Ivins City Finance

Monthly Budget Report for June

Date: *July 20, 2017*

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

Background:

The fiscal year is 100.0% complete at the end of June. This is the end 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. This report is preliminary prior to the independent audit that is conducted each year. There will still be final year-end adjustments and audits entries to be completed. Significant items will be highlighted below in the summaries for each major fund. The overview of the budget through June 30, 2017 is as follows:

- General Fund
    - General Fund Revenues –
        - The City received has received 100.5% of budgeted tax revenue through the month. This amounts to $3,344,279. 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 9 permits issued in the month of June, for a total of 135 this fiscal year. The budgeted amounts for the year to complete reflect this number of permits.
        - 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 99.9% 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 94.3% which is below the budgeted amount to date due to some projects and expenditures not occurring this fiscal year.
- The General Fund shows a surplus of $359,754 through the end of June. This amount, after adjustments, will go into the fund balance. Because certain expenditures and projects were postponed, some of this amount may need to be pulled from the fund balance next year. These postponed expenditures were not budgeted for next fiscal year and will need to be added when the budget is opened. The largest revenue source for the city is property tax which has been received.

- 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 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 received 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 June at 100.8%.
        - Water Fund Operating Expenses are 98.6%.
        - Income from Operations is $238,251.
      - Non-Operating Items
        - Non-Operating Revenues include impact fees and interest earnings, but excluding Subdivider's Contributions for new infrastructure. The Non-Operating Revenues are at 99.7% of budget.
        - Non-Operating Expenses are in line with expectations and are at 13.9% of budget.
        - The Non-Operating Items have been capitalized, eliminating the large deficit from previous reports.

- Overall, the Water Fund is showing a surplus of $1,316,578 for the year to date. This includes $1,143,627 of subdivision contributions. Excluding these contributions brings the surplus to $172,951.

- Waste Water Fund
  - Sewer Fund
    - Operating Items
      - Both Operating Revenue and Expenses are in line with expectations at 100.1% and 98.3% respectively.
      - The Operating Income through this period is $108,437.
    - Non-Operating Items
      - Non-Operating Revenue (impact fees and interest), excluding Subdivider's Contribution is 100.3% of budget.
      - Non-Operating Expenses are as expected at 91.9%.
      - The Non-Operating Surplus (excluding contribution) is $13,220.
    - Overall, the Sewer Fund is showing income, less subdivision contributions of $121,657 for the year to date.
  - Storm Water Fund
    - Operating Items
      - Both Operating Revenue and Expenses are in line with expectations at 100.1% and 97.3% respectively.
      - The Operating Income through this period is $156,727.
    - Non-Operating Items
      - Non-Operating Revenue, excluding Subdivider's Contribution is at 99.8% of budget.
      - Non-Operating Expenses are as expected at 30.4%.
      - The Non-Operating items have been capitalized, eliminating the deficit from previous reports.
    - Overall, the Storm Water Fund is showing a surplus of $415,643 for the year to date. This includes $188,350 of subdivision contributions. Excluding these contributions brings the surplus to $227,293.

This is a summary of the budget through June 30, 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

July 20, 2017