Ivins City Finance

Monthly Budget Report for November

Date: *December 20, 2018*

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

Background:

The fiscal year is 41.67% complete at the end of November. This is the fifth 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, insurance and surety bonds, equipment, and the annual audit. These will be highlighted below in the summaries for each major fund. The overview of the budget through November 30, 2018 is as follows:

- General Fund
    - General Fund Revenues –
        - The City has received 29.3% of budgeted tax revenue through the month. This amounts to $1,069,980. 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 6 permits issued in the month of November. The budgeted amounts reflect an anticipated 120 permits for the year.
        - The City received the three distributions of B & C Road Funds for the year in the amount of $204,578.
        - General Fund Revenue is 32.9% 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 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. Parks has replaced equipment lost in the fire last year and expenditures are above normal for this time of year. A portion of that will be reimbursed from insurance. All other departments are within their anticipated expenditures through the end of October.
        - Overall, the General Fund Expenditures are 34.3% which is in line with the budgeted amount to date. Some individual departments are above this percentage due to pay period timing and one-time expenditures.
        - The General Fund shows a deficit of ($89,584) through the end of November. This is normal 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 typically run a deficit through the first 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 46.6% of their budget 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 November. There have been expenses for the work at Fire Lake Park and the Cemetery Expansion that will need to be addressed in the midyear budget amendment. 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 November at 50.7%.
                - Water Fund Operating Expenses are 42.2%.
                - Income from Operations is $263,172.
            - Non-Operating Items
                - Non-Operating Revenues include impact fees and interest earnings. The Non-Operating Revenues are at 47.6% of budget.
                - Non-Operating Expenses are in line with expectations and are at 2.9% of budget.
                - Deficit from Non-Operating Items is ($33,210).
            - Overall, the Water Fund is showing a surplus of $229,962 for the year to date.

- Waste Water Fund
  - Sewer Fund
    - Operating Items
      - Both Operating Revenue and Expenses are in line with expectations at 46.5% and 37.7% respectively.
      - The Operating Income through this period is $101,238.
    - Non-Operating Items
      - Non-Operating Revenue (impact fees and interest) is 55.3% of budget.
      - Non-Operating Expenses are as expected at 27.2%.
      - The Non-Operating Deficit is ($146,643).
    - Overall, the Sewer Fund is showing a loss of ($45,406) for the year to date.

  - Storm Water Fund
    - Operating Items
      - Both Operating Revenue and Expenses are in line with expectations at 47.3% and 44.4% respectively.
      - The Operating Income through this period is $79,675.
    - Non-Operating Items
      - Non-Operating Revenue is at 1,686.3% due to a NRCS reimbursement for the work on the dams and debris basins.
      - Non-Operating Expenses are as expected at 23.5%.
      - The Non-Operating Surplus is $721,439.
    - Overall, the Storm Water Fund is showing a surplus of $801,115 for the year to date.

This is a brief summary of the budget through November 30, 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

December 20, 2018