



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: September 6, 2018

RE: Monthly Financial Report

Attached is the following financial report for the month of August 2018:

1. Executive Report:

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.

**City of Powell
Executive Report
As of August 31, 2018**

| Revenue Source | Original Budget 2018 | Revised Budget 2018 | Actual to Date August 31st 2018 | % of Revised Budget |
|---|-----------------------------|----------------------------|--|----------------------------|
| Taxes, assessments, & related revenue | \$ 7,151,670.50 | \$ 7,155,622.71 | \$ 5,266,731.38 | 73.6% |
| Local revenue | \$ 28,175.00 | \$ 28,175.00 | \$ 20,730.41 | 73.6% |
| Development related revenue | \$ 678,316.00 | \$ 678,316.00 | \$ 415,390.01 | 61.2% |
| Other revenue | \$ 495,493.28 | \$ 495,493.28 | \$ 573,576.82 | 115.8% |
| Total Operating Revenue | \$ 8,353,654.78 | \$ 8,357,606.99 | \$ 6,276,428.62 | 75.1% |
| Prior Year Unappropriated Funds | \$ 4,828,159.56 | \$ 5,344,594.75 | \$ 5,344,594.75 | |
| Prior Year General Fund Reserve | \$ 1,100,000.00 | \$ 1,100,000.00 | \$ 1,100,000.00 | |
| Total Prior Year Carryforward Balance | \$ 5,928,159.56 | \$ 6,444,594.75 | \$ 6,444,594.75 | |
| Total Available Funds | \$ 14,281,814.34 | \$ 14,802,201.74 | \$ 12,721,023.37 | |
| Expenditure Source | Original Budget 2018 | Revised Budget 2018 | Actual to Date August 31st 2018 | % of Revised Budget |
| Personnel | \$ 5,901,465.00 | \$ 5,903,765.00 | \$ 3,831,584.01 | 64.9% |
| Operating expenses | \$ 1,858,167.00 | \$ 1,983,487.00 | \$ 1,115,447.43 | 56.2% |
| Prior Year Remaining Encumbrances | | \$ 276,046.69 | | |
| Total Operating Expenditures | \$ 7,759,632.00 | \$ 8,163,298.69 | \$ 4,947,031.44 | 60.6% |
| Excess (deficiency) of operating revenues over operating expenditures | \$ 594,022.78 | \$ 194,308.30 | \$ 1,329,397.18 | |
| Capital Equipment | \$ 387,600.00 | \$ 398,050.00 | \$ 205,422.29 | 51.6% |
| Transfers | \$ 352,000.00 | \$ 352,000.00 | \$ 347,599.72 | 98.7% |
| Addition to 27th Payroll Reserve | \$ 16,928.01 | \$ 16,928.01 | \$ 16,928.01 | 100.0% |
| Addition to Comp Abs Reserve | \$ 7,653.99 | \$ 7,653.99 | \$ 7,653.99 | 100.0% |
| Advances | \$ - | \$ - | \$ - | 0.0% |
| Additional to reserve fund balance | \$ 60,000.00 | \$ 60,000.00 | \$ 60,000.00 | 100.0% |
| Contingencies | \$ 75,000.00 | \$ 24,830.00 | \$ - | 66.9% |
| Total Nonoperating Expenditures | \$ 899,182.00 | \$ 859,462.00 | \$ 637,604.01 | 74.2% |
| Excess (deficiency) of revenue over all expenditures | \$ (305,159.22) | \$ (665,153.70) | \$ 691,793.17 | |
| Ending Year Unappropriated Funds | \$ 4,463,000.34 | \$ 4,619,441.05 | \$ 5,976,387.92 | |
| Ending Year General Fund Reserve | \$ 1,160,000.00 | \$ 1,160,000.00 | \$ 1,160,000.00 | |
| Total Current Year Balance | \$ 5,623,000.34 | \$ 5,779,441.05 | \$ 7,136,387.92 | |
| Total Available Funds | \$ 14,281,814.34 | \$ 14,802,201.74 | \$ 12,721,023.37 | |

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% | May: 41.6% | August: 66.6% | November: 91.6% |
| March: 25% | June: 50.0% | September: 75% | December: 100.0% |

Summary of Notable Revenue and Expenditure Items As of August 31, 2018

Revenue

- Municipal Income Tax: We have collected \$4,315,481.36 or 70.33% (through RITA) of our 2018 budget of \$6,136,450.00.
- Municipal Income Tax: Comparing 2018 municipal income tax collection to 2017 (year-to-date period) we are up .32%.
- Real Estate Taxes: We usually collect in two installments (March and August). We have collected \$623,186.89 or 100.41% of our \$620,675.78 budget.
- Development Fees: We have collected \$415,390.01 or 61.24% of our 2018 budget of \$678,316.00.
- Local Government Fund: We have collected \$111,990.74 or 68.39% of our 2018 budget of \$163,759.32.
- All Other General Fund Revenues: We have collected \$769,201.93 or 101.43% of our 2018 budget of \$758,405.89.
- Other Fund Revenues:
 - Parks & Recreation Programs Fund: We have collected \$161,055.50 or 94.74% of our 2018 budget of \$170,000.00 for Recreation; and we collected \$129,963.46 or 98.46% of our 2018 budget of \$132,000 for Powell Festival plus \$42,912.25 in sales.
 - Debt Service Funds: We have collected \$4,522,554.24 or 77.20% of our 2018 budget of \$5,858,436.12.
 - Downtown TIF: we collected \$359,732.63 or 121.74% of our 2018 budget of \$295,500.00.
 - Sawmill Corridor TIF: we collected \$464,471.95 or 154.83% of our 2018 budget of \$300,000.00.
 - Seldom Seen TIF: we collected \$12,705.88 our first year.

Expenditures

Anticipated percentage range of expenditures is usually 65.0 to 73.0% for August.

- Administration – expenditures were \$213,803.28 which is 66.66% of their budget.
- Building – expenditures were \$398,208.48, which is 62.48% of their budget.
- Communications – expenditures were \$134,814.82, which is 59.66% of their budget.
- Council/Clerk – expenditures were \$167,860.08, which is 67.52% of their budget.
- Development – expenditures were \$179,301.08, which is 56.44% of their budget.
- Engineering – expenditures were \$257,046.87, which is 60.72% of their budget.
- Finance – expenditures were \$467,971.59, which is 63.67% of their budget.
- Information Technology – expenditures were \$127,753.40, which is 62.37% of their budget.
- Lands & Buildings – expenditures were \$104,420.78 which is 41.19% of their budget.
- Other Charges – expenditures were \$217,525.50, which is 55.67% of their budget.
- Park Maintenance – expenditures were \$374,100.45, which is 57.11% of their budget.

- Police – expenditures were \$2,040,916.86, which is 63.79% of their budget.
- Public Service – expenditures were \$468,730.54, which is 49.88% of their budget.
- Contingencies – as of August, we utilized \$50,170.00 -----leaving a balance of \$24,830.00. The use was (a) \$10,450.00 for the CSX access pathway; (b) \$27,720.00 for Task Force Communication; (c) \$12,000.00 for Real Estate Market Research Study.
- Other Funds:
 - Parks & Recreation Program Fund – expenditures are \$137,878.97 for recreation, which is 69.57% of their budget. The biggest sessions are the spring and summer. Expenditures are \$115,779.35 for Powell Festival, which is 87.06% of their budget.
 - Debt Service Funds – expenditures are \$2,800,926.03, which is 53.20% of their budget of \$5,265,786.28. 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.

The City has collected \$415,390.01 in Development-related revenue and the Building, Development and Engineering Department costs are \$834,556.43. As of August, fees collected covered 49.78% of the costs. Below is a chart for the same comparable period:

| Year | Revenue | Expenditures | % Covered |
|------|--------------|--------------|-----------|
| 2017 | \$517,157.87 | \$752,909.67 | 68.69% |
| 2016 | \$374,045.76 | \$709,862.60 | 52.70% |
| 2015 | \$386,778.70 | \$613,422.95 | 63.06% |

Need to watch because right at the 50% mark.

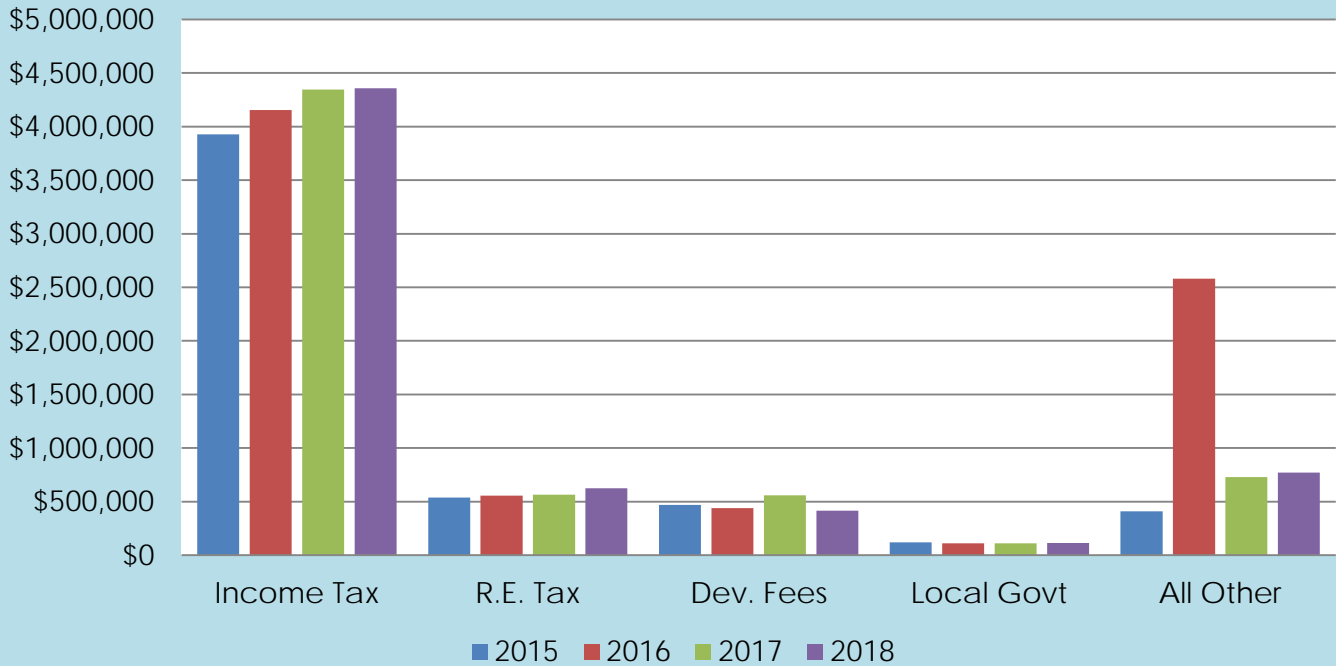
- ▶ The “Programming” revenues are what we look at to see if the Parks Programming is self-sufficient or close to being self-sufficient on direct costs.

The City has collected \$161,055.50 in recreation revenue and the related costs are \$137,878.97. As of August, fees collected covered 116.81% of the costs.

General Fund Cash Flow Analysis – Year-to-date

| | Revenues | Expenditures | Under/(Over) |
|---------------------|------------------------|------------------------|----------------------|
| January | \$ 654,350.79 | \$ 943,854.99 | \$ (289,504.20) |
| January – Transfers | | \$ 361,582.00 | \$ (361,582.00) |
| February | \$ 472,036.11 | \$ 652,410.28 | \$ (180,374.17) |
| March | \$ 870,210.02 | \$ 491,536.82 | \$ 378,673.20 |
| April | \$ 541,982.73 | \$ 546,184.24 | \$ (4,201.51) |
| May | \$ 1,150,366.87 | \$ 813,429.40 | \$ 336,937.47 |
| June | \$ 893,052.73 | \$ 560,880.59 | \$ 332,172.14 |
| July | \$ 1,059,181.62 | \$ 625,132.70 | \$ 434,048.92 |
| August | \$ 635,247.75 | \$ 589,624.43 | \$ 45,623.32 |
| September | | | |
| October | | | |
| November | | | |
| December | | | |
| Totals | \$ 6,276,428.62 | \$ 5,584,635.45 | \$ 691,793.17 |

General Fund Revenue Comparison of Year-to-Date Collections



General Fund Expenditures Comparison of Year-to-Date Expenditures

