



# MEMORANDUM

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**DATE:** January 18, 2018

**TO:** Mark Perkins, City Administrator

**FROM:** Lori Obermoeller, Director of Finance

**SUBJECT:** Second Quarter FY 2018 Financial Analysis

Attached is a financial report for the two major operating funds (General Fund & Municipal Enterprise Fund) for the 2<sup>nd</sup> quarter of FY 2018. In addition, I have commented on the Capital Fund for FY 2018. Some of the fluctuations in both revenues and expenditures worth discussion are as follows:

**1. General Fund**

a. Revenues

Overall, revenues for FY 2018 are 22,583 less than revenues for the same time period in FY 2017. The decreases are primarily in the areas of:

- Property Taxes - down \$71,298, but this is a timing issue from St. Louis County
- Court Fees - down \$115,344 and based on this continual decrease, we probably won't even get to \$400,000 for FY 2018, which is \$200,000 below budget

However, below are some of the revenue sources that have increased:

- Licenses and Permits – up \$146,042 more the FY 2017 due to business license revenue coming in sooner than last year, and an increase in building permits (\$116,090) and subdivision plat fees (\$15,509)

b. Expenditures

Expenditures for the General Fund are \$266,805 more than the same time period in FY 2017 due to the following:

- Police – all of the pension contribution for the Legacy DB Plan was paid by 12/31 instead of spreading it out over 4 quarters like the City has done in the past

The overall net change (deficit) for FY2018 is \$289,388 more than the overall net change (deficit) for FY2017 but as stated above that is primarily because the City chose to pay the entire contribution to the Legacy DB Pension Plan the 1<sup>st</sup> half of the year instead of spreading it out over 4 quarters, which overall saved interest costs.

When you compare the actual year to date numbers with the budget, however, we are about where we were percentage-wise to FY 2017 and about where we should be for FY 2018 budget.

## 2. Municipal Enterprise Fund

### a. Revenues

Overall, Revenues for the Enterprise Fund are \$131,563 less than what was received in FY 2017, but within the budget for FY 2018. Last year at this time, we received a one-time payment of \$120,000 for the Dielmann Tower Lease.

### b. Expenditures

Expenditures are \$8,745 more than last year with most of that being due to an increase in operational costs, such as utilities and supplies.

We budgeted an increase in revenues and expenditures for the Enterprise Fund and everything seems to be on track with the budget.

## 3. Capital Fund

### a. Revenues

At this time, revenues for the Capital Fund are only up \$10,368 from last year, which is due to the Capital Sales Tax.

### b. Expenditures

Expenditures are at \$857,896 more than last year, but most of these expenditures are within the FY 2018 budget. Ladue Road was one project that was not originally budgeted or anticipated, which accounts for most of the increase over last fiscal year. There are a few projects that are over budget, but staff will be presenting a budget amendment at the next council meeting to reallocate some funds. Some of the major expenditures for FY2018 are as follows:

- Golf Course Cart Path Project - \$378,260.10
- Park Bridge Replacement - \$31,970.77
- Alden Lane Culvert Improvements - \$141,935.71
- Ladue Road - \$756,418.34
- Asphalt - \$208,532.75
- Concrete - \$619,462.59
- Microsurfacing - \$247,078
- Olympia Ice Resurfacer - \$69,500

I would be pleased to respond to any questions.



**City of Creve Coeur**  
**Statement of Revenues and Expenditures**  
**As of December 31, 2017**  
**FY 2018**

	<u>Annual Budget</u>	<u>Adjusted Budget</u>	<u>YTD Actual</u>	<u>YTD Encumb</u>	<u>2018 Actual As % of Adjusted Budget</u>	<u>2017 2nd Qtr Actual</u>	<u>2017 Actual As % of Budget</u>
<b><u>General Fund Revenues:</u></b>							
Property Taxes	552,000	552,000	156,016		28.3%	227,314	40.4%
Utility Taxes	5,862,000	5,862,000	3,024,176		51.6%	3,029,718	48.6%
Intergovernmental	7,293,000	7,143,000	2,863,834		40.1%	2,880,589	42.1%
Licenses and Permits	977,650	977,650	539,760		55.2%	393,718	43.4%
Charges for Municipal Services	103,060	103,060	44,377		43.1%	45,550	38.8%
Municipal Court	600,000	600,000	197,308		32.9%	312,651	31.3%
Interest Revenue	210,000	210,000	121,686		57.9%	57,597	32.9%
Other Revenues	325,268	325,268	171,828		52.8%	194,429	63.2%
Transfers	0	0	0		0.0%	0	0.0%
<b>Total Revenues</b>	<b>15,922,978</b>	<b>15,772,978</b>	<b>7,118,984</b>		<b>45.1%</b>	<b>7,141,567</b>	<b>44.2%</b>
<b><u>General Fund Expenditures:</u></b>							
Legislative Services	474,982	474,982	227,791	3,000	48.0%	209,725	51.2%
Administrative Services	1,076,511	1,076,511	420,052	235,882	39.0%	402,459	32.8%
Finance Department	573,632	573,632	313,577	0	54.7%	327,023	52.8%
Municipal Court	258,351	258,351	118,241	14,666	45.8%	150,815	44.5%
InterDepartmental	495,901	495,901	309,039	23,500	62.3%	371,875	66.7%
Community Services	118,342	118,342	49,952	0	42.2%	46,865	38.7%
Maint. of Municipal Prop.	355,303	355,303	168,225	28,654	47.3%	172,283	44.4%
Police Department	7,477,500	7,477,500	3,790,741	392,446	50.7%	3,554,308	48.8%
Public Works - Admin.	617,035	617,035	311,760	2,615	50.5%	273,724	50.4%
Street Maintenance	1,669,477	1,704,477	733,067	175,848	43.0%	788,648	46.2%
Health and Environment	774,500	774,500	365,510	377,724	47.2%	334,685	41.1%
Park Maintenance	516,730	516,730	226,783	16,766	43.9%	194,657	37.1%
Community Development	1,472,994	1,472,994	767,115	5,000	52.1%	707,981	50.2%
Annual Infrastructure Maintenance	0	0	0	0	0	0	0
<b>Total Expenditures</b>	<b>15,881,258</b>	<b>15,916,258</b>	<b>7,801,852</b>	<b>1,276,100</b>	<b>49.0%</b>	<b>7,535,047</b>	<b>47.2%</b>
<b>Total Operating Surplus (-Deficit)</b>	<b>41,720</b>	<b>(143,280)</b>	<b>(682,868)</b>			<b>(393,480)</b>	
<b>Transfers To Other Funds</b>	<b>525,000</b>	<b>525,000</b>	<b>0</b>			<b>0</b>	
<b>Operating Revenues Over (under) Expenditures</b>	<b>(483,280)</b>	<b>(668,280)</b>	<b>(682,868)</b>			<b>(393,480)</b>	

**City of Creve Coeur  
Statement of Revenues and Expenditures  
As of December 31, 2017  
FY 2018**

	<b>Annual Budget</b>	<b>Adjusted Budget</b>	<b>YTD Actual</b>	<b>YTD Encumb</b>	<b>2018 Actual As % of Adjusted Budget</b>	<b>2017 2nd Qtr Actual</b>	<b>2017 Actual As % of Budget</b>
<b><u>Municipal Enterprise Fund Revenues:</u></b>							
Golf Course	385,350	385,350	198,292		51.5%	195,536	48.7%
Food Service	56,000	56,000	31,518		56.3%	29,229	46.9%
Ice Arena	614,995	614,995	304,823		49.6%	433,754	21.0%
Other Revenues	700	700	345		49.3%	8,022	1145.0%
Capital Contribution	0	0	0		0.0%	0	0.0%
<b>Total Revenue</b>	<b>1,057,045</b>	<b>1,057,045</b>	<b>534,978</b>	<b>0</b>	<b>50.6%</b>	<b>666,541</b>	<b>42.2%</b>
<b><u>Municipal Enterprise Fund Expenditures:</u></b>							
Golf Course	489,653	489,653	256,098	2,090	52.3%	255,029	49.0%
Food Service	41,010	41,010	27,846	3,289	67.9%	20,871	49.3%
Ice Arena	528,588	532,483	233,559	11,533	43.9%	232,858	48.9%
Depreciation	0	0			0.0%	0	0.0%
<b>Total Expenditures</b>	<b>1,059,251</b>	<b>1,063,146</b>	<b>517,503</b>	<b>16,912</b>	<b>50.3%</b>	<b>508,758</b>	<b>49.0%</b>
<b>Total Operating Surplus (-Deficit)</b>	<b>(2,206)</b>	<b>(6,101)</b>	<b>17,475</b>			<b>157,782</b>	
<b>Transfers to other Funds</b>	<b>0</b>	<b>0</b>	<b>0</b>			<b>0</b>	
<b>Operating Revenues Over (Under) Expenditures</b>	<b>(2,206)</b>	<b>(6,101)</b>	<b>17,475</b>			<b>157,782</b>	

**City of Creve Coeur  
Statement of Revenues and Expenditures  
As of December 31, 2017  
FY2018**

	<u>Annual Budget</u>	<u>Adjusted Budget</u>	<u>YTD Actual</u>	<u>YTD Encumb</u>	<u>2018 Actual As % of Adjusted Budget</u>	<u>2017 2nd Qtr Actual</u>	<u>2017 Actual As % of Budget</u>
<b><u>Capital Improvement Fund Revenues:</u></b>							
Intergovernmental	2,108,030	2,108,030	1,047,292	0	49.7%	1,038,141	50.0%
Interest Revenue	7,500	7,500	-10	0	-0.1%	-417	-27.8%
Other Revenues	427,045	427,045	56,336	0	13.2%	55,525	6.6%
<b>Total Revenues</b>	<b>2,542,575</b>	<b>2,542,575</b>	<b>1,103,617</b>	<b>0</b>	<b>43.4%</b>	<b>1,093,249</b>	<b>37.4%</b>
<b><u>Capital Improvement Fund Expenditures:</u></b>							
Building & Improvements	95,000	95,000	0	0	0.0%	13,344	3.5%
Park Development Projects	330,000	754,422	434,711	266,238	57.6%	72,686	37.1%
Storm water Projects	320,000	470,125	141,936	28,089	30.2%	10,618	2.3%
Street Overlay/Repair	2,213,000	3,312,324	1,855,849	-274,739	56.0%	1,519,457	51.0%
Capital Equipment	484,638	484,638	69,500	225,472	14.3%	27,995	7.5%
<b>Total Expenditures</b>	<b>3,442,638</b>	<b>5,116,509</b>	<b>2,501,996</b>	<b>245,061</b>	<b>48.9%</b>	<b>1,644,100</b>	<b>37.4%</b>
<b>Total Operating Surplus (-Deficit)</b>	<b>(900,063)</b>	<b>(2,573,934)</b>	<b>(1,398,378)</b>			<b>(550,850)</b>	
<b>Transfers in from General Fund</b>	<b>525,000</b>	<b>525,000</b>	<b>0</b>			<b>0</b>	
<b>Operating Revenues Over (Under) Expenditures</b>	<b>(375,063)</b>	<b>(2,048,934)</b>	<b>(1,398,378)</b>			<b>(550,850)</b>	

