



MEMORANDUM

DATE: January 30, 2020

TO: Mark Perkins, City Administrator

FROM: Lori Obermoeller, Director of Finance

SUBJECT: Second Quarter FY 2020 Financial Analysis

Attached is the financial report for the General Fund, the Municipal Enterprise Fund, the Capital Fund, the Sewer Lateral Fund and the Public Safety Fund for the 2nd quarter of FY 2020. Some of the fluctuations in both revenues and expenditures worth discussion are as follows:

1. General Fund

a. Revenues

Overall, revenues for FY 2020 are \$192,584 more than revenues for the same time period in FY 2019. The increases are primarily in the areas of the following:

- Utilities – Up \$107,452 due to the increase in Utility Tax Rates last year. However, the number would have been higher, but Telephone Receipts have decreased \$38,767 over last year
- Licenses & Permits – Up \$72,997 due to an increase in building permits
- Interest – Up \$26,956 due to an increase in amount of investments
- Other Revenues - \$57,620 more than last year due to BJC revenue this FY where we hadn't started it yet in FY2019

Below are some of the revenue sources that have decreased:

- Municipal Court Revenues - \$60,764 less due to the new ShowMe software...revenue is now reported one month later
- Grants - down \$15,809 due to less grants being offered to the Police Department

b. Expenditures

Expenditures for the General Fund are \$45,653 less than the same time period in FY 2019. Below is the primary reason for the change:

- MIS Operations - down \$66,824 due to purchase of Financial software in FY 2019

Revenues are up quite a bit from the previous year, mainly due to an increase in utility tax rates and building permits. While an increase in utility taxes were expected and budgeted, the building permits were not expected or budgeted, so overall, the revenues are slightly more than anticipated or budgeted. Expenditures are down, but mainly due to a one-time expenditure in the previous fiscal year, which means, overall, expenditures seem to be in line with the budget. We currently have a surplus budgeted for FY 2020 of \$86,272, and based on where we currently are with revenues and expenditures, it looks like we should be able to stay on budget, if not do a little better.

2. Municipal Enterprise Fund

a. Revenues

Overall, Revenues for the Enterprise Fund are \$112,559 more than what was received in FY 2019. Golf, once again, had a high quarter, which is why golf revenues are up \$38,217. Ice was up \$72,014 due to the timing of the Rockets payment. The Rockets payment in FY 2019 was not received in the 2nd quarter, where it was received in the 2nd quarter for FY 2020.

b. Expenditures

Expenditures are \$45,519 more than last year. See below for a detailed description of the expenditure fluctuations:

- Golf/Pro-Shop Division – there was an overall increase of \$19,696 due to the timing of payments, an increase in credit card fees due an increase in charges, and the purchase of 2 utility vehicles, which were budgeted.
- Ice Arena - an increase of \$19,453 due to ice repairs
- Food Service – an increase of \$6,3710 which was mainly due to the purchase of a new fridge/freezer, which was budgeted

We budgeted a slight decrease in revenues and expenditures for the Enterprise Fund, but with a deficit of \$33,949. However, with the big increase in Golf revenues for the 1st and 2nd quarter of FY 2020 and everything else being pretty much within budget, we should be able to reduce that budget deficit for FY 2020.

3. Capital Fund

a. Revenues

At this time, revenues for the Capital Fund are up \$141,918 from last year at this time due to grants received. Capital Sales Tax is down \$9,106.

b. Expenditures

Expenditures are \$406,189 more than last year at this time due to most of the street overlay project occurring in the 1st quarter instead of later in the year. All current expenditures are within the budget.

The Capital Fund is within what was budgeted for FY 2020.

4. Sewer Lateral Fund

c. Revenues

Sewer Lateral Revenue is up \$765.

d. Expenditures

Expenditures are \$18,122 more than last year.

Overall, the Sewer Lateral Fund was budgeted with a surplus of \$31,700. We are on track to meet that budgeted surplus for FY 2020 as long as the number of sewer lateral reimbursement don't continue to go up and then exceed the number reimbursed last year.

5. Public Safety Sales Tax Fund

e. Revenues

The Public Safety Sales Tax revenues are at \$106,007 more than last year at this time. However, the DOR accidentally overpaid us in December (double what we should have gotten), so the adjustment will be done in January. We are now allocating interest to this fund, so with the interest revenue, revenues are \$14,141 more than last year at this time.

f. Expenditures

Expenditures are \$154,100 more than last year. All new expenditures for the new police building are budgeted in this fund, so we will continuously see the expenditures increase over last year as those expenditures for utilities and other operational costs start coming in. A budget amendment will be coming in the next few months once we have a better idea of what the actual utilities and other unexpected expenditures will be with building a new building.

The fund balance as of 12/31/19 is \$1,823,490.

Also attached is the Investment report. You will notice that the 1st page is all General Fund money, where the 2nd page is for Capital and Escrow money. In regards to the General Fund investments, the 1st half of the page are investments in Agency Securities where the bottom half includes investments in CDs. You will also notice that with each section, it is sorted by Maturity Date with the earliest maturity being listed 1st. The last part of the 2nd page lists who we purchased the investments from and as you can see, most of them are purchased through Multi-Bank Securities (MBS) with the investment being held at Pershing; all of the others are purchased and held at the financial institution listed.

I would be pleased to respond to any questions.



City of Creve Coeur
Statement of Revenues and Expenditures
As of December 31, 2019
FY 2020

	Annual Budget	Adjusted Budget	YTD Actual	YTD With Encumb	2020 Actual As % of Adjusted Budget	2019 2nd Qtr Actual	2019 Actual As % of Budget
<u>General Fund Revenues:</u>							
Property Taxes	696,369	696,369	263,264	0	37.8%	262,816	39.1%
Sales Tax	5,042,143	5,042,143	2,142,393	0	42.5%	2,133,437	66.3%
Utility Taxes	6,073,309	6,073,309	3,149,237	0	51.9%	3,045,554	39.5%
Intergovernmental	1,719,705	1,719,705	742,369	0	43.2%	755,470	44.8%
Licenses and Permits	1,030,952	1,030,952	509,794	0	49.4%	436,798	42.4%
Charges for Municipal Services	74,000	74,000	35,502	0	48.0%	33,538	33.6%
Municipal Court	690,062	690,062	231,118	0	33.5%	291,882	68.2%
Interest Revenue	200,000	200,000	212,926	0	106.5%	185,969	93.0%
Other Revenues	443,399	465,991	277,008	0	59.4%	225,562	37.2%
Total Revenues	15,969,939	15,992,531	7,563,611		47.3%	7,371,027	47.1%
<u>General Fund Expenditures:</u>							
Legislative Services	239,879	267,779	115,564	118,089	43.2%	120,376	46.7%
Legal Services	208,168	208,168	73,512	73,512	35.3%	69,395	25.0%
Administrative Services	649,483	649,583	321,073	339,045	49.4%	309,608	48.0%
Information Systems	240,358	240,358	143,116	179,663	59.5%	209,940	59.6%
Finance Department	519,522	533,917	277,985	283,985	52.1%	265,952	48.9%
Municipal Court	267,389	267,389	133,859	149,892	50.1%	133,573	51.1%
InterDepartmental	517,725	517,725	319,220	330,907	61.7%	311,112	59.1%
Community Services	124,856	124,856	57,311	57,311	45.9%	57,444	42.8%
Maint. of Municipal Prop.	363,191	374,867	218,902	240,203	58.4%	181,429	48.0%
Police Department	7,233,997	7,258,840	3,732,741	4,172,881	51.4%	3,782,849	51.0%
Public Works - Admin.	519,388	519,388	282,355	286,784	54.4%	291,183	55.8%
Street Maintenance	1,642,330	1,642,330	719,721	869,050	43.8%	729,852	44.4%
Health and Environment	799,400	799,400	373,309	707,667	46.7%	376,082	48.2%
Park Maintenance	497,145	497,145	219,293	238,842	44.1%	238,875	47.8%
Community Development	1,754,011	1,739,616	853,636	853,636	49.1%	809,581	52.0%
Total Expenditures	15,576,842	15,641,361	7,841,597	8,901,464	50.1%	7,887,250	49.9%
Total Operating Surplus (-Deficit)	393,097	351,170	(277,986)			(516,223)	
Transfers In From Other Funds	135,102	135,102	0			0	
Transfers To Other Funds	400,000	400,000	0			0	
	-264,898	-264,898	0			0	
Operating Revenues Over (under) Expenditures	128,199	86,272	(277,986)			(516,223)	



City of Creve Coeur
Statement of Revenues and Expenditures
As of December 31, 2019
FY 2020

	Annual Budget	Adjusted Budget	YTD Actual	YTD With Encumb	2020 Actual As % of Adjusted Budget	2019 2nd Qtr Actual	2019 Actual As % of Budget
<u>Municipal Enterprise Fund Revenues:</u>							
Golf Course	363,535	363,535	236,795	0	65.1%	197,717	52.0%
Food Service	60,700	60,700	32,780	0	54.0%	32,175	54.0%
Ice Arena	643,185	643,185	335,392	0	52.1%	262,517	38.2%
Capital Contribution	0	0	0	0	0.0%	0	0.0%
Total Revenue	1,067,420	1,067,420	604,967	0	56.7%	492,408	43.7%
<u>Municipal Enterprise Fund Expenditures:</u>							
Golf Course	529,151	529,151	285,458	305,554	53.9%	265,762	50.2%
Food Service	53,066	53,066	32,002	32,002	60.3%	25,632	53.2%
Ice Arena	519,152	519,152	260,927	279,137	50.3%	241,474	46.0%
Depreciation	0	0	0	0	0.0%	0	0.0%
Total Expenditures	1,101,369	1,101,369	578,387	616,693	52.5%	532,867	48.4%
Total Operating Surplus (-Deficit)	(33,949)	(33,949)	26,580			(40,459)	
Transfers to other Funds	0	0	0			0	
Operating Revenues Over (Under) Expenditures	(33,949)	(33,949)	26,580			(40,459)	



City of Creve Coeur
Statement of Revenues and Expenditures
As of December 31, 2019
FY 2020

	Annual Budget	Adjusted Budget	YTD Actual	YTD With Encumb	2020 Actual As % of Adjusted Budget	2019 2nd Qtr Actual	2019 Actual As % of Budget
<u>Capital Improvement Fund Revenues:</u>							
Intergovernmental	2,151,761	2,151,761	1,039,195	0	48.3%	1,048,301	51.2%
Interest Revenue	3,000	3,000	16,390	0	546.3%	0	0.0%
Other Revenues	983,600	983,600	139,098	0	14.1%	4,465	0.6%
Total Revenues	3,138,361	3,138,361	1,194,683	0	38.1%	1,052,766	37.3%
<u>Capital Improvement Fund Expenditures:</u>							
Personnel	89,505	89,505	44,011	44,011	49.2%	40,268	47.4%
Building & Improvements	81,100	159,401	99,811	149,267	62.6%	67,450	12.5%
Park Development Projects	195,000	195,000	34,347	41,382	17.6%	68,297	48.8%
Storm water Projects	250,000	250,000	68	1,090	0.0%	3,140	1.3%
Street Overlay/Repair	2,469,250	2,469,250	1,826,729	2,261,134	74.0%	1,464,040	49.0%
Capital Equipment	210,306	279,797	49,251	262,886	17.6%	4,833	1.0%
Total Expenditures	3,295,161	3,442,953	2,054,217	2,759,770	59.7%	1,648,028	36.8%
Total Operating Surplus (-Deficit)	(156,800)	(304,592)	(859,533)			(595,262)	
Transfers in from General Fund	400,000	400,000	0			0	
Operating Revenues Over (Under) Expenditures	243,200	95,408	(859,533)			(595,262)	



**City of Creve Coeur
Statement of Revenues and Expenditures
As of December 31, 2019
FY 2020**

	<u>Annual Budget</u>	<u>Adjusted Budget</u>	<u>YTD Actual</u>	<u>YTD With Encumb</u>	<u>2020 Actual As % of Adjusted Budget</u>	<u>2019 2nd Qtr Actual</u>	<u>2019 Actual As % of Budget</u>
<u>Sewer Lateral Fund</u>							
Intergovernmental	132,000	132,000	82,599	0	62.6%	83,287	63.1%
Interest Revenue	200	200	1,453	0	726.5%	0	0.0%
Total Revenues	132,200	132,200	84,052	0	63.6%	83,287	63.1%
<u>Sewer Lateral Fund Expenditures:</u>							
Technical & Personal Services	500	500	0	0	0.0%	0	0.0%
Sewer Lateral Reimbursements	100,000	100,000	60,993	60,993	61.0%	42,871	39.0%
Total Expenditures	100,500	100,500	60,993	60,993	60.7%	42,871	38.4%
Total Operating Surplus (-Deficit)	31,700	31,700	23,059			40,416	
Operating Revenues Over (Under) Expenditures	31,700	31,700	23,059			40,416	



	<u>Annual Budget</u>	<u>Adjusted Budget</u>	<u>YTD Actual</u>	<u>YTD With Encumb</u>	<u>2020 Actual As % of Adjusted Budget</u>	<u>2019 2nd Qtr Actual</u>	<u>2019 Actual As % of Budget</u>
<u>Public Safety Sales Tax Fund</u>							
Intergovernmental	875,000	875,000	582,166	0	66.5%	490,300	57.7%
Interest Revenue	1,000	1,000	14,141	0	1414.1%	0	0.0%
Total Revenues	876,000	876,000	596,308	0	68.1%	490,300	57.6%
<u>Public Safety Sales Tax Fund</u>							
Operating Expenditures	220,600	220,600	190,755	244,928	86.5%	62,858	110.3%
Capital Expenditures	134,610	134,610	26,204	26,204	19.5%	0	0.0%
Total Expenditures	355,210	355,210	216,958	271,131	61.1%	62,858	46.8%
Total Operating Surplus (-Deficit)	520,790	520,790	379,349			427,442	
Transfers out to General Fund	135,102	135,102	0			0	
Operating Revenues Over (Under) Expenditures	385,688	385,688	379,349			427,442	

