



## MEMORANDUM

TO: Honorable Mayor & City Council  
Gabriel Engeland, City Manager

FROM: Cheryl Navarette, Finance Director

DATE: August 16, 2016

RE: Financial Reports – Second Quarter Expense & Revenue  
Period ending June 30, 2016

### General Fund

Revenues year-to-date at June 30, 2016 were \$5,183,315 (12.1% or \$996,523 over budget and 9% over revenues from the same period of 2015.) Property taxes have been collected at 96.8% or \$983,279 of the \$1,015,400 budgeted for 2016 (the majority of property taxes are collected in the first six months of the year). Motor Vehicle taxes are up 13.5% or \$45,796. Sales taxes were up 6.2% or \$236,219 which includes the impact from the 4% general sales tax on Marijuana). Specific Marijuana city taxes were \$493,132 against an annual budget of \$255,097. Licenses & Permits were collected at 167% or \$160,921 over the annual 2016 budget of \$96,325 and includes Special Marijuana licenses collected at \$60,380. All other revenues are 8.54% or \$241,203 over budget which includes \$221,312 from the Sale of Land for Economic Development.

Total Expenses year-to-date at June 30, 2016 were \$4,480,491 (4.1% or \$391,893 under budget) resulting in net revenues exceeding expenditures for the period by \$702,824 compared to a net revenue over expenditures of \$428,951 for the same period of 2015. .

### Power & Light Fund

Revenues year-to-date at June 30, 2016 were \$3,645,849 (2.2% or \$167,308 under budget). Expenses were \$3,878,150 (0.14% or \$10,803 under budget) for a net of expenditures exceeding revenues by \$232,301 for 2016 compared to revenues exceeding expenditures by \$7,096 for the same period of 2015.

### Water & Sewer Fund

Operating Revenues at June 30, 2016 year-to-date were \$2,281,377 (6.5% or \$262,788 over budget). Operating expenses were \$2,222,250 (9.1% or \$343,558 over budget) for an operating result of net revenues exceeding expenditures by \$59,127 for 2016 compared to expenditures exceeding revenues by \$18,028 (net Water & Sewer) for the same period of 2015. Above values and percentages are calculated without capital outlay to show a more accurate accounting of operating expense and revenue since the fund has a significant amount of capital improvements budgeted. Grant revenues and capital

outlay expenditures were significantly under budget due to the timing of the execution of new DOLA Grant which will most likely carry over into 2017.

#### Gas Fund

Revenues at June 30, 2016 year-to-date were \$2,922,204 (19.8% or \$829,002 over budget). Commercial & residential sales as well as penalties & sales tax commissions were all significantly over budget. Expenses at June 30, 2016 were \$2,568,541 (13.2% or \$536,290 over budget), which includes deferred gas costs of \$964,787. The result is net revenues exceeding expenditures by \$353,663 for 2016 compared to net revenues exceeding expenditures by \$924,987 for the same period of 2015.

#### Lottery Fund

Lottery Receipts at June 30, 2016 year-to-date were \$49,941. Revenues are 10.2% or \$8,491 over budget. Expenses at June 30, 2016 were \$27,461 (5% or \$3,039 under budget). The result is net revenues exceeding expenditures by \$22,479 compared to net expenditures exceeding revenues \$92,894 for the same period of 2015. Estimated undesignated fund balance is a positive \$63,024 based on uncollected revenues and remaining project budgeted commitments for 2016.

#### Tourism Fund

Year-to-date revenues at June 30, 2016 were \$119,881 (7.1% or \$14,881 over budget). Expenses were \$105,743 (0.35% or \$743 over budget). The result is net revenues exceeding expenditures by \$14,138 compared to net revenues exceeding expenditures by \$51,881 for the same period of 2015. Estimated undesignated fund balance is a positive \$203,600 based on uncollected revenues and remaining project budgeted commitments for 2016.

#### Capital Projects Fund

Revenues at June 30, 2016 year-to-date were \$719,654 (9.97% or \$119,654 over budget) excluding Grant data). Grant funds received are only 5.6% of budgeted grant funding resulting in a shortfall of \$1,225,677). Project expenses at June 30, 2016 were \$2,293,939 (2.3% or \$101,522 over budget). The result is net expenditures exceeding revenues by \$1,411,884 for 2016 compared to net revenues exceeding expenditures by \$109,903 for the same period of 2015. Estimated undesignated fund balance is a positive \$2,674,190 based on uncollected revenues and remaining project budgeted commitments for 2016.