund-level financial data from the City's financial database. Although Departments coordinate with OMB staff to review fund-level projections to account for continued postings, **financial data in this report is unaudited. Financial data is not finalized until all actual revenues and expenditures are posted and the Finance Department releases the City's Comprehensive Annual Financial Report.** As such, while OMB staff is engaged in continuously improving the projection system and associated methodologies with input from departments and senior leadership, projection data is not expected to be exact.

Third Quarter Year-End Projection Highlights

The Third Quarter Year-End Projection Report reflects the City of Fort Lauderdale's projected year-end expenditures. Third quarter projections are developed using nine (9) months of financial data. OMB anticipates that year-end actual impacts to fund balance may vary from current projections.

Highlights from the Third Quarter Projection Report are included below.

- As of the Third Quarter of FY 2021, the City-wide expenditure projection for all funds included in this report is \$696,799,315, which is \$15.9 million or 2.23% less than budgeted (Summary of City-wide Expenditure Projections, Page 5).
- The Fire-Rescue Department is currently projected to overspend their amended General Fund Operating Budget by \$1.2 million. This is primarily due to increased overtime expenses

associated with the COVID-19 pandemic and unanticipated vacancies. Staff will recommend increasing the Department's FY 2021 Operating Budget in the September 9th Budget Amendment.

- Building Fund revenues are projected to be \$19,756,987 which is \$3.3 million or 14.33% less than budgeted. This is primarily due to the lower permit demand associated with the COVID-19 pandemic.
- Project Management Fund revenues are projected to be \$3,469,019 which is \$1.6 million or 32.03% less than budgeted. This is primarily due to a delay in the allocation of project management staff time to the applicable projects.
- Water and Sewer Fund revenues are projected to be \$124,097,501 which is \$2.3 million or 1.79% less than budgeted. This is primarily due to Tropical Storm Eta and the above average rain received in the first quarter which impacted water demand and consumption for irrigation uses. Demand began to rebound in the second quarter.

Significant Risk Factors That Could Impact Financial Results

Although the City's funds support numerous and diverse programs and activities, there are several key risks that are applicable to City-wide financial results. Year-end expenditure actuals are most likely to be unexpectedly impacted by costs that are difficult to predict. These costs are most frequently related to:

- Overtime compensation
- Part-time employee compensation
- Natural disaster response
- Man-made disaster, protest, and events response
- After the fact actuarial reports issued

This quarterly department projection report is a snapshot of the City's current trends and fluctuates on a daily basis. If you have any questions, comments, or concerns please contact Laura Reece, Director, Office of Management and Budget, at lreece@fortlauderdale.gov or (954) 828-5894.

Summary of City-wide Expenditures Projections by Department

Third Quarter - FY 2021 as of June 30, 2021

Fund/Department	Amended Budget	Year to Date Actuals	3rd Qtr. Year End Projection	Variance Favorable <i>/(Unfavorable)</i>	
				\$	%
General Fund:					
City Attorney's Office	6,025,591	3,963,153	5,738,934	286,657	4.76%
City Auditor's Office	1,721,260	1,237,893	1,721,059	201	0.01%
City Clerk's Office	1,578,769	1,032,448	1,577,951	818	0.05%
Office of the Mayor and City Commission	1,947,551	1,382,599	1,947,424	127	0.01%
Development Services Department	14,222,264	9,724,887	14,067,589	154,675	1.09%
Finance Department	7,157,626	4,951,451	6,872,831	284,795	3.98%
Fire-Rescue Department	97,121,007	70,054,122	98,318,948	(1,197,941)	(1.23%)
Other General Government	7,565,418	3,671,980	7,092,297	473,121	6.25%
Human Resources Department	4,318,518	2,788,255	4,201,352	117,166	2.71%
City Manager's Office	7,701,438	5,037,672	7,229,358	472,080	6.13%
Office of Management and Budget	2,750,720	1,865,955	2,635,896	114,824	4.17%
Public Works Department	5,048,253	3,200,743	5,001,850	46,403	0.92%
Parks and Recreation Department	53,612,165	35,242,212	50,932,763	2,679,402	5.00%
Police Department	135,981,175	97,029,017	133,272,595	2,708,580	1.99%
Transportation and Mobility Department	4,358,983	2,068,352	4,239,429	119,554	2.74%
General Fund Total	351,110,738	243,250,739	344,850,276	6,260,462	1.78%
Airport:					
City Manager's Office	8,827,510	5,524,093	8,443,524	383,986	4.35%
Airport Total	8,827,510	5,524,093	8,443,524	383,986	4.35%
Building Funds:					
Development Services Department	24,648,566	16,493,480	23,747,233	901,333	3.66%
Building Funds Total	24,648,566	16,493,480	23,747,233	901,333	3.66%
Cemetery Perpetual Care:					
Cemeteries	249,403	1,426,809	1,624,698	(1,375,295)	(551.43%)
Cemetery Perpetual Care Total	249,403	1,426,809	1,624,698	(1,375,295)	(551.43%)
Cemetery System:					
Parks and Recreation Department	4,765,847	3,465,119	4,950,985	(185,138)	(3.88%)
Cemetery System Total	4,765,847	3,465,119	4,950,985	(185,138)	(3.88%)
Central Regional Wastewater System:					
Public Works Department	21,338,576	12,765,663	20,598,448	740,128	3.47%
Central Regional Wastewater System Total	21,338,576	12,765,663	20,598,448	740,128	3.47%
Central (Information Technology) Services:					
Information Technology Services Department	23,134,390	15,315,245	23,027,596	106,794	0.46%
Central (Information Technology) Services Total	23,134,390	15,315,245	23,027,596	106,794	0.46%
City Insurance:					
Human Resources Department	4,208,409	3,003,653	4,076,590	131,819	3.13%
Self Insurance	15,762,985	10,775,477	15,591,906	171,079	1.09%
City Insurance Total	19,971,394	13,779,130	19,668,496	302,898	1.52%
CRA Business Incentives:					
Community Redevelopment Agency (CRA)	31,399,660	3,574,871	30,665,273	734,387	2.34%
CRA Business Incentives Total	31,399,660	3,574,871	30,665,273	734,387	2.34%

Summary of City-wide Expenditures Projections by Department

Third Quarter - FY 2021 as of June 30, 2021

Fund/Department	Amended Budget	Year to Date Actuals	3rd Qtr. Year End Projection	Variance Favorable <i>(Unfavorable)</i>	
				\$	%
<u>Ft Lauderdale Community Redevelop Agency:</u>					
Community Redevelopment Agency (CRA)	3,251,997	1,469,837	3,072,175	179,822	5.53%
Ft Lauderdale Community Redevelop Agency Total	3,251,997	1,469,837	3,072,175	179,822	5.53%
<u>Parking System:</u>					
Transportation and Mobility Department	19,482,784	12,549,076	18,167,803	1,314,981	6.75%
Parking System Total	19,482,784	12,549,076	18,167,803	1,314,981	6.75%
<u>Project Management:</u>					
Public Works Department	5,105,474	3,401,623	4,592,234	513,240	10.05%
Project Management Total	5,105,474	3,401,623	4,592,234	513,240	10.05%
<u>Sanitation:</u>					
Public Works Department	16,446,105	11,328,181	16,445,756	349	0.00%
Parks and Recreation Department	12,407,621	8,718,359	12,264,726	142,895	1.15%
Sanitation Total	28,853,726	20,046,540	28,710,482	143,244	0.50%
<u>Self-Insured Health Benefits:</u>					
Human Resources Department	968,627	733,234	988,248	<i>(19,621)</i>	<i>(2.03%)</i>
Self Insurance	35,915,248	23,019,176	35,329,397	585,851	1.63%
Self-Insured Health Benefits Total	36,883,875	23,752,410	36,317,645	566,230	1.54%
<u>Stormwater:</u>					
Public Works Department	22,011,637	13,502,925	18,476,121	3,535,516	16.06%
Stormwater Total	22,011,637	13,502,925	18,476,121	3,535,516	16.06%
<u>Water and Sewer:</u>					
Finance Department	3,569,952	2,335,811	3,409,364	160,588	4.50%
Public Works Department	108,065,589	70,506,730	106,476,962	1,588,627	1.47%
Water and Sewer Total	111,635,541	72,842,541	109,886,326	1,749,215	1.57%
ALL PROJECTED FUNDS TOTAL	712,671,118	463,160,101	696,799,315	15,871,803	2.23%

General Fund Projections

Third Quarter - FY 2021 as of June 30, 2021

Fund/Department	Amended Budget	Year to Date Actuals	3rd Qtr. Year End Projection	Variance Favorable/(Unfavorable)	
				\$	%
Revenue:					
Ad Valorem - Operating	162,968,897	159,189,180	162,064,000	(904,897)	(0.56%)
Sales and Use Tax	6,743,190	-	6,743,190	-	0.00%
Franchise Fees	23,575,000	14,363,244	24,489,000	914,000	3.88%
Utility Service Taxes	38,870,721	25,227,729	40,306,000	1,435,279	3.69%
Licenses & Permits	4,320,287	3,466,620	3,665,596	(654,691)	(15.15%)
Intergovernmental Revenue	20,710,175	14,742,766	22,377,043	1,666,868	8.05%
Charges for Services	26,099,218	18,593,194	25,995,059	(104,159)	(0.40%)
Fines and Forfeits	2,037,000	1,042,847	1,410,387	(626,613)	(30.76%)
Miscellaneous	85,229,319	71,762,108	84,306,586	(922,733)	(1.08%)
Revenue Total	370,553,807	308,387,688	371,356,861	803,054	0.22%
Other Resources Allocated:					
Transfers and Other Sources	2,550,362	2,550,362	2,550,362	-	0.00%
Other Resources Allocated Total	2,550,362	2,550,362	2,550,362	-	0.00%
Total Revenue and Other Sources	373,104,169	310,938,050	373,907,223	803,054	0.22%
Expenditure:					
Salaries & Wages	172,538,655	118,577,522	168,018,642	4,520,013	2.62%
Fringe Benefits	69,394,620	56,428,417	68,662,270	732,350	1.06%
Services/Materials	38,622,228	23,237,523	37,538,275	1,083,953	2.81%
Other Operating Expenses	50,115,234	30,190,005	50,129,875	(14,641)	(0.03%)
Non-Operating Expenses	21,000	13,122	21,000	-	0.00%
Capital Outlay	1,402,859	541,985	1,464,018	(61,159)	(4.36%)
Debt Service	62,917	62,917	62,917	-	0.00%
Grant Services	-	-	-	-	0.00%
Other Uses	19,016,142	14,262,165	19,016,196	(54)	(0.00%)
Expenditure Total	351,173,655	243,313,656	344,913,193	6,260,462	1.78%
Other Resources Allocated:					
Other Uses	1,232,391	1,232,391	1,232,391	-	0.00%
Required Transfers Out	16,445,047	13,098,073	17,686,972	(1,241,925)	(7.55%)
Discretionary Transfers Out	364,039	(38,349)	391,639	(27,600)	(7.58%)
Transfer to Community Investment Plan	10,939,682	8,796,646	11,689,682	(750,000)	(6.86%)
Other Resources Allocated Total	28,981,159	23,088,761	31,000,684	(2,019,525)	(6.97%)
Total Expenditures and Other Resources	380,154,814	266,402,417	375,913,877	4,240,937	1.12%
Net Fund Impact	(7,050,645)	44,535,633	(2,006,654)		

All financial data is from the City's financial management system as of July 22, 2021

Fund Highlights:

As of the 3rd Quarter of FY 2021, General Fund operating expenses are projected to be \$344,913,193 which is \$6,260,462 or 1.78% less than budgeted. Revenues are expected to be \$371,356,861 which is \$803,054 or 0.22% more than budgeted. Transfers have increased to support the \$1.2 million anticipated FEMA funding match, \$536,075 of franchise fees to the Sanitation Fund and \$2.4 million in additional CIP transfers. The net impact is a projected \$2,006,654 decrease in fund balance at the end of FY 2021.

General Fund Revenues have begun to rebound in the following categories:

- Franchise fees primarily from private sanitation collection
- Utility Services Taxes primarily from the City Water Utility Tax and the Communications Services Taxes
- Intergovernmental Revenue primarily from the Half Cent Sales Tax

Shortfalls persist in other revenue categories due to the continued impact of the pandemic.

- Licenses and Permits primarily due to lower demand for landscaping permits and delays in implementing the expanded business tax enforcement program.
- Charges for Services primarily due to decreased zoning inspection and review fees and Fire Inspection fees. This decrease is being offset by increased lien research fee revenue.
- Fines and Forfeiture revenue continues to experience decreased collections associated with a backlog in court proceedings.
- Miscellaneous revenue collections primarily due to the Fire-Rescue Assessments trending \$736 thousand or 1.5% less than budgeted.

GENERAL FUND PROJECTED
3rd Quarter 2021
 as of June 30, 2021

Projected % of Amended Revenue Received by Year End		100.22%				
Expense Projected		Projected % of Amended Budget Expended by Year End			Department Vacancy Analysis as of 6/30/20	
Department	Personal Services	Operating Expenses*	Total	Filled Full-Time Positions	Vacant Full-Time Positions	
City Attorney's Office	97.14%	88.03%	95.24%	29	2	
City Auditor's Office	101.60%	90.04%	99.99%	8	(1)	
City Clerk's Office	98.45%	103.63%	99.95%	7	-	
Office of the Mayor and City Commission	103.01%	84.28%	99.99%	15	-	
Development Services Department	97.66%	102.24%	98.91%	92	4	
Finance Department	94.93%	99.96%	96.02%	40	4	
Fire-Rescue Department	101.42%	100.46%	101.23%	450	26	
Other General Government	100.40%	89.70%	93.75%	12	-	
Human Resources Department	96.22%	99.91%	97.29%	24	3	
City Manager's Office	88.72%	105.74%	93.87%	30	4	
Office of Management and Budget	94.77%	99.60%	95.83%	15	1	
Public Works Department	101.70%	96.42%	99.08%	17	5	
Parks and Recreation Department	93.25%	97.07%	95.00%	219	17	
Police Department	97.62%	99.78%	98.01%	658	63	
Transportation and Mobility Department	76.40%	108.54%	97.26%	14	1	
General Fund Total	97.99%	98.88%	98.22%	1,630	129	
REPORT LEGEND		POSITIVE	- Less than 97% of the Budget			
		NEUTRAL	- Between 97% and 100% of the Budget			
		NEGATIVE	- Over 100% of the Budget			

All financial data is from the City's financial management system as of July 22, 2021.
 *Operating Expenses includes Service & Materials, Other Operating Expenses, and Operating Capital

Department Highlights:

The Fire-Rescue Department is projected to overspend their expenditure budget by \$1.2 million, primarily in overtime expenses. This is due to the minimum staffing backfill associated with the COVID-19 pandemic and unanticipated vacancies due to early retirements. Details will be shared with the City Commission on the September 9th Budget Amendment.

Airport Projections

Third Quarter - FY 2021 as of June 30, 2021

Fund/Department	Amended Budget	Year to Date Actuals	3rd Qtr. Year End Projection	Variance Favorable <i>/(Unfavorable)</i>	
				\$	%
Revenue:					
Charges for Services	4,876,453	4,025,825	5,482,000	605,547	12.42%
Miscellaneous	4,868,629	3,355,712	4,884,345	15,716	0.32%
Revenue Total	9,745,082	7,381,537	10,366,345	621,263	6.38%
Other Resources Allocated:					
Transfers and Other Sources	1,342,735	-	1,342,735	-	0.00%
Other Resources Allocated Total	1,342,735	-	1,342,735	-	0.00%
Total Revenue and Other Sources	11,087,817	7,381,537	11,709,080	621,263	5.60%
Expenditure:					
Salaries & Wages	1,495,136	989,373	1,398,572	96,564	6.46%
Fringe Benefits	557,507	433,559	555,850	1,657	0.30%
Services/Materials	3,280,981	1,669,638	3,016,074	264,907	8.07%
Other Operating Expenses	3,141,692	2,264,529	3,121,822	19,870	0.63%
Capital Outlay	148,225	14,012	147,237	988	0.67%
Other Uses	203,969	152,982	203,969	-	0.00%
Expenditure Total	8,827,510	5,524,093	8,443,524	383,986	4.35%
Other Resources Allocated:					
Other Uses	16,228	-	16,228	-	0.00%
Transfer to Community Investment Plan	641,442	372,079	1,199,454	(558,012)	(86.99%)
Other Resources Allocated Total	657,670	372,079	1,215,682	(558,012)	(84.85%)
Total Expenditures and Other Resources	9,485,180	5,896,172	9,659,206	(174,026)	(1.83%)
Net Fund Impact	1,602,637	1,485,365	2,049,874		

All financial data is from the City's financial management system as of July 22, 2021

Fund Highlights:

As of the 3rd Quarter of FY 2021, Airport Fund expenditures are projected to be \$8,443,524, which is \$383,986 or 4.35% less than budgeted. Revenues are expected to be \$10,366,345 which is \$621,263 or 6.38% more than budgeted primarily due to higher than anticipated fuel flowage fees. Fund balance in the amount of \$763,232 was utilized to support a grant match and to increase the transfer to CIP. The net impact is a projected \$2,049,874 increase in fund balance at the end of FY 2021. This represents a \$164,575 increase over the \$2.2 million increase in fund balance included in the FY 2021 Adopted Budget.

Building Permits Projections

Third Quarter - FY 2021 as of June 30, 2021

	21,602,750	12,734,419			
	104,250	193,586			
	-	-			
Expenditure:					
	3,797,475	2,798,901			
	5,161,170	3,798,825			
	438,896	329,166			
	2,067,000	-			
Net Fund Impact	(3,432,216)	(2,960,739)	(5,836,307)		

All financial data is from the City's financial management system as of July 22, 2021

Fund Highlights:

As of the 3rd Quarter of FY 2021, Building Fund expenditures are projected to be \$23,747,233, which is \$901,333 or 3.66% less than budgeted. Revenues are expected to be \$19,756,987 which is \$3,305,424 or 14.33% less than budgeted. The net impact is a projected \$5,836,307 decrease in fund balance at the end of FY 2021. This represents a \$3.3 million increase over the \$2.5 million planned use of fund balance included in the FY 2021 Adopted Budget. The change is primarily due to the reduction of building permit revenue due to the COVID-19 pandemic.

Cemetery System Projections

Third Quarter - FY 2021 as of June 30, 2021

_____	2,800,000	3,334,192			
_____	1,514,784	-			
<u>Expenditure:</u>					
	820,580	596,380			
	563,578	406,691			
	429,112	167,354			
_____	-	-			
Net Fund Impact	(553,080)	1,035,355	1,525,393		

All financial data is from the City's financial management system as of July 22, 2021

Fund Highlights:

As of the 3rd Quarter of FY 2021, the Cemetery Fund expenditures, including transfers, are projected to be \$5,125,985 which is \$185,138 or 3.75% more than budgeted primarily due to the purchase of additional merchandise in response to additional sales. Revenues, including transfers, are expected to be \$6,651,378 which is \$2,263,611 or 51.59% more than budgeted. A budget amendment was completed in July to appropriate \$500,000 in additional merchandise sales revenue and to increase the corresponding Services/Materials budget. The net impact is a projected \$1,525,393 increase in fund balance at the end of FY 2021.

Central Regional Wastewater System Projections

Third Quarter - FY 2021 as of June 30, 2021

_____	34,253,464	24,517,434		
_____	-	-		
<u>Expenditure:</u>				
	848,521	640,415		
	3,016,490	1,735,942		
	1,566,938	817,910		
	209,944	157,464		
_____	14,283,520	10,712,638		
Net Fund Impact	(821,703)	1,056,193	-	

All financial data is from the City's financial management system as of July 22, 2021

Fund Highlights:

As of the 3rd Quarter of FY 2021, the Central Regional Fund expenditures are projected to be \$20,598,448, which is \$740,128 or 3.47% less than budgeted. Revenues are expected to be \$34,881,968 which is \$81,575 or 0.23% more than budgeted. This represents a projected additional \$80,075 contribution from large users receiving services through the Central Regional Wastewater System.

Central Services (Information Technology Services) Projections

Third Quarter - FY 2021 as of June 30, 2021

Fund/Department	Amended Budget	Year to Date Actuals	3rd Qtr. Year End Projection	Variance Favorable /(Unfavorable)	
				\$	%
Revenue:					
Charges for Services	24,567,231	18,313,305	24,423,638	(143,593)	(0.58%)
Miscellaneous	237,716	57,417	141,721	(95,995)	(40.38%)
Revenue Total	24,804,947	18,370,722	24,565,359	(239,588)	(0.97%)
Total Revenue and Other Sources					
	24,804,947	18,370,722	24,565,359	(239,588)	(0.97%)
Expenditure:					
Salaries & Wages	6,600,463	4,405,680	6,312,372	288,091	4.36%
Fringe Benefits	2,385,449	1,704,873	2,102,516	282,933	11.86%
Services/Materials	10,490,107	7,322,424	10,943,760	(453,653)	(4.32%)
Other Operating Expenses	1,394,241	951,853	1,391,837	2,404	0.17%
Non-Operating Expenses	-	-	-	-	0.00%
Capital Outlay	402,385	287,293	415,380	(12,995)	(3.23%)
Debt Service	1,004,235	-	1,004,235	-	0.00%
Other Uses	857,510	643,122	857,496	14	0.00%
Expenditure Total	23,134,390	15,315,245	23,027,596	106,794	0.46%
Other Resources Allocated:					
Other Uses	-	-	-	-	0.00%
Required Transfers Out	-	-	-	-	0.00%
Transfer to Community Investment Plan	2,600,000	1,950,002	2,600,000	-	0.00%
Other Resources Allocated Total	2,600,000	1,950,002	2,600,000	-	0.00%
Total Expenditures and Other Resources					
	25,734,390	17,265,247	25,627,596	106,794	0.41%
Net Fund Impact					
	(929,443)	1,105,475	(1,062,237)		

All financial data is from the City's financial management system as of July 22, 2021

Fund Highlights:

As of the 3rd Quarter of FY 2021, the Central Services Fund expenditures are projected to be \$23,027,596, which is \$106,794 or 0.46% less than budgeted primarily due to position vacancies. Revenues are expected to be \$24,565,359 which is \$239,588 or 0.97% less than budgeted primarily due to decreased print shop utilization. The net impact is a projected \$1,062,237 decrease in fund balance at the end of FY 2021.

City Property and Casualty Insurance Projections

Third Quarter - FY 2021 as of June 30, 2021

Fund/Department	Amended Budget	Year to Date Actuals	3rd Qtr. Year End Projection	Variance Favorable <i>/(Unfavorable)</i>	
				\$	%
Revenue:					
Charges for Services	22,510,439	16,890,850	22,510,439	-	0.00%
Miscellaneous	2,426,490	1,649,427	2,518,231	91,741	3.78%
Revenue Total	24,936,929	18,540,277	25,028,670	91,741	0.37%
Total Revenue and Other Sources					
	24,936,929	18,540,277	25,028,670	91,741	0.37%
Expenditure:					
Salaries & Wages	957,070	606,567	872,429	84,641	8.84%
Fringe Benefits	335,417	241,852	309,564	25,853	7.71%
Services/Materials	348,118	267,195	360,389	(12,271)	(3.52%)
Other Operating Expenses	4,287,099	3,205,346	4,281,344	5,755	0.13%
Non-Operating Expenses	13,932,257	9,374,587	13,733,337	198,920	1.43%
Other Uses	111,433	83,583	111,433	-	0.00%
Expenditure Total	19,971,394	13,779,130	19,668,496	302,898	1.52%
Other Resources Allocated:					
Other Uses	-	-	-	-	0.00%
Other Resources Allocated Total	-	-	-	-	0.00%
Total Expenditures and Other Resources					
	19,971,394	13,779,130	19,668,496	302,898	1.52%
Net Fund Impact					
	4,965,535	4,761,147	5,360,174		

All financial data is from the City's financial management system as of July 22, 2021

Fund Highlights:

As of the 3rd Quarter of FY 2021, the City Property and Casualty Insurance Fund expenditures are projected to be \$19,668,496, which is \$302,898 or 1.52% less than budgeted. Revenues are expected to be \$25,028,670 which is \$91,741 or 0.37% less than the budget. The net impact is a projected \$5,360,174 increase in fund balance at the end of FY 2021. This represents a \$394,639 increase over the \$5.0 million anticipated to be transferred to fund balance in the FY 2021 Adopted Budget.

Community Redevelopment Agency Projections

Third Quarter - FY 2021 as of June 30, 2021

_____	9,644,300	9,807,000			
_____	6,248,678	6,241,328			
Expenditure:					
	2,246	2,246			
	2,203,412	1,081,247			
_____	25,932	25,932			
	-	-			
Net Fund Impact	(72,557)	1,870,564	276,953		

All financial data is from the City's financial management system as of July 22, 2021

Fund Highlights:

As of the 3rd Quarter of FY 2021, the Community Redevelopment Agency Fund expenditures are projected to be \$3,072,175, which is \$179,822 or 5.53% less than budgeted. Revenues are expected to be \$9,813,988 which is \$169,688 or 1.76% more than budgeted. A year end budget amendment is anticipated to utilize the unexpended balance of \$284,982 from the NPF CRA operating budget to further support CRA initiatives, in addition to returning \$17,903 in unused operating funds to the Central City CRA to be utilized in FY 2022.

Parking System Projections

Third Quarter - FY 2021 as of June 30, 2021

	19,346,413	14,842,049			
	603,720	56,213			
<u>Expenditure:</u>					
	4,612,161	2,819,740			
	4,817,877	2,740,978			
	381,562	133,794			
	372,011	279,009			
	(7,517)	(7,517)			
Net Fund Impact	(1,043,352)	2,376,113	1,063,114		

All financial data is from the City's financial management system as of July 22, 2021

Fund Highlights:

As of the 3rd Quarter of FY 2021, the Parking Fund expenditures are projected to be \$18,167,803, which is \$1,314,981 or 6.75% less than budgeted primarily due to vacancies in the Parking Services Division. Revenues are expected to be \$22,165,760 which is \$791,485 or 3.70% more than budgeted primarily due to meter activity rebounding to pre-pandemic utilization and the parking rate increase that went into effect on July 1, 2020. The net impact is a projected \$1,063,114 increase in fund balance at the end of FY 2021. This represents a \$1.9 million increase over the \$817,948 planned use of fund balance included in the FY 2021 Adopted Budget.

Project Management Projections

Third Quarter - FY 2021 as of June 30, 2021

Fund/Department	Amended Budget	Year to Date Actuals	3rd Qtr. Year End Projection	Variance Favorable <i>/(Unfavorable)</i>	
				\$	%
Revenue:					
Miscellaneous	5,104,035	1,893,819	3,469,019	(1,635,016)	(32.03%)
Revenue Total	5,104,035	1,893,819	3,469,019	(1,635,016)	(32.03%)
Total Revenue and Other Sources	5,104,035	1,893,819	3,469,019	(1,635,016)	(32.03%)
Expenditure:					
Salaries & Wages	2,630,784	1,576,318	2,215,050	415,734	15.80%
Fringe Benefits	823,515	645,220	782,313	41,202	5.00%
Services/Materials	148,813	91,430	140,570	8,243	5.54%
Other Operating Expenses	1,051,479	750,489	1,003,418	48,061	4.57%
Other Uses	450,883	338,166	450,883	-	0.00%
Expenditure Total	5,105,474	3,401,623	4,592,234	513,240	10.05%
Total Expenditures and Other Resources	5,105,474	3,401,623	4,592,234	513,240	10.05%
Net Fund Impact	(1,439)	(1,507,804)	(1,123,215)		

All financial data is from the City's financial management system as of July 22, 2021

Fund Highlights:

As of the 3rd Quarter of FY 2021, the Project Management Fund expenditures are projected to be \$4,592,234, which is \$513,240 or 10.05% less than budgeted. Revenues are expected to be \$3,469,019 which is \$1,635,016 or 32.03% less than budgeted. The net impact is a projected \$1,123,215 revenue shortfall at the end of FY 2021.

The Project Management Fund is an internal service fund. Expenses incurred are allocated to the associated capital projects. The Public Works Department is in the process of reviewing their expenses to ensure that the appropriate expenditure allocations occur. If needed, a cleanup budget amendment will be completed to increase the project budgets that do not have sufficient funding to cover the applicable engineering fees. Public Works is also reviewing their current policies and procedures to ensure that the charge back methodology appropriately reflects the way that each position provides services to their capital projects.

Sanitation Projections

Third Quarter - FY 2021 as of June 30, 2021

_____	21,439,710	16,079,857		
_____	9,059,829	5,392,826		
Expenditure:				
	2,405,062	1,879,245		
	3,488,385	2,596,401		
	310,002	308,464		
_____	-	-		
Net Fund Impact	1,776,912	1,871,496	3,538,396	

All financial data is from the City's financial management system as of July 22, 2021

Fund Highlights:

As of the 3rd Quarter of FY 2021, the Sanitation Fund expenditures are projected to be \$28,710,482, which is \$143,244 or 0.50% less than budgeted. Revenues are expected to be \$21,947,124 which is \$376,315 or 1.74% more than budgeted. The net impact is a projected \$3,538,396 increase in fund balance at the end of FY 2021. This represents a \$2.3 million increase over the \$1.2 million planned increase in fund balance included in the FY 2021 Adopted Budget. The projection includes a \$2.1 million transfer for the sale of land which was anticipated with the adoption of the FY 2021 budget and a \$1.8 million increase in the transfer of franchise fees collected in the General Fund.

Self-Insured Health Benefits Projections

Third Quarter - FY 2021 as of June 30, 2021

	36,288,310	26,462,829			
	-	-			
<u>Expenditure:</u>					
	129,146	97,339			
	6,686,748	5,001,473			
	-	-			
Net Fund Impact	(27,009)	3,420,184	27,400		

All financial data is from the City's financial management system as of July 22, 2021

Fund Highlights:

As of the 3rd Quarter of FY 2021, the Self Insurance Health Benefits Fund expenditures are projected to be \$36,317,645, which is \$566,230 or 1.54% less than budgeted primarily due to lower health insurance claims. Revenues are expected to be \$36,345,045 which is \$511,821 or 1.39% less than budgeted primarily due to lower health plan participation associated with vacancies. The net impact is a \$27,400 increase in fund balance at the end of FY 2021. This represents a \$54,409 decrease of the \$27,009 planned use of fund balance included in the FY 2021 Adopted Budget.

Stormwater Projections

Third Quarter - FY 2021 as of June 30, 2021

	27,355,061	27,222,903			
	-	-			
<u>Expenditure:</u>					
	1,154,970	889,967			
	2,905,235	2,240,085			
	639,543	389,114			
	469,339	351,999			
	-	-			
Net Fund Impact	3,556,458	12,149,858	7,740,697		

All financial data is from the City's financial management system as of July 22, 2021

Fund Highlights:

As of the 3rd Quarter of FY 2021, the Stormwater Fund expenditures are projected to be \$18,476,121, which is \$3,535,516 or 16.06% less than budgeted. Revenues are expected to be \$28,556,718 which is \$648,723 or 2.32% more than budgeted. The net impact is a projected \$7,740,697 increase in fund balance at the end of FY 2021. This represents a \$3.4 million increase from the \$4.4 million anticipated transfer to fund balance included in the FY 2021 Adopted Budget.

The projection includes \$5.9 million in Tropical Storm ETA related expenses that were not eligible for FEMA reimbursement due to the lack of an emergency declaration associated with the storm. The additional expenses are being offset by the reduced debt service projection due to the delay in the anticipated FY 2021 debt issuance.

Water and Sewer Projections

Third Quarter - FY 2021 as of June 30, 2021

Fund/Department	Amended Budget	Year to Date Actuals	3rd Qtr. Year End Projection	Variance Favorable <i>/(Unfavorable)</i>	
				\$	%
Revenue:					
Charges for Services	121,106,033	90,494,995	118,212,816	(2,893,217)	(2.39%)
Miscellaneous	5,252,437	5,436,094	5,884,685	632,248	12.04%
Revenue Total	126,358,470	95,931,089	124,097,501	(2,260,969)	(1.79%)
Other Resources Allocated:					
Transfers and Other Sources	4,808,397	12,652,185	4,808,397	-	0.00%
Other Resources Allocated Total	4,808,397	12,652,185	4,808,397	-	0.00%
Total Revenue and Other Sources	131,166,867	108,583,274	128,905,898	(2,260,969)	(1.72%)
Expenditure:					
Salaries & Wages	25,359,577	16,493,397	23,332,408	2,027,169	7.99%
Fringe Benefits	10,049,307	7,527,689	9,616,551	432,756	4.31%
Services/Materials	25,766,822	16,991,837	25,935,433	(168,611)	(0.65%)
Other Operating Expenses	14,135,214	11,035,344	14,004,895	130,319	0.92%
Non-Operating Expenses	302,311	93,393	1,008,626	(706,315)	(233.64%)
Capital Outlay	3,514,417	1,938,448	3,480,520	33,897	0.96%
Debt Service	29,224,794	16,300,105	29,224,794	-	0.00%
Other Uses	3,283,099	2,462,328	3,283,099	-	0.00%
Expenditure Total	111,635,541	72,842,541	109,886,326	1,749,215	1.57%
Other Resources Allocated:					
Other Uses	-	-	-	-	0.00%
Transfer to Community Investment Plan	16,930,088	12,697,569	16,930,088	-	0.00%
Other Resources Allocated Total	16,930,088	12,697,569	16,930,088	-	0.00%
Total Expenditures and Other Resources	128,565,629	85,540,110	126,816,414	1,749,215	1.36%
Net Fund Impact	2,601,238	23,043,164	2,089,484		

All financial data is from the City's financial management system as of July 22, 2021

Fund Highlights:

As of the 3rd Quarter of FY 2021, the Water & Sewer Fund expenditures are projected to be \$109,886,326, which is \$1,749,215 or 1.57% less than budgeted. Overages related to increased utilities repairs and maintenance are being offset by salary savings due to vacancies. Revenues are expected to be \$124,097,501 which is \$2,260,969 or 1.79% less than budgeted. The decrease is primarily due to Tropical Storm Eta and the above average rain received during the first quarter which impacted water demand and consumption for both domestic and irrigation uses. Demand has began to rebound in the second quarter. The net impact is a projected \$2,089,484 increase in fund balance at the end of FY 2021. This represents a \$3.2 million decrease over the \$5.3 million planned transfer to fund balance included in the FY 2021 Adopted Budget.