



MEMORANDUM

TO: Stephen Lutz, City Manager
Finance Committee Members
City Council Members

FROM: Debra K. Miller, Finance Director
Jessica N Marquez, Assistant Finance Director

DATE: January 2, 2018

RE: Monthly Financial Report

Attached is the following financial report for the month of December 2017:

1. Executive Report (purple):
This report summarizes the year-to-date revenue and expenditures activity compared to the anticipated budget. This report also projects the year-end fund balance.

Also included is the summary of notable revenue and expenditure items.

The Statement of Cash Position reports, Bank report, Revenue report, Expenditure report and Income Tax report have been electronically sent to you but a paper copy has also been enclosed.

City of Powell
Executive Report
As of December 31, 2017

| Revenue Source | Original Budget 2017 | Revised Budget 2017 | Actual to Date December 31st 2017 | % of Revised Budget |
|-----------------------------------------------------------------------|-------------------------|-------------------------|-----------------------------------|---------------------|
| Taxes, assessments, & related revenue | \$ 6,778,279.58 | \$ 6,800,586.54 | \$ 6,940,488.95 | 102.1% |
| Local revenue | \$ 25,910.00 | \$ 25,910.00 | \$ 34,300.04 | 132.4% |
| Development related revenue | \$ 658,584.00 | \$ 658,584.00 | \$ 819,036.08 | 124.4% |
| Other revenue | \$ 443,130.00 | \$ 443,130.00 | \$ 667,092.82 | 150.5% |
| Total Operating Revenue | \$ 7,905,903.58 | \$ 7,928,210.54 | \$ 8,460,917.89 | 106.7% |
| Prior Year Unappropriated Funds | \$ 5,670,685.18 | \$ 5,670,685.18 | \$ 6,123,914.53 | |
| Prior Year General Fund Reserve | \$ 1,050,000.00 | \$ 1,050,000.00 | \$ 1,050,000.00 | |
| Total Prior Year Carryforward Balance | \$ 6,720,685.18 | \$ 6,720,685.18 | \$ 7,173,914.53 | |
| Total Available Funds | \$ 14,626,588.76 | \$ 14,648,895.72 | \$ 15,634,832.42 | |
| | | | | |
| Expenditure Source | Original Budget 2017 | Revised Budget 2017 | Actual to Date December 31st 2017 | % of Revised Budget |
| Personnel | \$ 5,557,266.00 | \$ 5,622,462.00 | \$ 5,432,553.18 | 96.6% |
| Operating expenses | \$ 1,823,072.00 | \$ 2,028,772.00 | \$ 1,558,201.38 | 76.8% |
| Legal Settlement | \$ - | \$ 950,000.00 | \$ 950,000.00 | 100.0% |
| Prior Year Remaining Encumbrances | | \$ 179,498.52 | | |
| Total Operating Expenditures | \$ 7,380,338.00 | \$ 8,780,732.52 | \$ 7,940,754.56 | 90.4% |
| Excess (deficiency) of operating revenues over operating expenditures | \$ 525,565.58 | \$ (852,521.98) | \$ 520,163.33 | |
| Capital Equipment | \$ 408,000.00 | \$ 489,806.60 | \$ 420,193.28 | 85.8% |
| Transfers | \$ 298,000.00 | \$ 333,508.71 | \$ 333,508.71 | 100.0% |
| Addition to 27th Payroll Reserve | \$ 15,610.77 | \$ 15,610.77 | \$ 15,610.77 | 100.0% |
| Addition to Comp Abs Reserve | \$ 1,941.00 | \$ 1,941.00 | \$ 1,941.00 | 100.0% |
| Advances | \$ - | \$ 25,000.00 | \$ 25,000.00 | 100.0% |
| Additional to reserve fund balance | \$ 50,000.00 | \$ 50,000.00 | \$ 50,000.00 | 100.0% |
| Contingencies | \$ 75,000.00 | \$ 18,400.00 | | 0.0% |
| Total Nonoperating Expenditures | \$ 848,551.77 | \$ 934,267.08 | \$ 846,253.76 | 90.6% |
| Excess (deficiency) of revenue over all expenditures | \$ (322,986.19) | \$ (1,786,789.06) | \$ (326,090.43) | |
| Ending Year Unappropriated Funds | \$ 5,297,698.99 | \$ 3,833,896.12 | \$ 5,747,824.10 | |
| Ending Year General Fund Reserve | \$ 1,100,000.00 | \$ 1,100,000.00 | \$ 1,100,000.00 | |
| Total Current Year Balance | \$ 6,397,698.99 | \$ 4,933,896.12 | \$ 6,847,824.10 | |
| Total Available Funds | \$ 14,626,588.76 | \$ 14,648,895.72 | \$ 15,634,832.42 | |

Assumption or Expectation Percentage Key: If you assume revenues are received or expenditures are spent evenly throughout year.
January: 8.3% April: 33.3% July: 58.3% October: 83.3%

February: 16.6%
March: 25%

May: 41.6%
June: 50.0%

August: 66.6%
September: 75%

November: 91.6%
December: 100.0%

Summary of Notable Revenue and Expenditure Items As of December 31, 2017

Revenue

- Municipal Income Tax: We have collected \$5,916,302.13 or 101.84% (through RITA) of our 2017 budget of \$5,809,472.00.
- Municipal Income Tax: Comparing 2017 municipal income tax collection to 2016 (year-to-date period) we are up .96%.
- Real Estate Taxes: We usually collect in two installments (March and August). We collected \$563,749.98 or 99.21%. Our 2017 budget was \$568,290.20.
- Development Fees: We have collected \$819,036.08 or 124.44% of our 2017 budget of \$658,584.00.
- Local Government Fund: We have collected \$164,581.44 or 92.87% of our 2017 budget of \$177,230.22. The LGF revenue comes in two parts – county and state. We didn't receive any LGF-State beginning in July; HB49 eliminated this revenue.
- All Other General Fund Revenues: We have collected \$997,248.26 or 139.55% of our 2017 budget of \$714,634.12.
- Other Fund Revenues:
 - Parks & Recreation Programs Fund: We have collected \$205,508.50 or 124.55% of our 2017 budget of \$165,000.00 for Recreation; and we collected \$136,512.81 or 105.01% of our 2017 budget of \$130,000 for Powell Festival plus an additional \$39,729.05 in sales at Powell Festival.
 - Debt Service Funds: We have collected \$7,300,445.58 or 100.12% of our 2017 budget of \$7,291,751.41.
 - Downtown TIF: We collect in two installments (March and August). We collected \$295,339.15 or 99.21% of our 2017 budget of \$297,700.00.
 - Sawmill Corridor TIF: We collect in two installments (March and August). We collected \$263,222.79 or 113.22% of our 2017 budget of \$232,500.00.
 - Seldom Seen TIF: No collections have begun. However, we are collecting interest off the 1-year note of \$1,983.34.

Expenditures

Anticipated percentage range of expenditures is usually 90.0% to 100.0% for December.

- Administration – expenditures were \$285,102.56, which is 93.86% of their budget.
- Building – expenditures were \$610,596.76, which is 91.31% of their budget.
- Communications – expenditures were \$175,543.98, which is 97.65% of their budget.
- Council/Clerk – expenditures were \$219,484.33, which is 92.31% of their budget.
- Development – expenditures were \$276,172.43, which is 94.13% of their budget.
- Engineering – expenditures were \$361,629.94, which is 91.88% of their budget.
- Finance – expenditures were \$634,747.90, which is 87.23% of their budget.
- Information Technology – expenditures were \$225,292.70, which is 94.09% of their budget.

- Lands & Buildings – expenditures were \$163,035.44, which is 67.73% of their budget.
- Other Charges – expenditures were \$1,320,724.86, which is 97.00% of their budget. This budget includes the \$950,000 legal settlement.
- Park Maintenance – expenditures were \$491,837.12, which is 78.59% of their budget.
- Police – expenditures were \$2,815,237.05, which is 93.99% of their budget.
- Public Service – expenditures were \$781,542.77 which is 81.29% of their budget.
- Contingencies – as of December, we utilized \$75,000 for (1) traffic calming \$40,000; (2) AED's \$16,600; and (3) Legal \$18,400 -----leaving a balance of \$0.00.
- Other Funds:
 - Parks & Recreation Program Fund – expenditures are \$188,224.25 for recreation, which is 90.06% budget. The biggest sessions are the spring and summer. Expenditures are \$115,345.06 for Powell Festival and Other Special Events, which is 82.69% of their budget which doesn't include the \$20,000 advance repayment.
 - Debt Service Funds – expenditures are \$7,662,814.70, which is 99.95% of their budget. Expenditures are usually seen in May (for June 1 due date) and November (for December 1 due date).

Other Items of Interest:

- ▶ The “Development” fees are what we look at to see if approximately 50% of the costs for the Building, Development and Engineering Departments are covered by the fees generated. It is estimated that approximately half of their work is related to city services and those services should be covered by resident taxes.

Development Fees and Expenditures through December are \$819,036.08 and \$1,248,399.13, respectively. Development Fees paid 65.61% of the costs.

- ▶ The “Programming” revenues are what we look at to see if the Parks Programming is self-sufficient or close to being self-sufficient are direct costs.

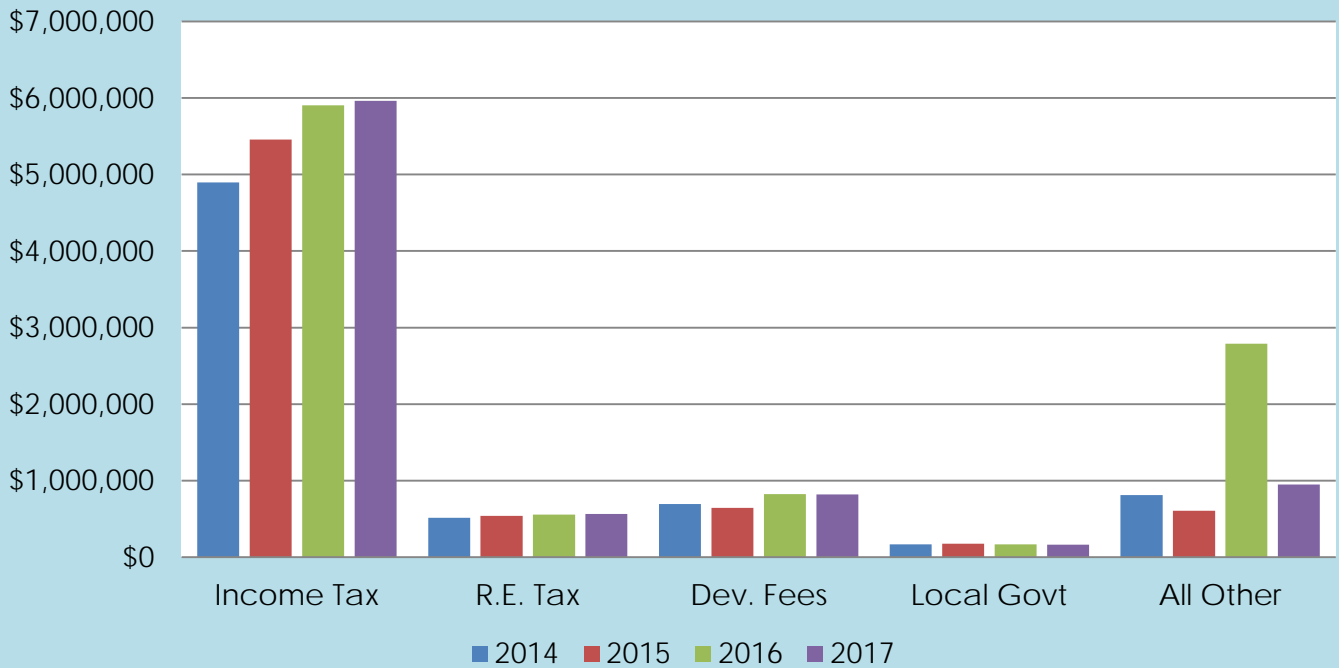
Recreation Fees and Expenditures through December are \$205,508.50 and \$188,224.25, respectively. Recreation Fees paid 109.19% of the costs.

General Fund Cash Flow Analysis – Year-to-date

| | Revenues | Expenditures | Under/(Over) |
|-----------------------|------------------------|------------------------|------------------------|
| January | \$ 659,297.90 | \$ 853,373.66 | \$ (194,075.76) |
| January – Transfers | | \$ 355,551.77 | \$ (355,551.77) |
| February | \$ 790,062.60 | \$ 594,045.02 | \$ 196,017.58 |
| February - Advance | | \$ 25,000.00 | \$ (25,000.00) |
| March | \$ 680,658.91 | \$ 528,551.17 | \$ 152,107.74 |
| April | \$ 553,424.50 | \$ 505,557.83 | \$ 47,866.67 |
| May | \$ 1,095,235.62 | \$ 537,375.19 | \$ 557,860.43 |
| June | \$ 910,317.32 | \$ 801,473.46 | \$ 108,843.86 |
| July | \$ 734,088.22 | \$ 586,077.72 | \$ 148,010.50 |
| August | \$ 884,084.31 | \$ 620,528.94 | \$ 263,555.37 |
| September | \$ 464,820.10 | \$ 1,378,958.95 * | \$ (914,138.85) |
| September - Transfers | | \$ 34,000.00 | \$ (34,000.00) |
| October | \$ 729,063.00 | \$ 622,617.86 | \$ 106,445.14 |
| November | \$ 530,924.50 | \$ 816,190.59 | \$ (285,266.09) |
| December | \$ 428,940.91 | \$ 527,706.16 | \$ (98,765.25) |
| | | | |
| Totals | \$ 8,460,917.89 | \$ 8,787,008.32 | \$ (326,090.43) |

*Includes \$950,000 legal settlement

General Fund Revenue Comparison of Year-to-Date Collections



General Fund Expenditures Comparison of Year-to-Date Expenditures

