Ivins City Finance

Monthly Budget Report for August

Date: ***September 15, 2016***

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

Background:

The fiscal year is 16.67% complete at the end of August. This is the second month of the fiscal year and the City's revenues and expenditures are in line with management's expectations. There are a couple areas of where we spend significant amounts of the budget early in the year, such as, Sand Hollow Aquatic Center, insurance and surety bonds and the Community Education Channel. These will be highlighted below in the summaries for each major fund. The overview of the budget through August 31, 2016 is as follows:

- General Fund
    - General Fund Revenues –
        - The City received has received 11.2% of budgeted tax revenue through the month. This amounts to $353,885. 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 14 permits issued in the month of August, for a total of 29 this fiscal year. The budgeted amounts reflect an anticipated 90 permits for the year.
        - General Fund Revenue is 10.0% 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 budget was adopted in June and this report reflects the approved budgeted amounts.
        - The department expenditures are consistent with the planning of the Department Heads. All departments have made their anticipated expenditures through the end of August.

- Overall, the General Fund Expenditures are 17.7% which is 1% above the budgeted amount to date due to pay period timing and one-time expenditures.
- The General Fund shows a deficit of ($456,119) through the end of August. This is typical for this time of year. The largest revenue source for the city is property tax which is not received until later in the year. The City will run a deficit through the first 4 to 5 months of the fiscal year until property taxes are collected.

- 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 21.0% of their budget revenue.

- Capital Projects Fund

  - The activities in the Capital Projects Fund are proceeding as planned. The major expenditures for the Tuacahn Roundabout Statue and the Center Street Flood Wall have been recorded in the month of August. The majority of revenue for the capital projects comes from other funds.

- Enterprise Funds

  - All of the Enterprise Funds Non-Operating Items are showing the effect of the slowdown in building permits with reduced impact fee revenue.

    - Water Fund
      - Operating Items
        - Water Fund Operating Revenue through August at 22.0%.
        - Water Fund Operating Expenses are 18.2%.
        - Income from Operations is $117,430.
      - Non-Operating Items
        - Non-Operating Revenues include impact fees and interest earnings. The Non-Operating Revenues are at 35.1% of budget.
        - Non-Operating Expenses are in line with expectations and are at 2.5% of budget.
        - Deficit from Non-Operating Items is ($6,656).
      - Overall, the Water Fund is showing a surplus of $110,774 for the year to date.

    - Waste Water Fund
      - Sewer Fund
        - Operating Items
          - Both Operating Revenue and Expenses are in line with expectations at 17.3% and 17.4% respectively.
          - The Operating Income through this period is $12,614.
        - Non-Operating Items
          - Non-Operating Revenue (impact fees and interest) is 45.8% of budget from a CIB reimbursement.

        - Non-Operating Expenses are as expected at 3.3%.
        - The Non-Operating Surplus is $22,157.
    - Overall, the Sewer Fund is showing income of $34,771 for the year to date.
- Storm Water Fund
    - Operating Items
        - Both Operating Revenue and Expenses are in line with expectations at 16.3% and 18.5% respectively.
        - The Operating Income through this period is $20,730.
    - Non-Operating Items
        - Non-Operating Revenue is at 56.2% due to a CIB reimbursement.
        - Non-Operating Expenses are as expected at 1.0%.
        - The Non-Operating Surplus is $21,715.
    - Overall, the Storm Water Fund is showing a surplus of $42,444 for the year to date. This is primarily due to the NRCS reimbursement.

This is a brief summary of the budget through August 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

September 15, 2016