

QUARTERLY FINANCIAL MONITORING REPORT

FY 2022 Q1

CITY OF PANAMA CITY BEACH



City of Panama City Beach



February 11, 2022

TO: Mayor and City Council

FROM: Karen Ellis, Finance Director

RE: FY 2022 1st Quarter Financial Monitoring Report

I am pleased to submit for City Council review the City of Panama City Beach's FY 2022 1st Quarter Financial Monitoring Report. Overall, actual revenues exceed budgeted revenues by 10%, and expenditures are as projected when compared to budget.

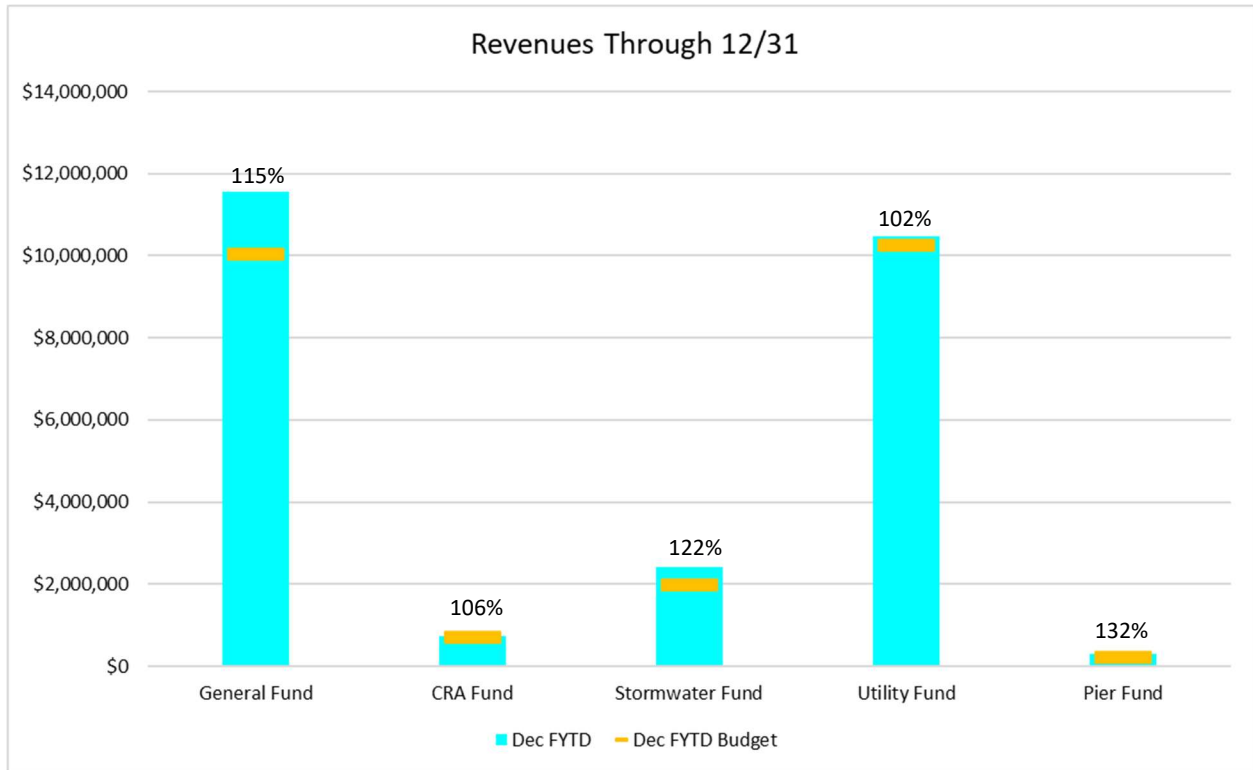
The following legend is used throughout this report:

Revenues	Expenditures	
Exceed budget by > 5%	Below budget by > 5%	Positive
Exceed budget by < 5%	Below budget by < 5%	Normal
Below budget by < 5%	Exceed budget by < 5%	Warning
Below budget by > 5%	Exceed budget by > 5%	Negative

Please note that all numbers in this report are unaudited and are subject to change.

Revenues Dashboard

The following charts compare the actual FY 2022 December FYTD revenues to both the annual budget and an approximated December FYTD budget. Because many of the City's revenue streams are not level throughout the year, the average seasonality from the first quarter of the most recent five fiscal years has been applied to the annual budget to use as a benchmark for comparing the actual December FYTD revenues.

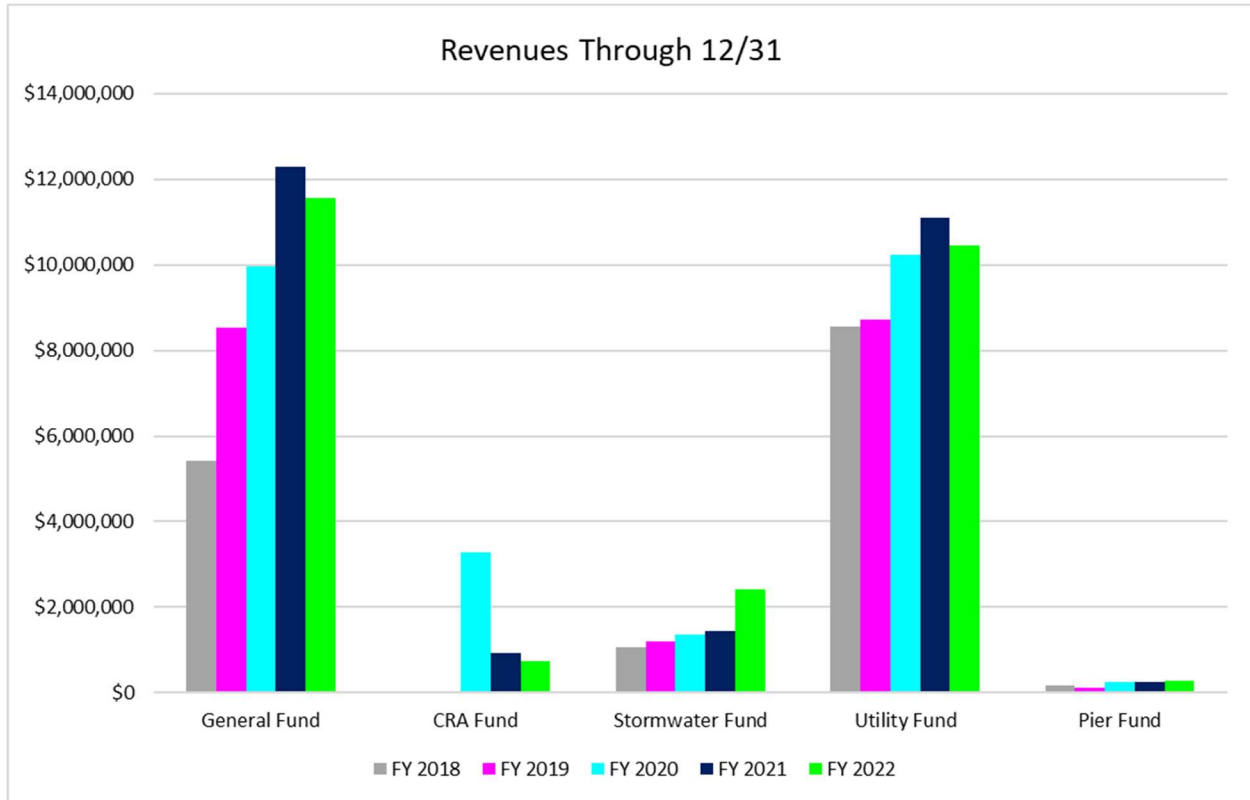


	Dec FYTD	Annual Budget	% of Annual Budget	Dec FYTD Budget	% of Dec FYTD Budget
General Fund	\$ 11,567,268	\$ 40,596,906	28%	\$ 10,036,468	115%
CRA Fund	741,382	18,856,800	4%	697,647	106%
Stormwater Fund	2,415,162	5,046,762	48%	1,972,381	122%
Utility Fund	10,465,762	42,547,150	25%	10,247,921	102%
Pier Fund	290,121	1,680,000	17%	219,021	132%
Aquatic Center Fund ⁽¹⁾	73,158	407,100	18%	46,798	156%
Total Revenues	\$ 25,552,853	\$ 109,134,718	23%	\$ 23,220,237	110%

(1) The Aquatic Center Fund is not included in the above bar chart because their revenues are too low to be visible in this graphical representation.

Historical Revenues

The following charts compare the FY 2022 December FYTD revenues to historical December FYTD revenues.

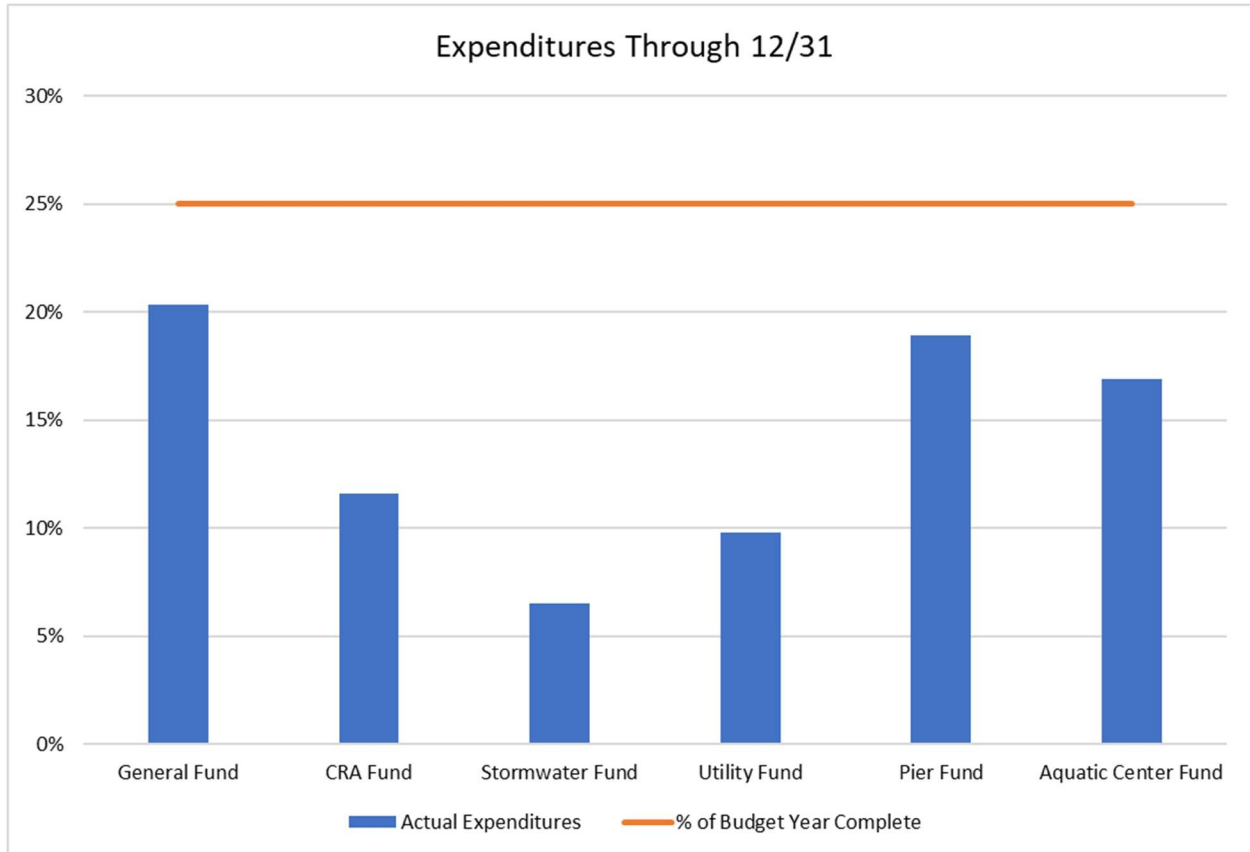


	Revenues Through 12/31					% Change Over Prior Year
	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	
General Fund	\$ 5,419,868	\$ 8,524,386	\$ 9,968,829	\$ 12,280,422	\$ 11,567,268	-6%
CRA Fund	3,931	26,285	3,294,001	924,179	741,382	-20%
Stormwater Fund	1,064,414	1,190,516	1,351,463	1,456,038	2,415,162	66%
Utility Fund	8,545,846	8,727,256	10,244,226	11,103,003	10,465,762	-6%
Pier Fund	175,894	106,059	259,849	262,273	290,121	11%
Aquatic Center Fund ⁽¹⁾	52,823	22,937	48,326	63,271	73,158	16%
Total Revenues	\$ 15,262,775	\$ 18,597,440	\$ 25,166,694	\$ 26,089,186	\$ 25,552,853	-2%

(1) The Aquatic Center Fund is not included in the above bar chart because their revenues are too low to be visible in this graphical representation.

Expenditures Dashboard by Fund

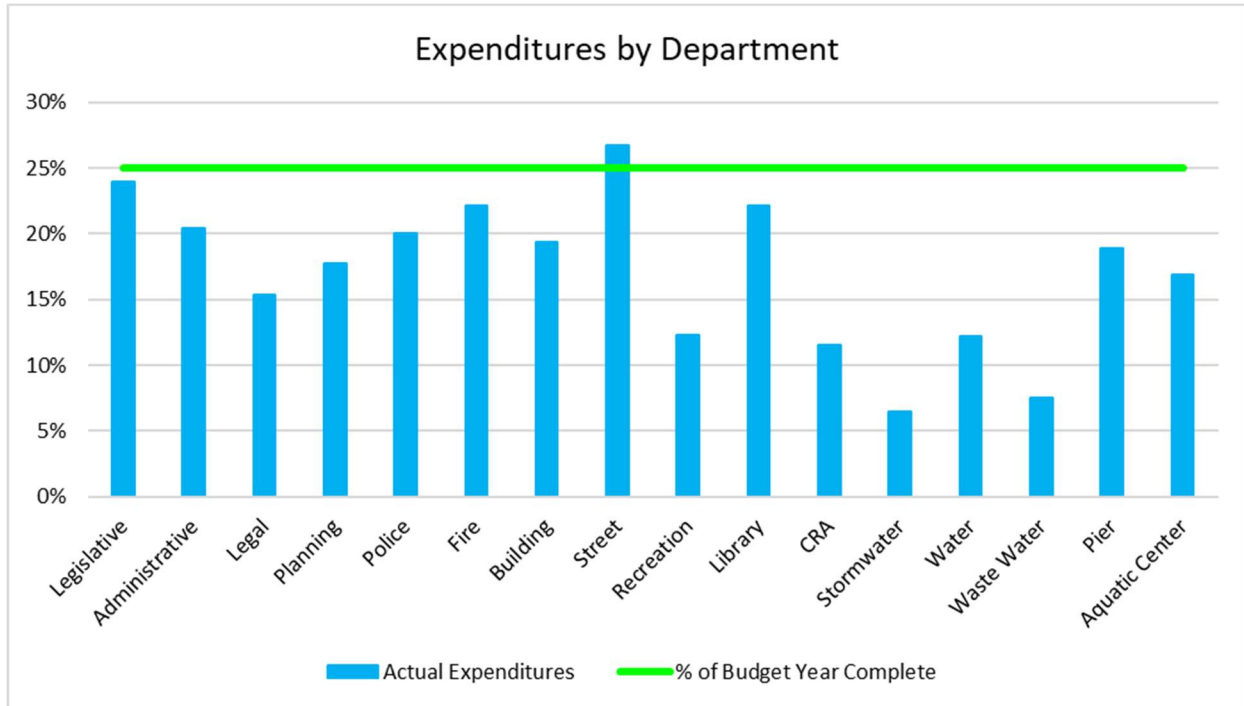
The following charts compare the actual FY 2022 December FYTD expenditures to the annual budget by fund. December FYTD expenditures for all funds are tracking below 25% of the annual FY 2022 expenditures budget.



Expenditures	Dec FYTD	Annual Budget	% of Annual Budget
General Fund	\$ 9,685,072	\$ 47,574,701	20%
CRA Fund	5,219,520	45,117,090	12%
Stormwater Fund	469,240	7,230,060	6%
Utility Fund	6,622,334	67,540,350	10%
Pier Fund	204,260	1,080,360	19%
Aquatic Center Fund	208,921	1,235,590	17%
Total Expenditures	\$ 22,409,348	\$ 169,778,151	13%

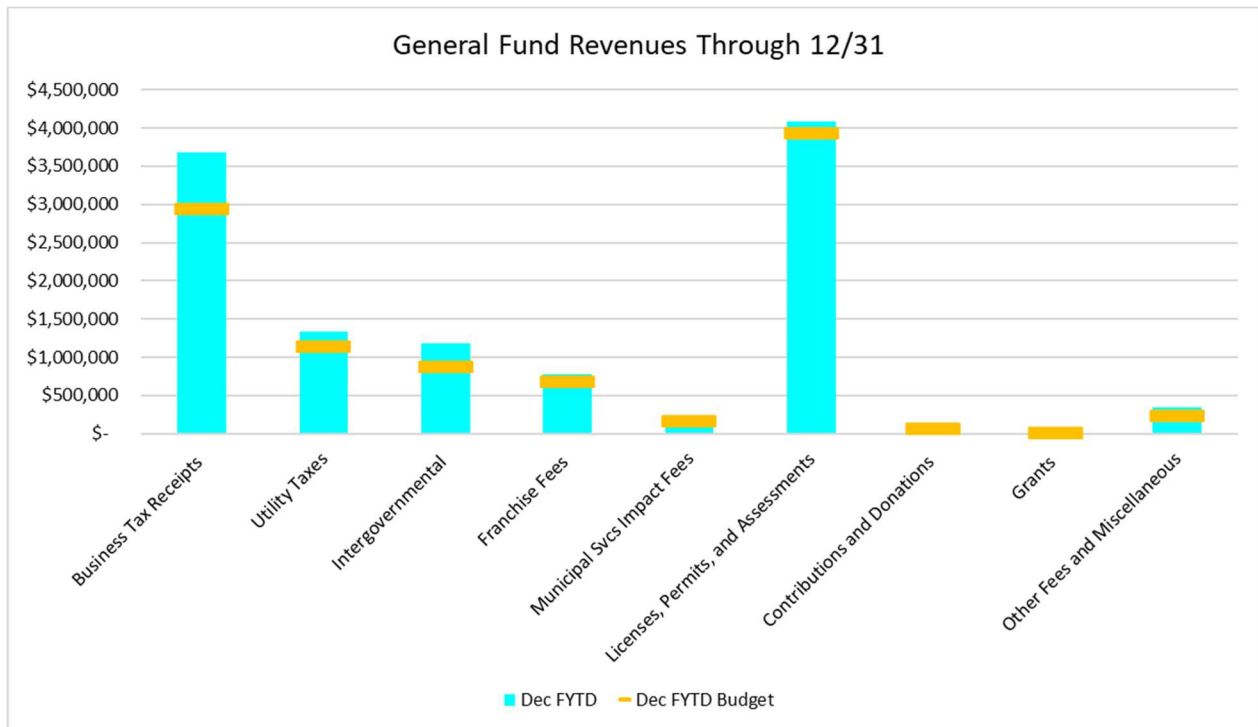
Expenditures Dashboard by Department

The following charts compare the actual FY 2022 December FYTD expenditures to the annual budget by department. The Street Department's December FYTD expenditures are just over 25% due to the timing of the Philip Griffiths Sr. Parkway Phase II project payments. All other departments are tracking below 25% of the annual FY 2022 expenditures budget.



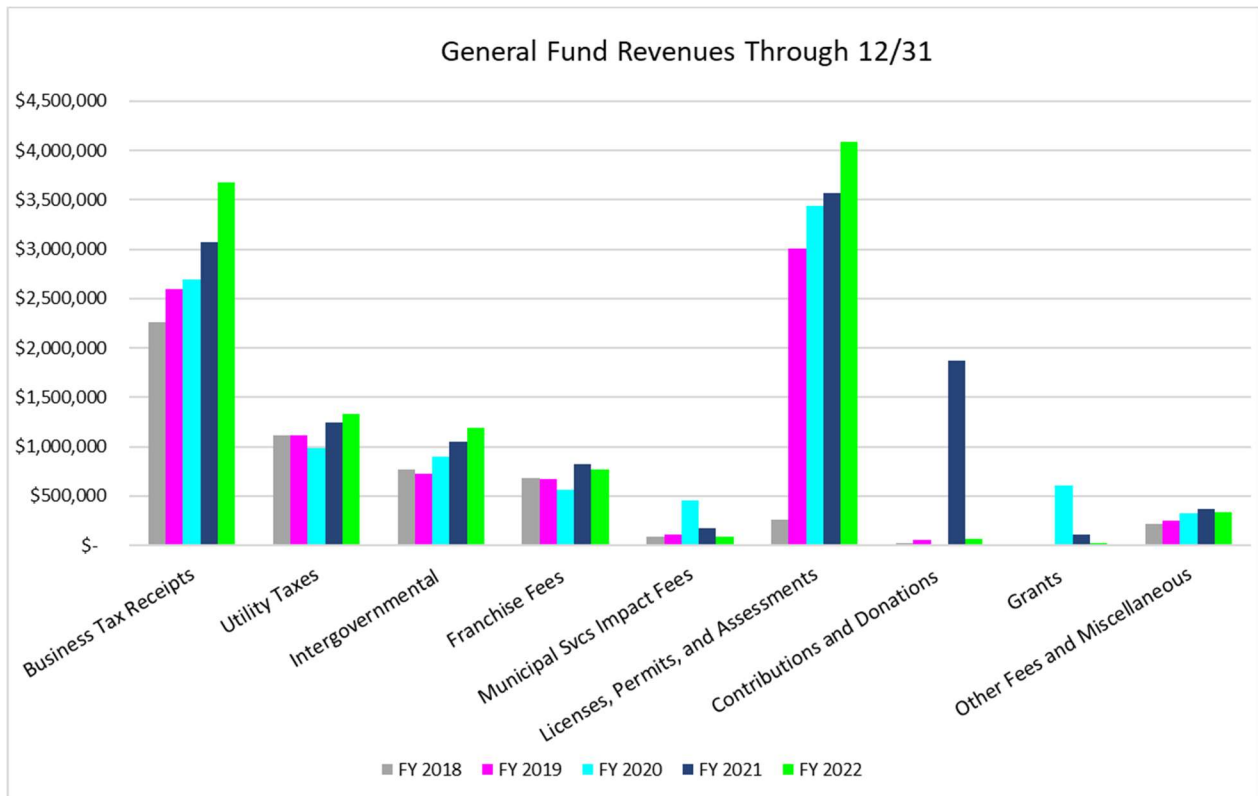
Expenditures	Dec FYTD	Annual Budget	% of Annual Budget
Legislative	\$ 98,307	\$ 410,400	24%
Administrative	686,126	3,356,750	20%
Legal	96,068	625,000	15%
Planning	90,199	508,600	18%
Police	2,843,435	14,165,845	20%
Fire	2,660,123	12,043,761	22%
Building	410,346	2,116,420	19%
Street	1,876,643	7,036,330	27%
Recreation	862,501	7,033,995	12%
Library	61,323	277,600	22%
CRA	5,219,520	45,117,090	12%
Stormwater	469,240	7,230,060	6%
Water	4,062,094	33,364,500	12%
Waste Water	2,560,240	34,175,850	7%
Pier	204,260	1,080,360	19%
Aquatic Center	208,921	1,235,590	17%
Total Expenditures	\$ 22,409,348	\$ 169,778,151	13%

General Fund Revenues Compared to Budget



General Fund Revenues	Dec FYTD	Annual Budget	% of Annual Budget	Dec FYTD Budget	% of Dec FYTD Budget
Business Tax Receipts	\$ 3,680,871	\$ 14,908,000	25%	\$ 2,945,756	125%
Utility Taxes	1,330,809	4,739,000	28%	1,142,610	116%
Intergovernmental	1,187,057	4,090,170	29%	876,535	135%
Franchise Fees	772,919	2,778,000	28%	671,676	115%
Municipal Svcs Impact Fees	91,700	1,232,000	7%	157,917	58%
Licenses, Permits, and Assessments	4,083,075	5,450,900	75%	3,934,019	104%
Contributions and Donations	64,140	1,114,300	6%	65,488	98%
Grants	18,422	5,106,086	0%	9,995	184%
Other Fees and Miscellaneous	338,275	1,178,450	29%	232,473	146%
Total Revenues	\$ 11,567,268	\$ 40,596,906	28%	\$ 10,036,468	115%

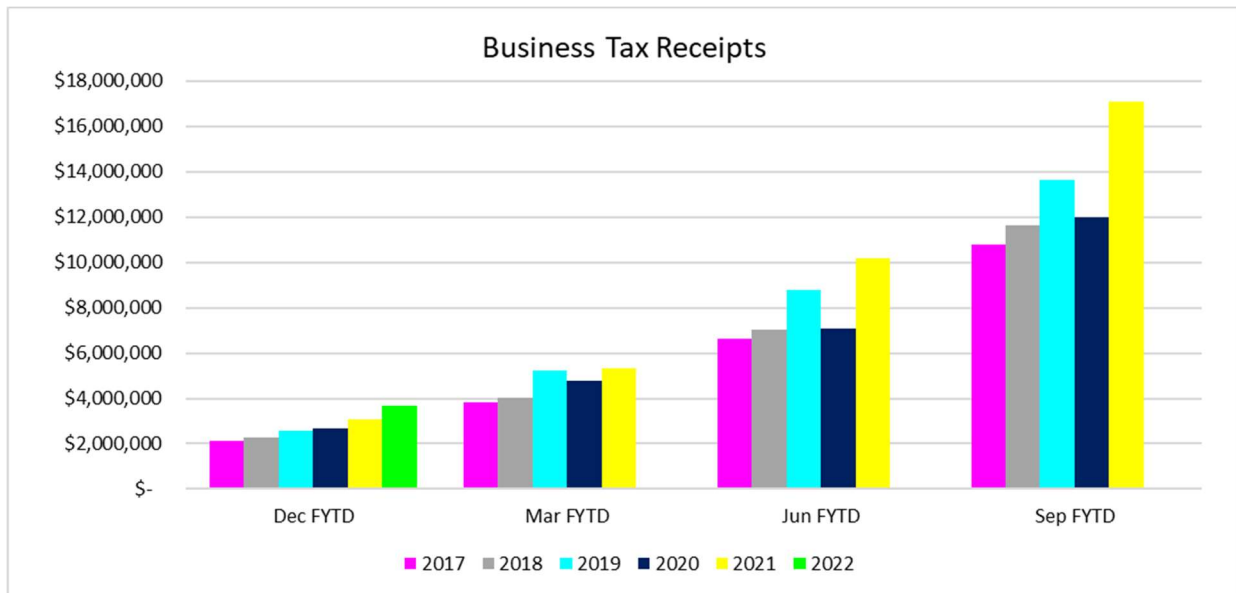
General Fund Revenues Historical Comparison



General Fund Revenues	Revenues Through 12/31					% Change Over Prior Year
	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	
Business Tax Receipts	\$ 2,264,356	\$ 2,594,805	\$ 2,689,108	\$ 3,069,557	\$ 3,680,871	20%
Utility Taxes	1,113,513	1,113,981	984,484	1,243,038	1,330,809	7%
Intergovernmental	769,182	722,317	898,420	1,052,853	1,187,057	13%
Franchise Fees	677,604	672,572	562,946	819,070	772,919	-6%
Municipal Svcs Impact Fees	91,454	109,040	449,872	169,576	91,700	-46%
Licenses, Permits, and Assessments	257,913	3,003,262	3,441,312	3,573,711	4,083,075	14%
Contributions and Donations	20,344	52,630	9,802	1,874,789	64,140	-97%
Grants	6,483	2,194	605,111	107,153	18,422	-83%
Other Fees and Miscellaneous	219,018	253,586	327,772	370,675	338,275	-9%
Total Revenues	\$ 5,419,868	\$ 8,524,386	\$ 9,968,829	\$ 12,280,422	\$ 11,567,268	-6%

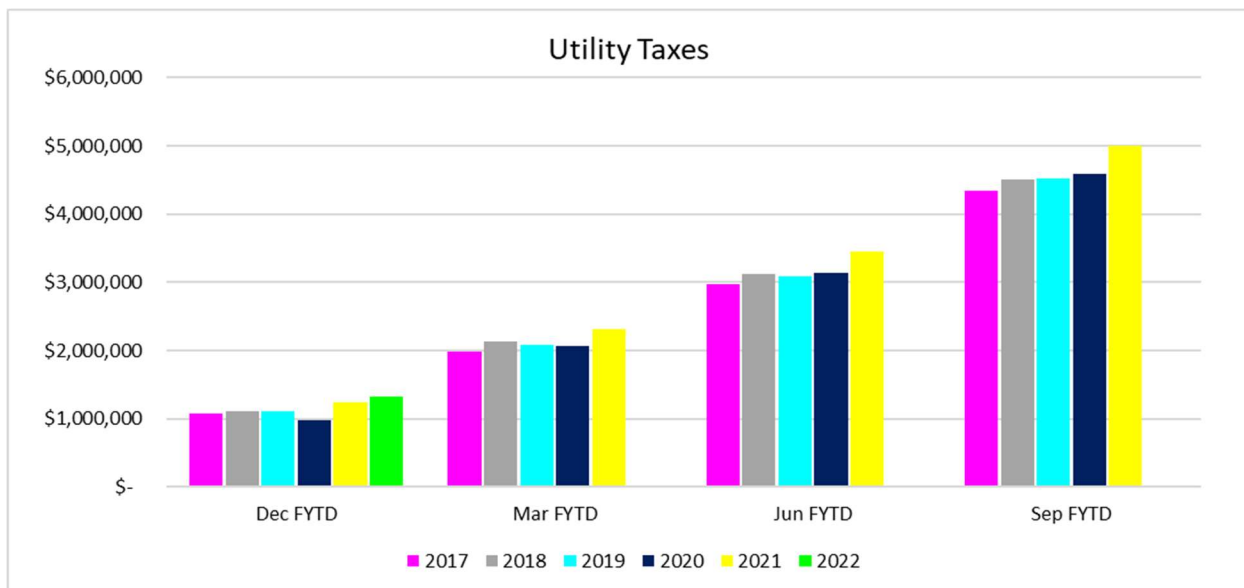
General Fund Revenues Analysis

Business Tax Receipts



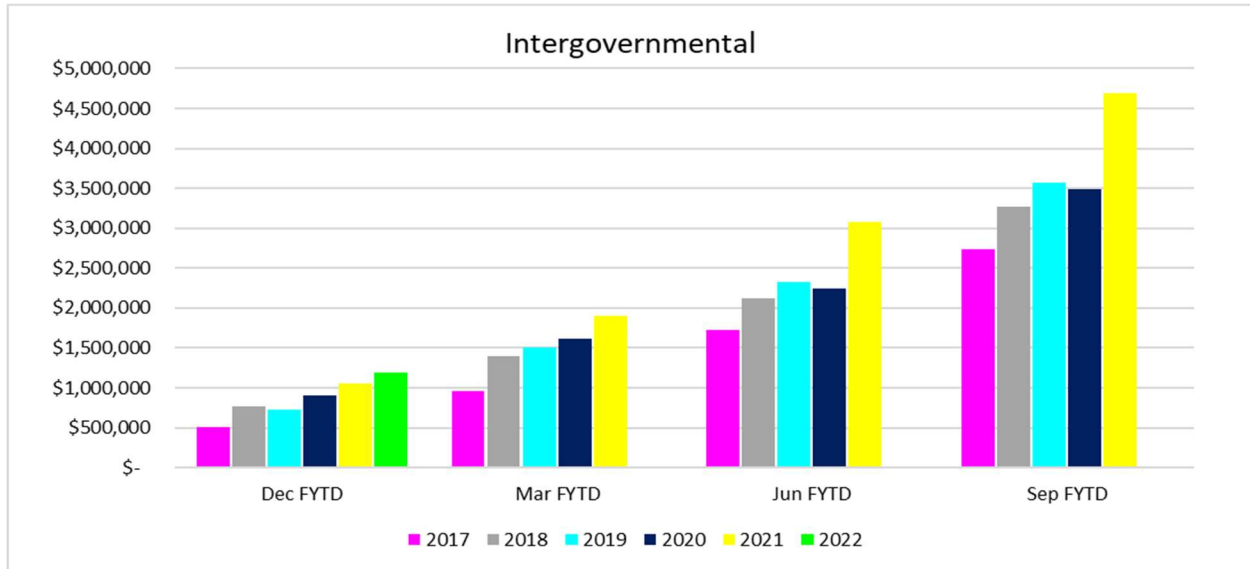
Business tax receipts are the General Fund’s largest revenue source, representing 37% of the FY 2022 General Fund revenues budget. This important revenue source has continued to grow and is up 20% over FY 2021. Historically, 20% of annual business tax receipts are received in the first quarter of the year. Actual FY 2022 business tax receipts through December are \$3.7 million, or 25% of the \$14.9 million FY 2022 annual budget.

Utility Taxes



Utility taxes represent 12% of the FY 2022 General Fund revenues budget. Revenues are generated from electricity, natural gas, and communication services operated by third-party providers within the City. Revenues vary according to weather conditions, consumer behavior, and utility rates. This revenue stream has continued to grow and is up 7% over FY 2021. Historically, 24% of annual utility taxes are received in the first quarter of the year. Actual FY 2022 utility taxes through December are \$1.3 million, or 28% of the \$4.7 million FY 2022 annual budget.

Intergovernmental



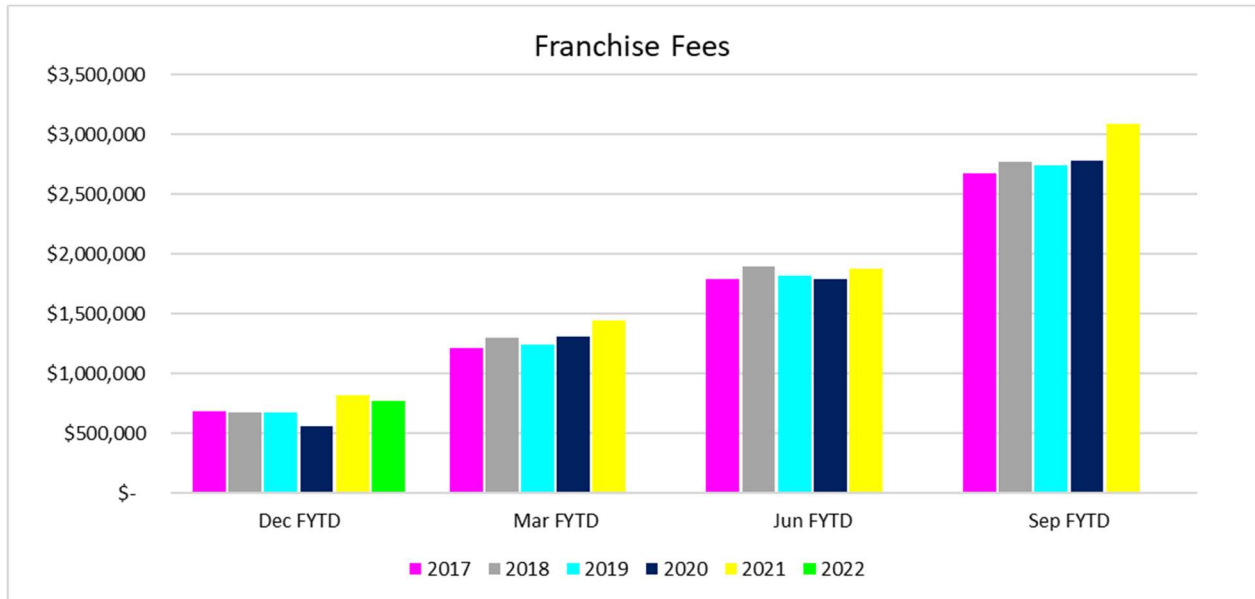
Intergovernmental revenues make up 10% of the FY 2022 General Fund revenues budget. The major components of this category are revenues from the half-cent sales tax and local discretionary half-cent sales surtax. Other revenues included are local option fuel tax, state revenue sharing, State of Florida maintenance contract for streetlights and traffic signals, alcoholic beverage licenses, mobile home licenses, and fuel tax refunds.

December FYTD intergovernmental revenues are up 13% over FY 2021. Historically, 21% of annual intergovernmental revenues are received in the first quarter of the year. Actual FY 2022 intergovernmental revenues through December are \$1.2 million, or 29% of the \$4.1 million FY 2022 annual budget.

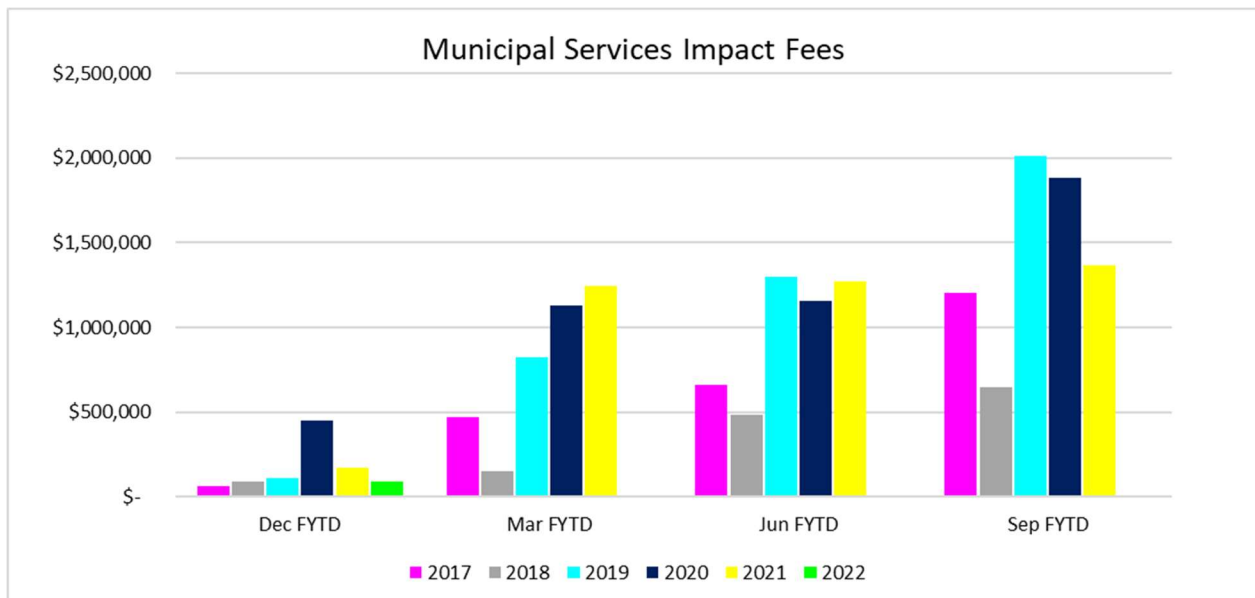
Franchise Fees

Franchise fees represent 7% of the FY 2022 General Fund revenues budget. Revenues are generated from franchise rights granted to third-party providers for the privilege of construction upon and operating within the right of ways owned by the City. The fee is a percentage of the third-party provider’s gross revenues, which vary according to weather conditions, consumer behavior, and utility rates.

December FYTD franchise fees are down 6% compared to FY 2021. Historically, 24% of annual franchise fees are received in the first quarter of the year. Actual FY 2022 franchise fees through December are \$0.8 million, or 28% of the \$2.8 million FY 2022 annual budget.



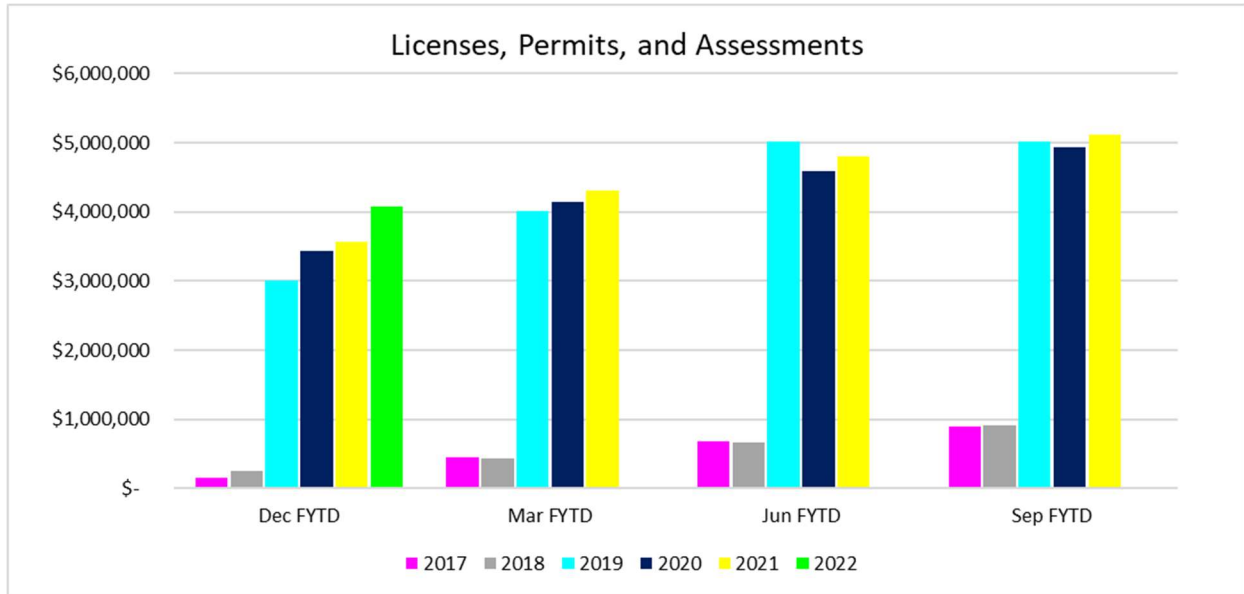
Municipal Services Impact Fees



Municipal services impact fees represent 3% of the FY 2022 General Fund revenues budget. Impact fees are charged on new development to help fund the needed expansion of offsite capital improvements and are restricted for such use. Impact fees are collected in the following four areas: police, fire, recreation, and library.

December FYTD impact fees are down 46% compared to FY 2021. Historically, 13% of the impact fees are received in the first quarter of the year, however this fluctuates from year to year. Actual FY 2022 impact fees through December are \$90 thousand, or 7% of the \$1.2 million FY 2022 annual budget.

Licenses, Permits, and Assessments

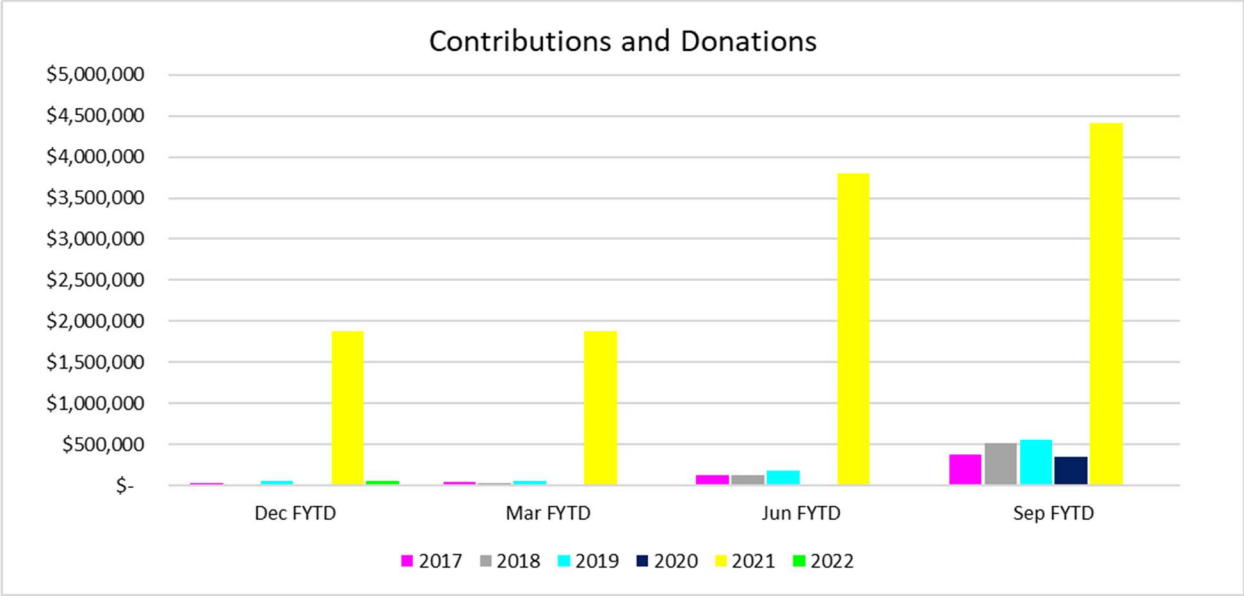


Licenses, permits, and assessments represent 13% of the FY 2022 General Fund revenues budget. The major components of this category are fire rescue assessments and building permits. The City first imposed the fire rescue assessment in FY 2019.

December FYTD licenses, permits, and assessments are up 14% over FY 2021. Historically, 72% of annual licenses, permits, and assessments are received in the first quarter of the year. Actual FY 2022 licenses, permits, and assessments through December are \$4.1 million, or 75% of the \$5.4 million FY 2022 annual budget.

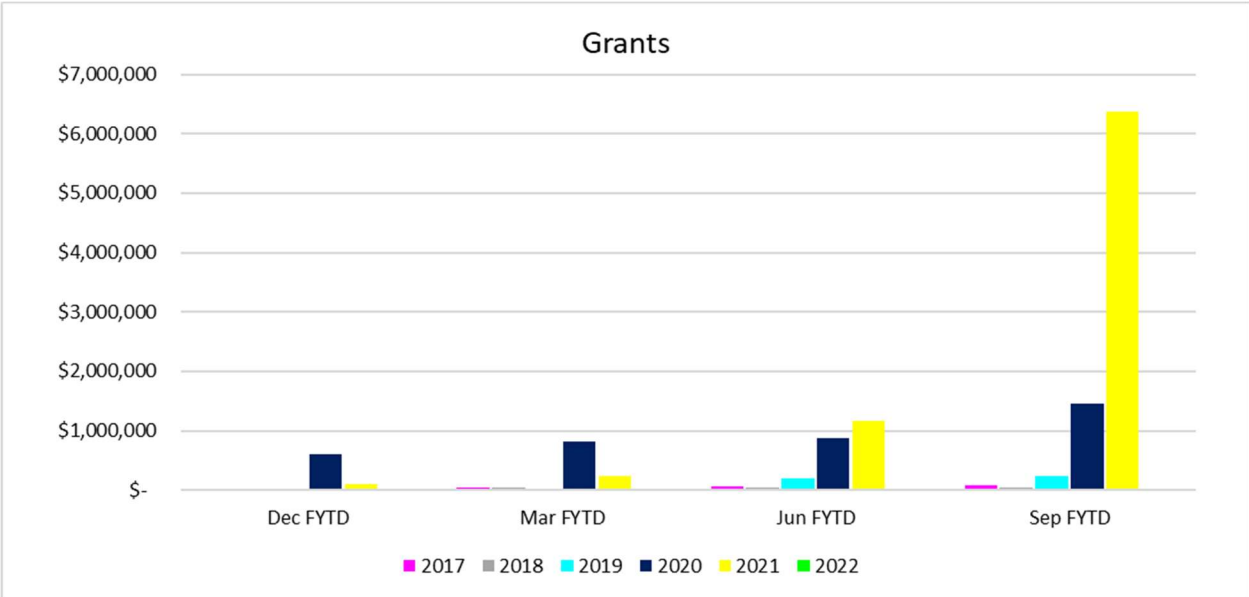
Contributions and Donations

Contributions and donations represent 3% of the FY 2022 General Fund revenues budget. This category is primarily comprised of contributions from the TDC for the lifeguard program and public safety, and CVB tournament subsidies. FY 2022 contributions and donations are down substantially compared to FY 2021 as the result of the \$3.5 million contribution from Bay County for Philip Griffitts Sr. Parkway received in FY 2021.

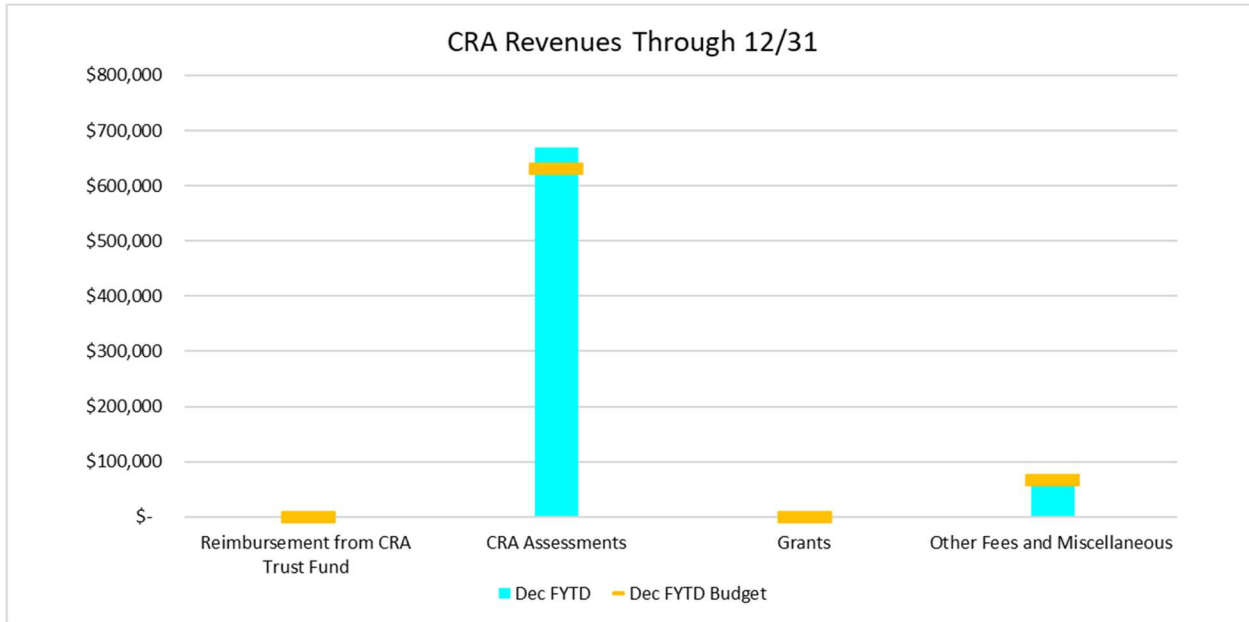


Grants

Grants represent 13% of the FY 2022 General Fund revenues budget and include the final \$2 million installment of the state grant for Philip Griffitts Sr. Parkway Phase II, a \$0.9 million state grant for the extension of Gayle’s Trails, a \$0.9 million federal grant for the first phase of the Frank Brown Park saferoom, a \$0.6 million state grant for the fire training tower, and a \$0.6 million federal grant for the police substation. The City expects to receive the grant funds later in FY 2022.

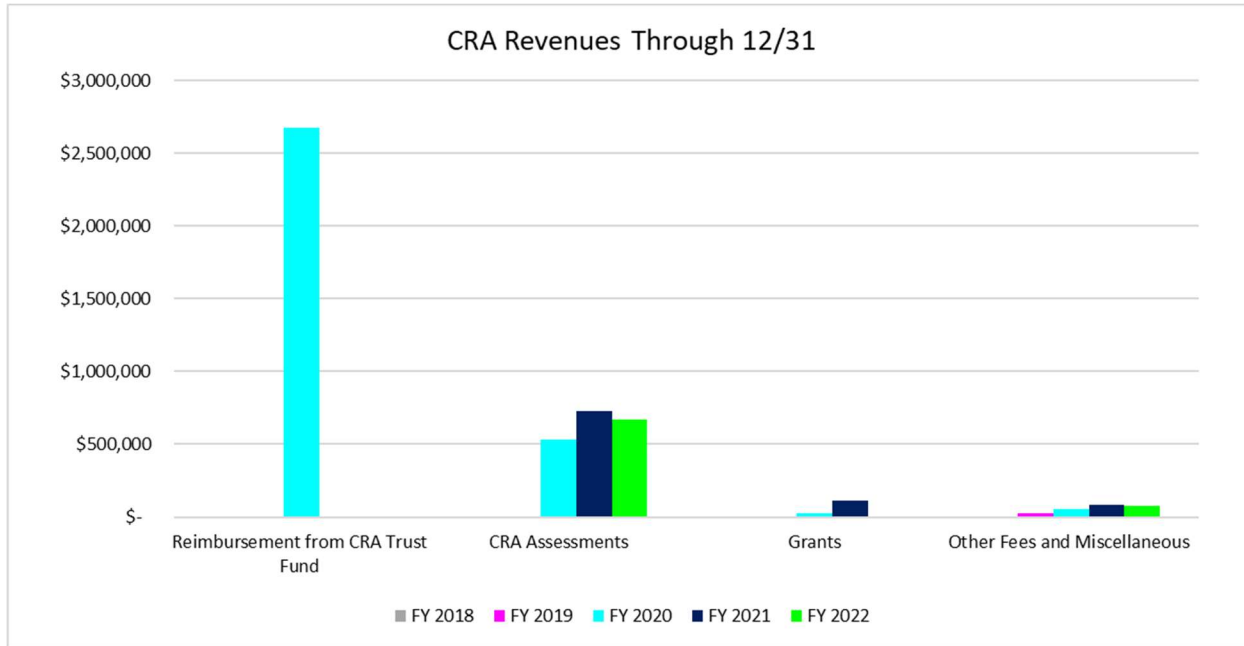


CRA Revenues Compared to Budget



CRA Revenues	Dec FYTD	Annual Budget	% of Annual Budget	Dec FYTD Budget	% of Dec FYTD Budget
Reimbursement from CRA Trust Fund	\$ -	\$ 13,400,000	0%	\$ -	-
CRA Assessments	668,504	811,000	82%	631,706	106%
Grants	-	3,750,000	0%	-	-
Other Fees and Miscellaneous	72,879	895,800	8%	65,941	111%
Total Revenues	\$ 741,382	\$ 18,856,800	4%	\$ 697,647	106%

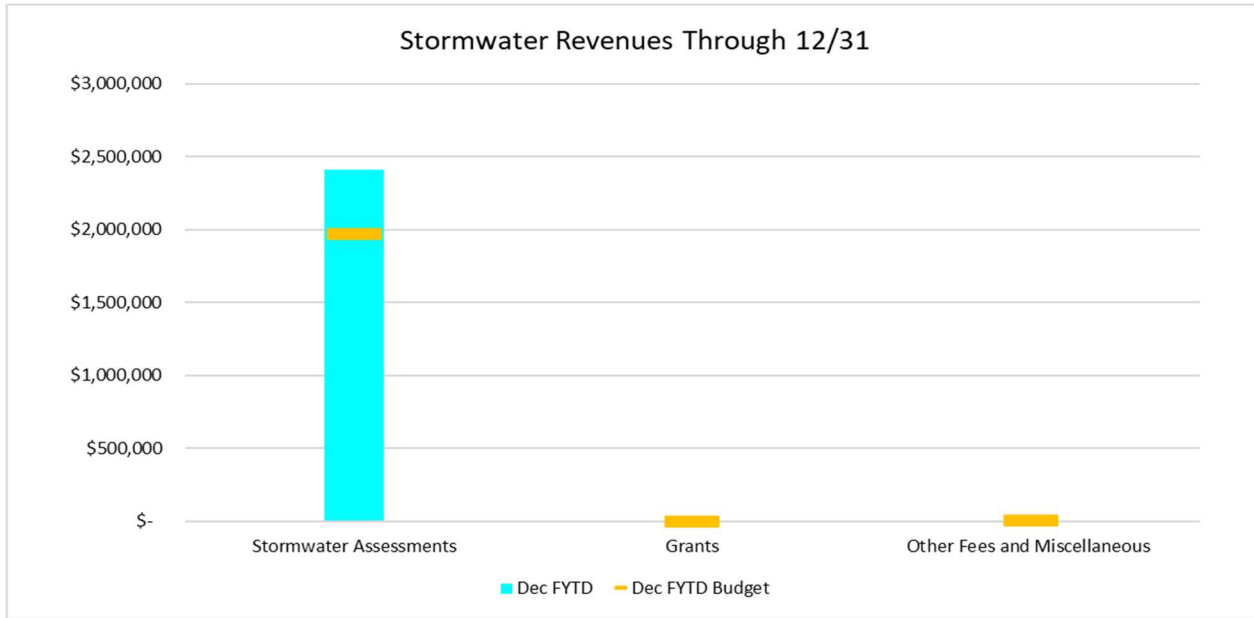
CRA Revenues Historical Comparison



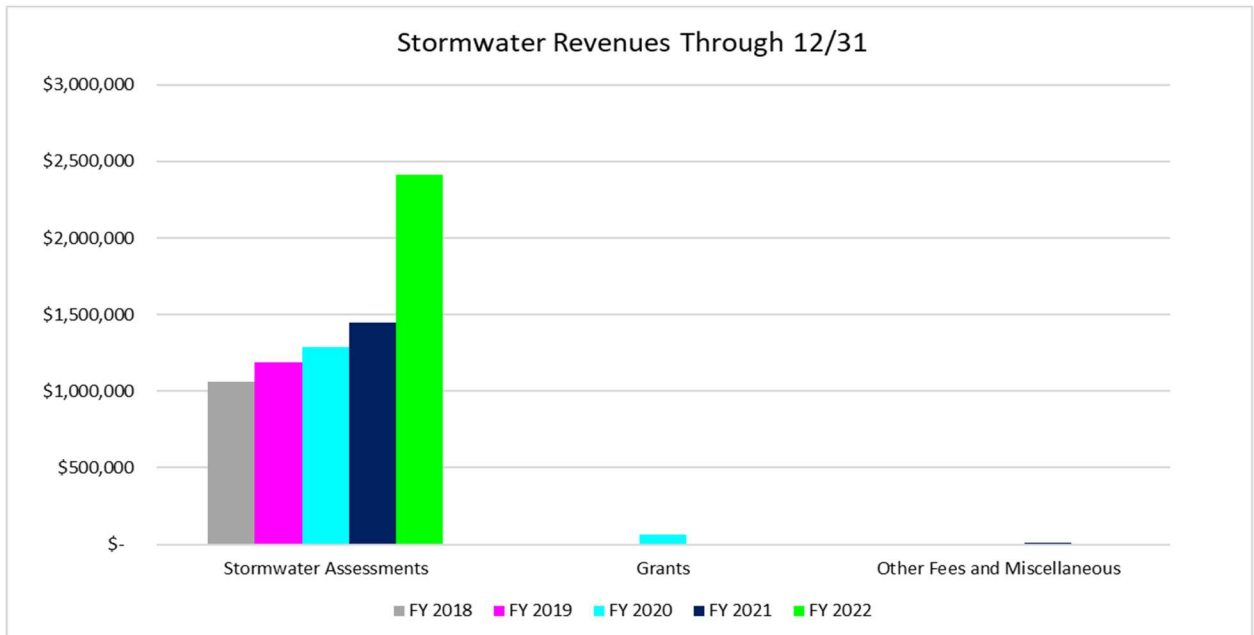
CRA Revenues	Revenues Through 12/31					% Change Over Prior Year
	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	
Reimbursement from CRA Trust Fund	\$ -	\$ -	\$ 2,677,500	\$ -	\$ -	-
CRA Assessments	-	-	534,196	728,038	668,504	-8%
Grants	-	-	24,569	110,425	-	-100%
Other Fees and Miscellaneous	3,931	26,285	57,736	85,717	72,879	-15%
Total Revenues	\$ 3,931	\$ 26,285	\$ 3,294,001	\$ 924,179	\$ 741,382	-20%

FY 2021 CRA assessment revenue included \$150 thousand for unpaid FY 2020 balances. This additional revenue received in FY 2021 is the reason for the decrease compared to FY 2020.

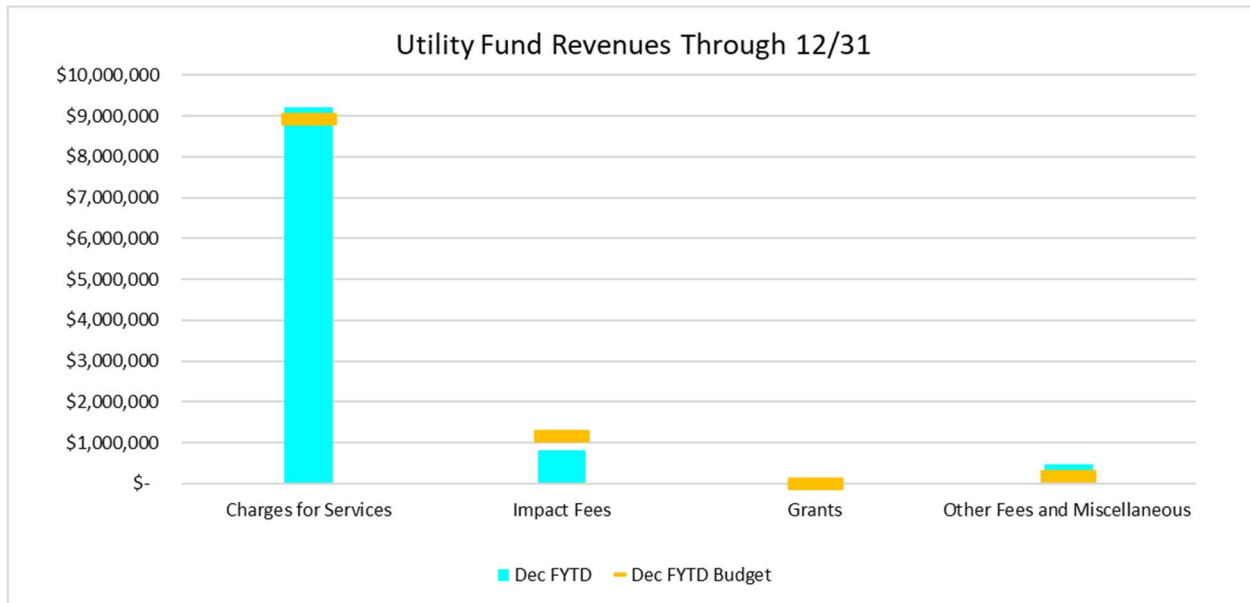
Stormwater Revenues Compared to Budget and Historical Comparison



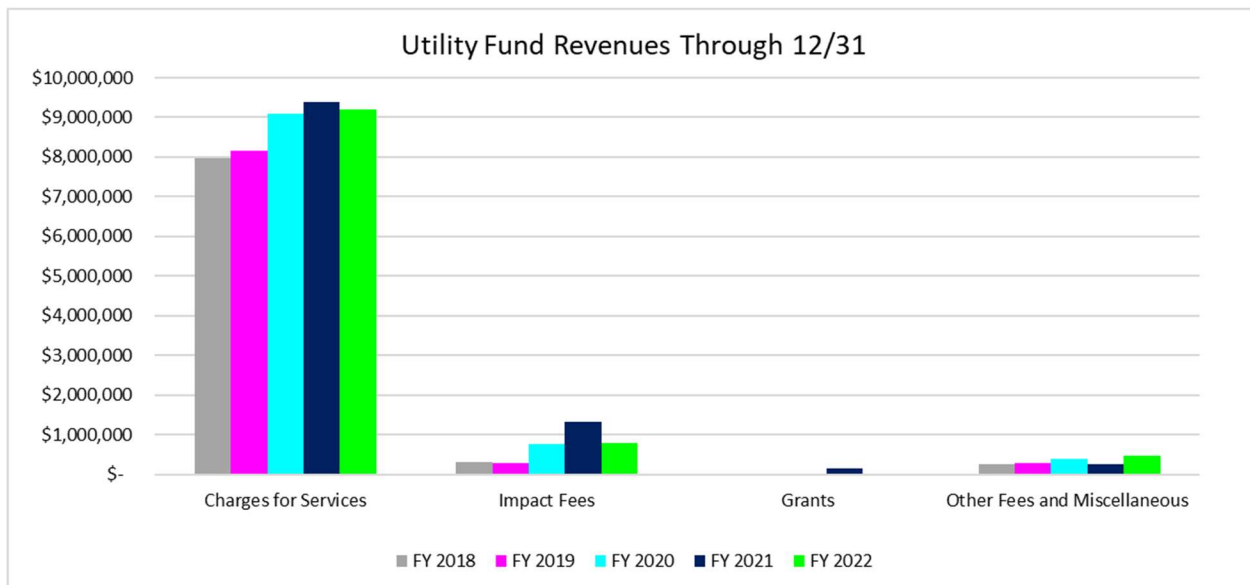
Stormwater Revenues	Dec FYTD	Annual Budget	% of Annual Budget	Dec FYTD Budget	% of Dec FYTD Budget
Stormwater Assessments	\$ 2,411,138	\$ 2,781,162	87%	\$ 1,968,006	123%
Grants	\$ -	\$ 2,245,500	0%	\$ -	-
Other Fees and Miscellaneous	4,024	20,100	20%	4,375	92%
Total Revenues	\$ 2,415,162	\$ 5,046,762	48%	\$ 1,972,381	122%



Utility Fund Revenues Compared to Budget and Historical Comparison

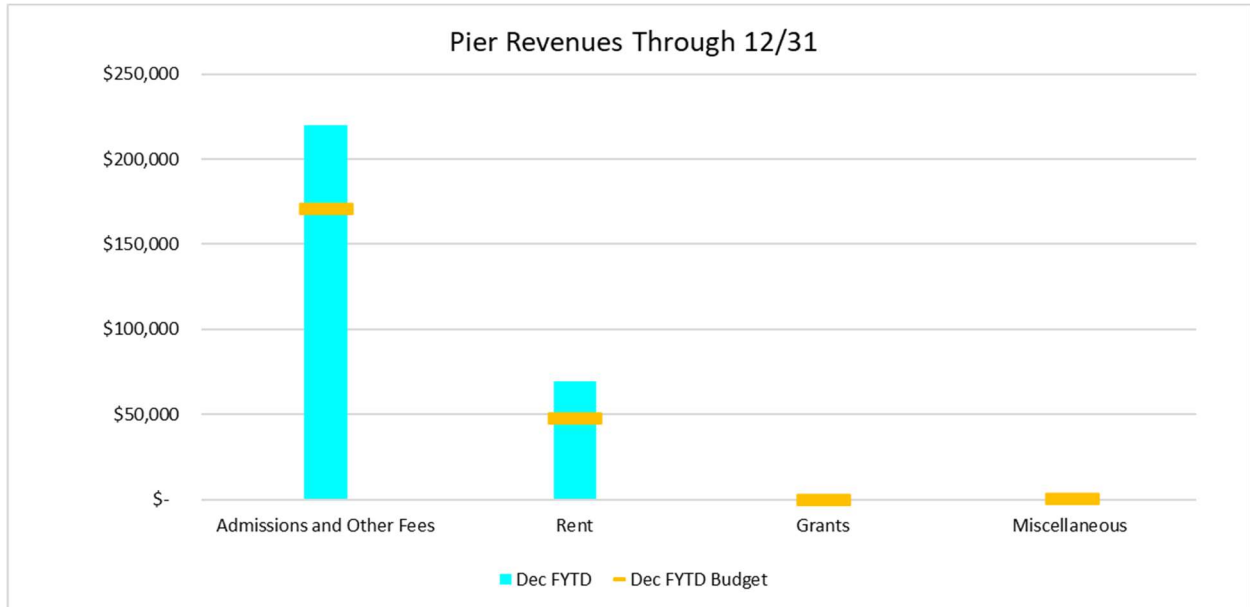


Utility Fund Revenues	Dec FYTD	Annual Budget	% of Annual Budget	Dec FYTD Budget	% of Dec FYTD Budget
Charges for Services	\$ 9,201,062	\$ 34,121,150	27%	\$ 8,909,575	103%
Impact Fees	805,067	7,800,000	10%	1,150,251	70%
Grants	-	-	-	-	-
Other Fees and Miscellaneous	459,633	626,000	73%	188,094	244%
Total Revenues	\$ 10,465,762	\$ 42,547,150	25%	\$ 10,247,921	102%

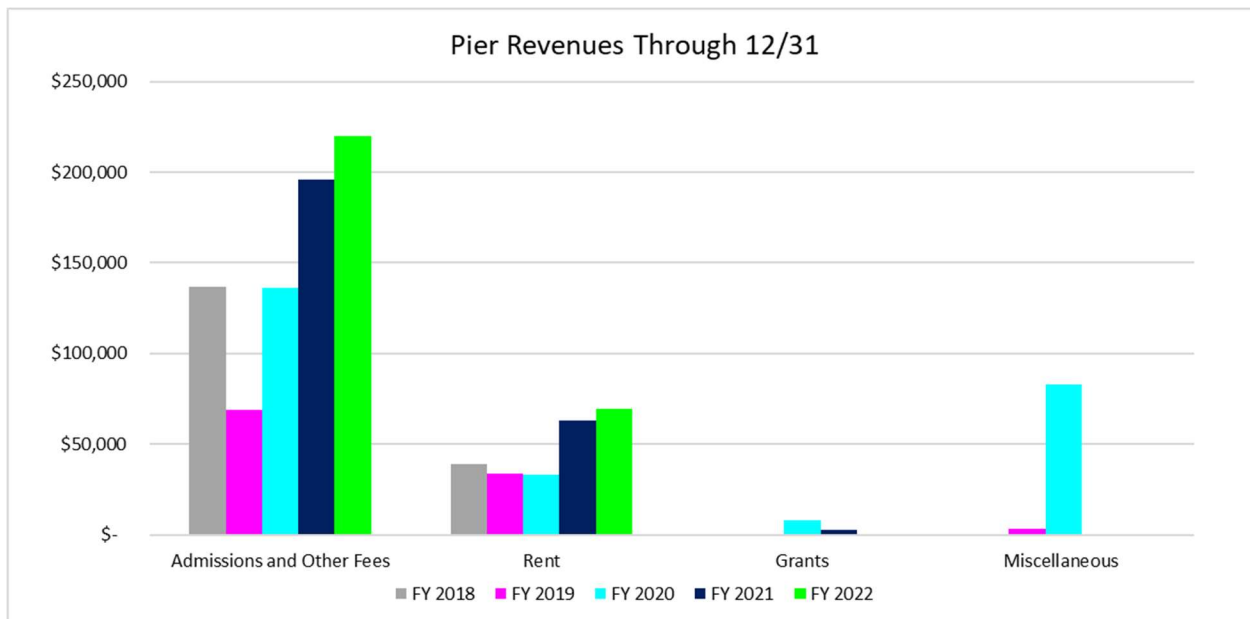


December FYTD charges for services are down slightly compared to FY 2021 due to the payment system conversion to Paymentus, which took place in December of FY 2022. During this conversion, many payments normally received in December were not received until January.

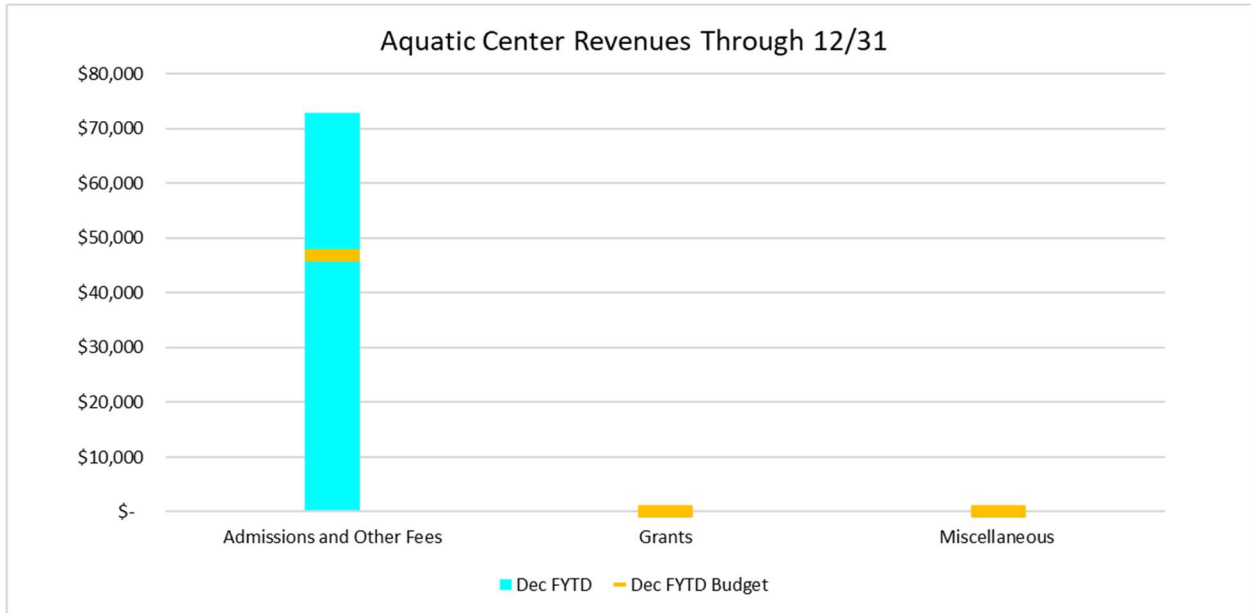
Pier Fund Revenues Compared to Budget and Historical Comparison



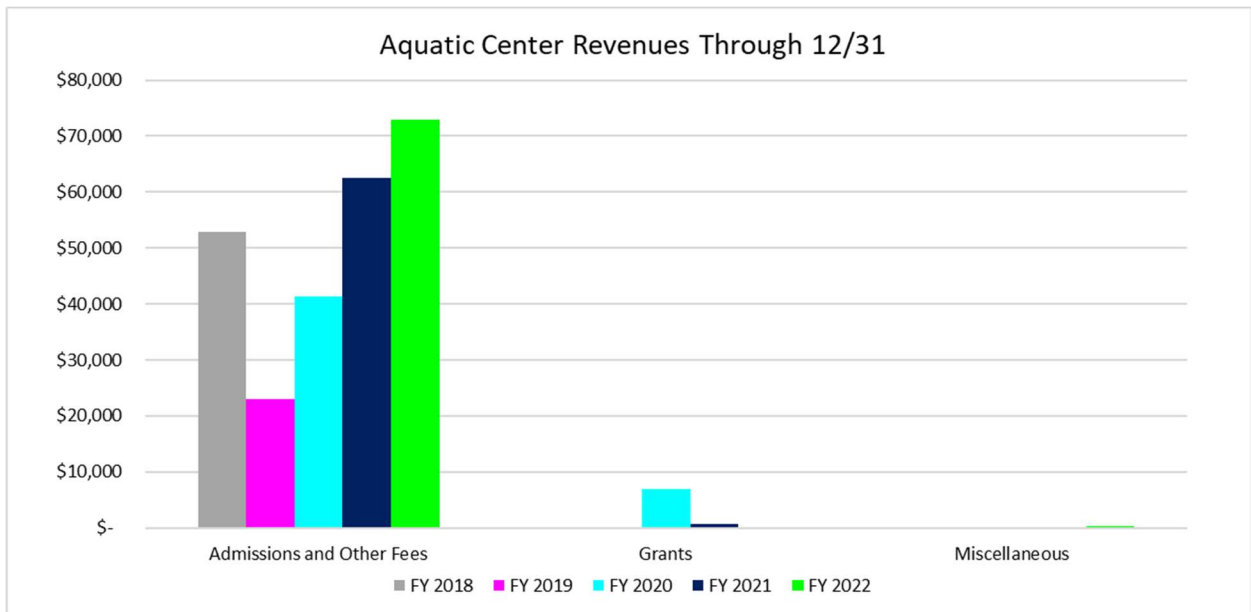
Pier Revenues	Dec FYTD	Annual Budget	% of Annual Budget	Dec FYTD Budget	% of Dec FYTD Budget
Admissions and Other Fees	\$ 219,765	\$ 1,375,000	16%	\$ 170,760	129%
Rent	69,703	304,000	23%	48,008	145%
Grants	-	-	-	-	-
Miscellaneous	654	1,000	65%	254	258%
Total Revenues	\$ 290,121	\$ 1,680,000	17%	\$ 219,021	132%



Aquatic Center Fund Revenues Compared to Budget and Historical Comparison

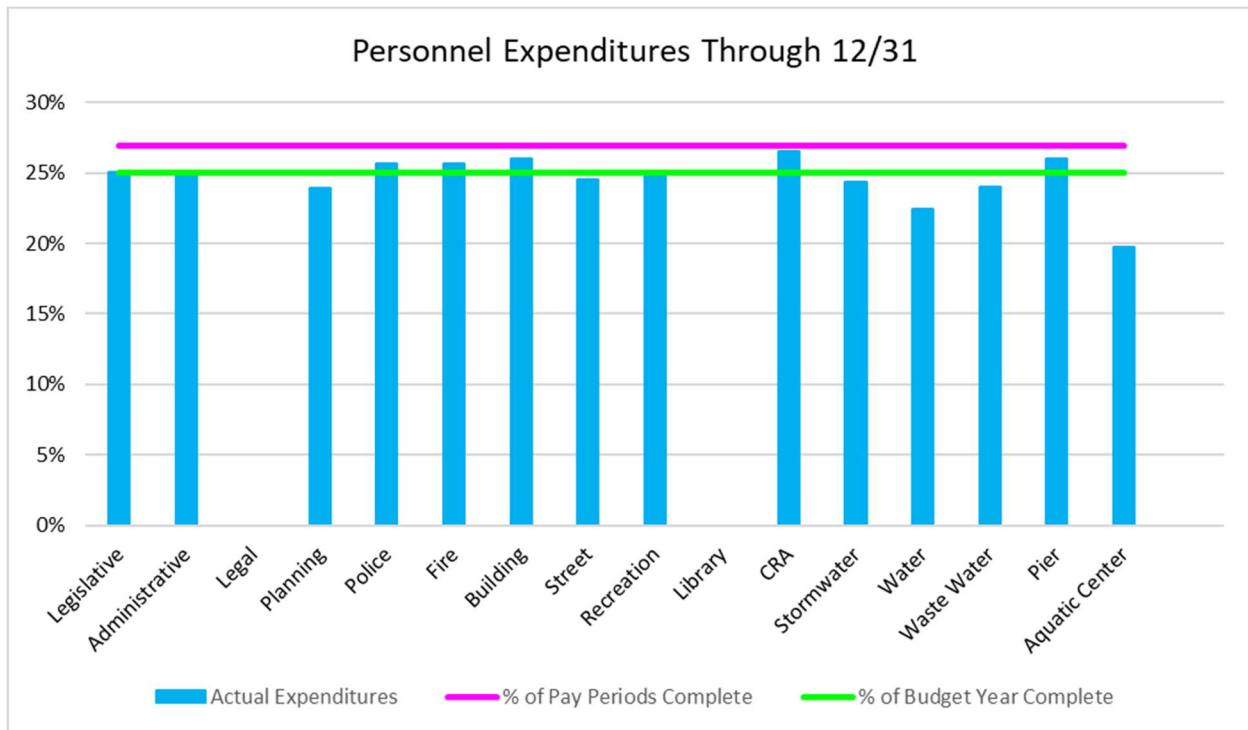


Aquatic Center Revenues	Dec FYTD	Annual Budget	% of Annual Budget	Dec FYTD Budget	% of Dec FYTD Budget
Admissions and Other Fees	\$ 72,941	\$ 405,000	18%	\$ 46,798	156%
Grants	-	-	-	-	-
Miscellaneous	217	2,100	10%	-	-
Total Revenues	\$ 73,158	\$ 407,100	18%	\$ 46,798	156%



Expenditures Analysis

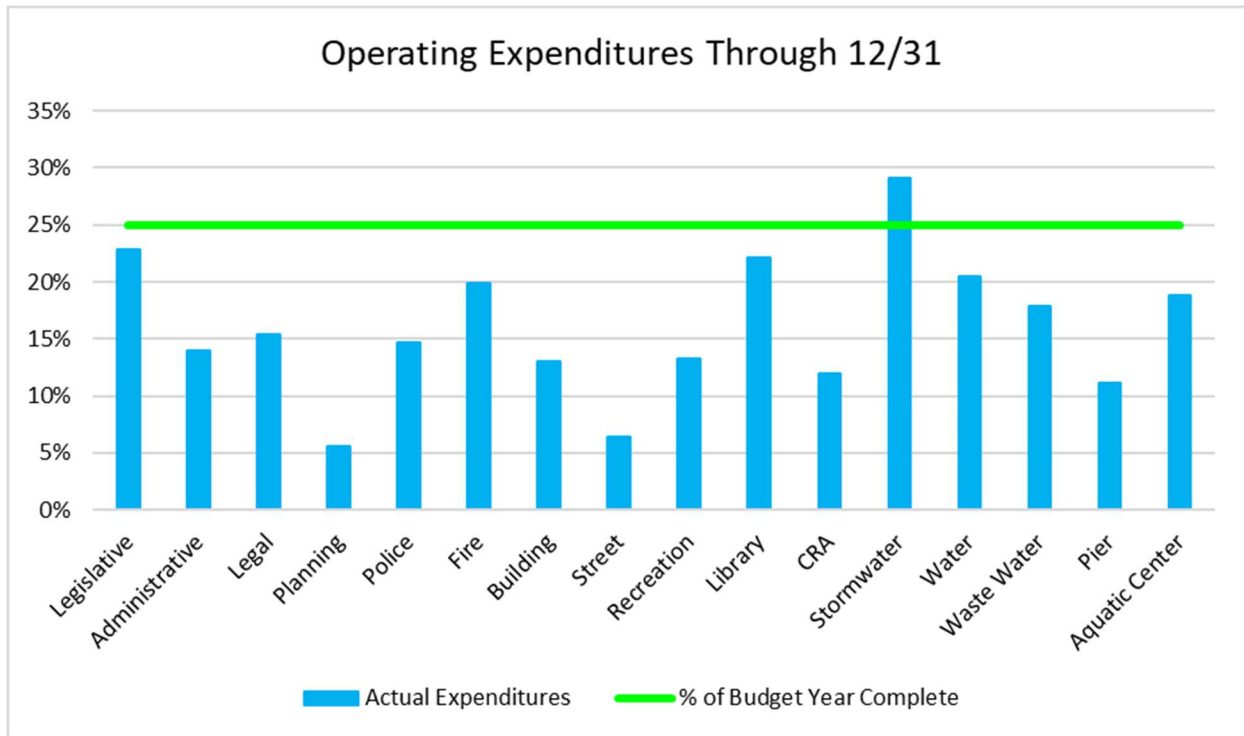
Personnel



Department	Dec FYTD	Annual Budget	% of Annual Budget
Legislative	\$ 51,623	\$ 206,100	25%
Administrative	489,046	1,949,750	25%
Legal	-	-	-
Planning	80,791	337,600	24%
Police	2,034,111	7,929,500	26%
Fire	1,603,759	6,244,730	26%
Building	286,961	1,103,440	26%
Street	282,691	1,152,940	25%
Recreation	464,556	1,869,740	25%
Library	-	-	-
CRA	131,403	494,910	27%
Stormwater	203,394	836,230	24%
Water	689,684	3,078,650	22%
Waste Water	955,549	3,987,700	24%
Pier	155,864	599,560	26%
Aquatic Center	118,044	599,290	20%
Total	\$ 7,547,477	\$ 30,390,140	25%

As of December 31st, 7 out of 26 pay periods have been paid. Because wages make up the majority of this category, 7/26 (27%) is displayed as an additional benchmark. All departments are currently below this benchmark.

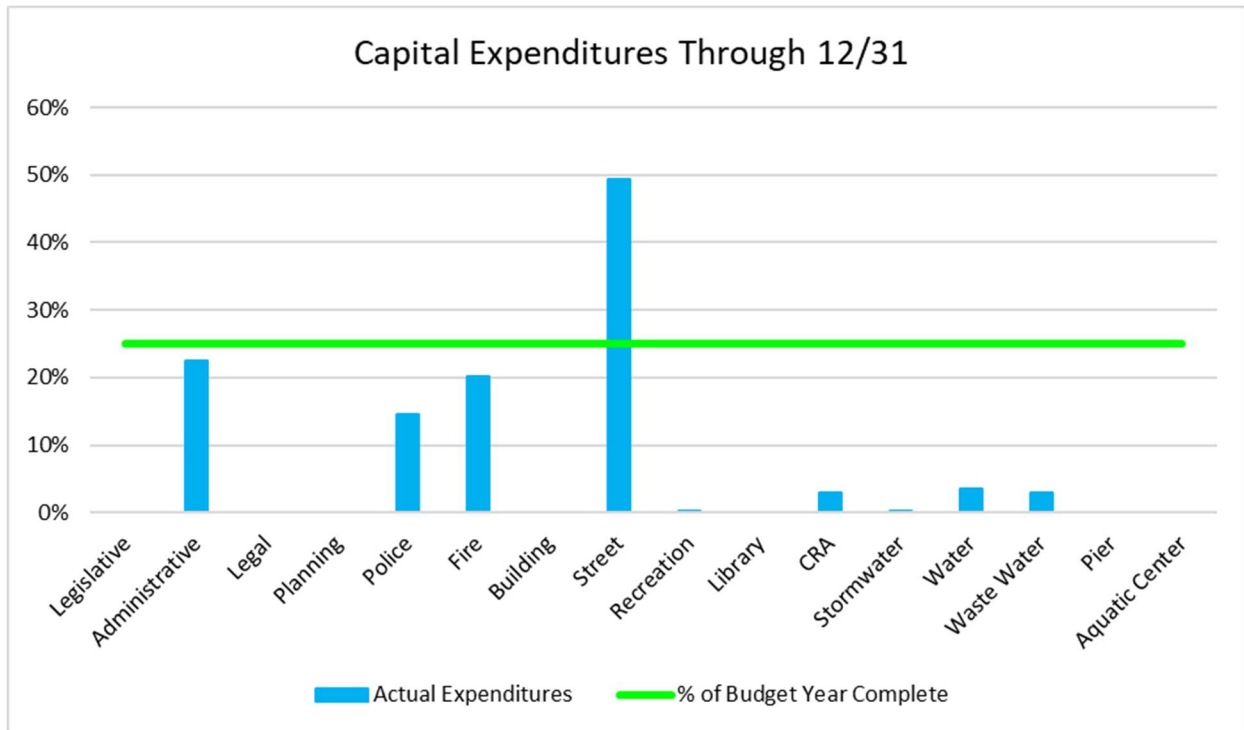
Operating



Department	Dec FYTD	Annual Budget	% of Annual Budget
Legislative	\$ 46,684	\$ 204,300	23%
Administrative	195,511	1,400,000	14%
Legal	96,068	625,000	15%
Planning	9,408	169,000	6%
Police	438,359	2,979,600	15%
Fire	373,975	1,884,000	20%
Building	123,384	947,700	13%
Street	182,057	2,854,600	6%
Recreation	283,471	2,135,400	13%
Library	61,323	277,600	22%
CRA	139,479	1,167,240	12%
Stormwater	265,721	913,400	29%
Water	2,581,603	12,642,500	20%
Waste Water	888,864	4,986,500	18%
Pier	48,396	434,200	11%
Aquatic Center	90,877	483,100	19%
Total	\$ 5,825,180	\$ 34,104,140	17%

With the exception of the Stormwater Department, all departments have spent 25% or less of their annual operating expenditures budget. 17%, or \$150 thousand, of the Stormwater Department's FY 2022 operating budget is for professional services related to the stormwater assessment study. The full \$150 thousand for this service has already been paid in the first quarter of FY 2022.

Capital Outlay



Department	Dec FYTD	Annual Budget	% of Annual Budget
Legislative	\$ -	\$ -	-
Administrative	1,570	7,000	22%
Legal	-	-	-
Planning	-	2,000	0%
Police	370,965	2,560,065	14%
Fire	682,389	3,389,111	20%
Building	-	48,200	0%
Street	1,411,896	2,858,500	49%
Recreation	5,285	2,910,255	0%
Library	-	-	-
CRA	1,150,748	38,463,500	3%
Stormwater	125	5,458,000	0%
Water	507,150	14,173,000	4%
Waste Water	715,827	25,038,200	3%
Pier	-	46,600	0%
Aquatic Center	-	153,200	0%
Total	\$ 4,845,954	\$ 95,107,631	5%

Capital expenditures do not occur ratably throughout the year. Based upon a review of actual capital expenditures, budgeted amounts for all departments appear to be realistic.

The Street Department has spent \$1.4 million, or 49% of its FY 2022 capital expenditures budget. This is due to the timing of the last few Philip Griffiths Sr. Parkway Phase II project payments.