# *Ivins City Finance*

# *Monthly Budget Report for May*

*Date:* *June 15, 2017*

*Purpose:* *Submit May 2017 Budget Summary and Printout to the Mayor and Council*

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*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 the City's revenues and expenditures are in line with management's expectations. The budgeted amounts reflect the approved FY 2017 Budget to Complete. Significant items will be highlighted below in the summaries for each major fund. The overview of the budget through May 31, 2017 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 $3,180,862. 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 11 permits issued in the month of May, for a total of 126 this fiscal year. The budgeted amounts reflect an anticipated 90 permits for the year.
        - The City has received all the B & C Road funds from the State. The payments had been delayed while the cities, counties, and state worked out the new funding calculations from last year's legislation.
        - General Fund Revenue is 92.0% 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 FY 2017 Budget to Complete was adopted was June 1st 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 April.
        - Overall, the General Fund Expenditures are 85.6% which is below the budgeted amount to date including payment timing and one-time expenditures.
        - The General Fund shows a surplus of $410,501 through the end of May. This is slightly ahead of normal for this time of year. The largest revenue source for the city is property tax which has been received. The City has a significant surplus that will be depleted as the transfers and final expenditures are made for 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 met or exceeded the expectations of their budgeted revenue.

- Capital Projects Fund

    - The activities in the Capital Projects Fund are proceeding as planned. The major expenditures for the Tuacahn Roundabout Statue, Highway 91 Improvements, Desert Rose Park, Fire Lake Park, Tuacahn Trail, and the Center Street Flood Wall have been recorded in the year to date. The majority of revenue for the capital projects comes from other funds. We will receive the grant and loan funds from Washington County in June to help with the cost of the Tuacahn Trail.

- Enterprise Funds

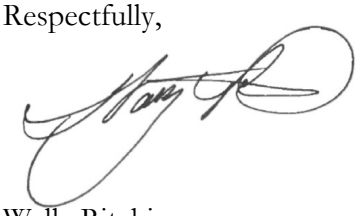
    - All the Enterprise Funds Non-Operating Items are showing the effect of the growth in building permits with strong impact fee revenue.

        - Water Fund
            - Operating Items
                - Water Fund Operating Revenue through May at 90.7%.
                - Water Fund Operating Expenses are 89.5%.
                - Income from Operations is $199,630.
            - Non-Operating Items
                - Non-Operating Revenues include impact fees and interest earnings. The Non-Operating Revenues are at 93.7% of budget.
                - Non-Operating Expenses are in line with expectations and are at 82.5% of budget.
                - Deficit from Non-Operating Items is ($1,730,597). This is due to the construction of the Cliffrose Water Tank. Impact Fees will be used to offset this deficit.
            - Overall, the Water Fund is showing a deficit of ($1,530,968) for the year to date. This deficit will remain until the year is closed out and final year-end entries are made.

- Waste Water Fund
  - Sewer Fund
    - Operating Items
      - Both Operating Revenue and Expenses are in line with expectations at 91.8% and 87.4% respectively.
      - The Operating Income through this period is $121,096.
    - Non-Operating Items
      - Non-Operating Revenue (impact fees and interest) is 94.8% of budget from Impact Fees and a CIB reimbursement.
      - Non-Operating Expenses are as expected at 95.7%.
      - The Non-Operating Surplus is $5,559.
    - Overall, the Sewer Fund is showing income of $126,655 for the year to date.
  - Storm Water Fund
    - Operating Items
      - Both Operating Revenue and Expenses are in line with expectations at 91.6% and 89.6% respectively.
      - The Operating Income through this period is $141,762.
    - Non-Operating Items
      - Non-Operating Revenue is at 94.7% due to Impact Fees and CIB / NRCS reimbursements.
      - Non-Operating Expenses are as expected at 92.5%.
      - The Non-Operating Deficit is ($192,428). This is due to the bond payments being made, the Center Street Flood Wall, and the Master Plan and Projects.
    - Overall, the Storm Water Fund is showing a deficit of ($50,666) for the year to date. This deficit will remain until the year is closed out and final year-end entries are made.

This is a summary of the budget through May 31, 2017. 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 15, 2017