Ivins City Finance

Monthly Budget Report for January

Date: *February 15, 2018*

Purpose: *Submit January 2018 Budget Summary and Printout to the Mayor and Council*

Background:

The fiscal year is 58.33% complete at the end of January. This is the first month of the 3rd quarter for 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, insurance and surety bonds and the annual audit. There has been a recent budget amendment and this report reflects those changes. Areas of concern will be highlighted below in the summaries for each major fund. The overview of the budget through January 31, 2018 is as follows:

- General Fund
    - General Fund Revenues –
        - The City has received 78.2% of budgeted tax revenue through the month. This amounts to $2,694,621. 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 12 permits issued in the month of January. The budgeted amounts reflect an anticipated 100 permits for the year.
        - The City has received major sources of revenue as anticipated through January.
        - General Fund Revenue is 69.2% 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 amended on February 1, 2018. This report reflects the approved budgeted amounts.

        - The department expenditures are consistent with the planning of the Department Heads. All departments are within their anticipated expenditures through the end of January.
        - Overall, the General Fund Expenditures are 49.6% which is in line with the budgeted amount to date. Some individual departments are above this percentage due to pay period timing, expenditure timing, budget changes, and one-time expenditures.
        - The General Fund shows a surplus of $1,360,740 through the end of January. This is typical for this time of year, as the City received its property tax in December and January. This surplus will sustain the City throughout the rest 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 are meeting or exceeding their budgeted impact fee revenue.

- Capital Projects Fund

    - The activities in the Capital Projects Fund are proceeding as planned. Some projects have begun and expenditures have been recorded through the month of January. The majority of revenue for the capital projects comes from other funds.

- Enterprise Funds

    - All of the Enterprise Funds Operating and Non-Operating Items are showing steady growth and operations within management expectations.

        - Water Fund
            - Operating Items
                - Water Fund Operating Revenue through January at 62.9%.
                - Water Fund Operating Expenses are 61.7%.
                - Income from Operations is $137,022.
            - Non-Operating Items
                - Non-Operating Revenues include impact fees and interest earnings. The Non-Operating Revenues are at 67.4% of budget.
                - Non-Operating Expenses are in line with expectations and are at 21.9% of budget.
                - Deficit from Non-Operating Items is ($293,929).
            - Overall, the Water Fund is showing a Deficit of ($156,907) for the year to date.

        - Waste Water Fund
            - Sewer Fund
                - Operating Items
                    - Both Operating Revenue and Expenses are in line with expectations at 58.8% and 53.7% respectively.
                    - The Operating Income through this period is $92,144.

- Non-Operating Items
    - Non-Operating Revenue (impact fees and interest) is 69.9% of budget.
    - Non-Operating Expenses are as expected at 16.9%.
    - The Non-Operating Surplus is $7,387.
  - Overall, the Sewer Fund is showing income of $99,531 for the year to date.

- Storm Water Fund
  - Operating Items
    - Both Operating Revenue and Expenses are in line with expectations at 58.9% and 57.3% respectively.
    - The Operating Income through this period is $100,116.
  - Non-Operating Items
    - Non-Operating Revenue is at 149.1% due to a NRCS reimbursement and impact fees.
    - Non-Operating Expenses are as expected at 49.0%.
    - The Non-Operating Deficit is ($643,534).
  - Overall, the Storm Water Fund is showing a deficit of ($543,418) for the year to date. This is primarily due to bond interest and capital projects.

This is a brief summary of the budget through January 31, 2018. 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

February 15, 2018