IVINS CITY

Ivins City Finance

Monthly Budget Report for May

Date: ***June 16, 2016***

Purpose: ***Submit May 2016 Budget Summary and Printout to the Mayor and Council***

Background:

The fiscal year is 91.67% complete at the end of May. This is the middle of the fourth quarter of the fiscal year and both the City's revenues and expenditures are in line with expectations. Management is still monitoring and watching the budget on a regular basis. The City is in a good position to complete the year within budget. The overview of the budget through May 31, 2016 is as follows:

- General Fund
    - General Fund Revenues –
        - The City received has received 95.6% of budgeted tax revenue through the month. This amounts to $2,992,638. The City receives the majority of its property tax revenue during December and January.
        - Building Permits are a reflection of growth in the community. This affects not only the Building Permit Revenue but also the Impact Fee Funds and the Enterprise Funds. There were 10 residential permits issued in the month of May and 96 for the fiscal year to date. The budgeted amounts reflect an anticipated 100 permits for the year.
        - General Fund Revenue is 90.8% of the budgeted year to date amount.
    - General Fund Expenditures and Departments –
        - The City Manager and Department Heads are reviewing the budgets on a regular basis, having good communication with the Finance Director, and managing their respective department expenditures.
        - The department expenditures are monitored by the Department Heads. The following departments have made adjustments that are reflected in the year-end budget to complete: Administration & General Government for travel, elections, software, and public notices; EMS for wages and overtime due to a new employee and this being the first year of breaking out overtime costs; Building & Zoning for wages due to costs associated with an extended sick leave buyout and the new vehicle.

        - Overall, the General Fund Expenditures are 83.4% which is below the budgeted amount to date.
        - The General Fund shows a surplus of $438,246 through the end of May. This is a strong position for this time of year. The largest revenue source for the city is property tax which the majority has been received. The City will carry a diminishing surplus for the balance of the year. This surplus partially funds the ongoing operations of the city for the last quarter of the fiscal year.

- Impact Fee Funds

    - All Impact Fee Funds (Public Safety, Street, & Park) are affected by the number of building permits being issued. All 3 funds have realized at least 93.6% of their budgeted impact fee revenue. This is primarily due to Rocky Vista University and being ahead of projections for residential permits.

- Capital Projects Fund

    - The activities in the Capital Projects Fund are proceeding as planned. The city has completed work on the 200 East Improvements, some work at the Ivins Reservoir, Tuacahn Roundabout work, Desert Rose Park work, and miscellaneous trail work through the end of May. The majority of revenue for the capital projects comes in the form of transfers from other funds.

- Enterprise Funds

    - All of the Enterprise Funds Non-Operating Items (Impact Fees) are near the budgeted amount for the year.

        - Water Fund
            - Operating Items
                - Water Fund Operating Revenue through May is 89.7%.
                - Water Fund Operating Expenses are 88.9%.
                - Income from Operations is $188,541.
            - Non-Operating Items
                - Non-Operating Revenues include impact fees and interest earnings. The Non-Operating Revenues are at 96.4% of budget.
                - Non-Operating Expenses are in line with expectations and are at 81.3% of budget.
                - Deficit from Non-Operating Items is ($153,328).
            - Overall, the Water Fund is showing a surplus of $35,213 for the year to date. Typically, the winter months produce less revenue due to reduced water usage. As usage increases in the spring and summer, this surplus should be maintained or slightly increase.

- Waste Water Fund
  - Sewer Fund
    - Operating Items
      - Both Operating Revenue and Expenses are in line with expectations at 92.2% and 87.5% respectively.
      - The Operating Income through this period is $120,698.
    - Non-Operating Items
      - Non-Operating Revenue (impact fees and interest) is 95.5% of budget.
      - Non-Operating Expenses are as expected at 81.9%.
      - The Non-Operating Deficit is ($17,397). This is over budget due to an unexpected major repair to the sewer truck.
    - Overall, the Sewer Fund is showing a surplus of $103,302 for the year to date.

  - Storm Water Fund
    - Operating Items
      - Both Operating Revenue and Expenses are in line with expectations at 91.6% and 94.5% respectively.
      - The Operating Income through this period is $146,906.
    - Non-Operating Items
      - Non-Operating Revenue is at 97.6% due to a NRCS reimbursement.
      - Non-Operating Expenses are as expected at 100.8%.
      - The Non-Operating Deficit is ($55,532).
    - Overall, the Storm Water Fund is showing a surplus of $91,375 for the year to date.

This is a brief summary of the budget through May 31, 2016. Attached is the budget report for your review. If you would like to discuss this or have any questions, please contact me at the office.

Respectfully,



Wally Ritchie
Director of Finance

June 16, 2016