



MEMORANDUM

DATE: April 22, 2019

TO: Mark Perkins, City Administrator

FROM: Lori Obermoeller, Director of Finance

SUBJECT: Third Quarter FY 2019 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 3rd quarter of FY 2019. Some of the fluctuations in both revenues and expenditures worth discussion are as follows:

1. General Fund

a. Revenues

Overall, revenues for FY 2019 are \$341,533 more than revenues for the same time period in FY 2018. The increases are primarily in the areas of:

- Property Taxes are \$176,336 more than FY 2018, but that is more of a timing issue. Last year St. Louis County was slow on distributing funds
- County Road & Bridge is up \$139,719 again due to timing. Last year St. Louis County was slow on distributing funds
- Municipal Court Revenues are \$116,105 more due to an increase in tickets issued and paid
- Interest Revenues are \$94,293 more due to an increase in interest rates
- Other Revenues are \$58,372 more due to \$24,750 from the Sale of GMC dump truck, 2 Dodge Chargers and 1 Ford Explorer, as well as \$19,798 from the closure of the 401a Plan

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

- Sales Tax – down \$77,671
- Licenses & Permits – Building permits are down \$115,719 but we had some really big permits (BJC Hospital) in FY2018
- Charges for Municipal Services is down \$19,439 due to less multi-purpose rentals related to construction of the new police building (not enough parking so couldn't reserve the room)

Transfers in from Public Safety is up \$131,167 because this is the first year of transferring money from the Public Safety to cover the increases due to moving to 12-hour shifts

b. Expenditures

Year-to-date actual expenditures for the General Fund are \$28,701 less than the same time period in FY 2018. However, due to payroll being paid in arrears, FY 2019 has 1 less payroll than the same time period as FY 2018.

- The financial software, however, is the reason for Information Systems being over last year by \$96,282.

Overall, we have an operating surplus of \$1,229,844 for the FY 2019 General Fund, which is \$401,401 more than last year at this time, mainly due to the timing of revenues coming in, as well as an increase in court and interest revenues. Expenditures are down from last year due to 1 less payroll than the previous year.

We budgeted a decrease of \$407,880 in revenues in the general fund from FY 2018 budget mainly due to an anticipated decrease in court fines and sales tax revenues. However, we also budgeted \$439,143 less in expenditures due to new software costs (approximately \$200K) being in FY 2018 and not FY 2019 General Fund. Expenditures are also down due to less staffing in the Finance and Public Works Departments. So overall, everything seems to be close to the budgeted amounts for FY 2019.

2. Municipal Enterprise Fund

a. Revenues

Overall, Revenues for the Enterprise Fund are \$117,307 less than what was received in FY 2018. Ice revenues are down \$112,035, which is most of the decrease. Approximately \$20,000 of this decrease in ice revenues is due the ice rink being closed 3 weeks. \$39,560 of the decrease is a timing issue with the Hockey League Rental. \$27,501 is a timing issue for contract ice rental revenues. Because the ice rink was closed the last 3 weeks of March, the payment for the 3rd quarter contract ice rental wasn't received until early April. \$23,418 is still outstanding.

b. Expenditures

Expenditures are \$37,800 less than last year. See below for a detailed description of the expenditure fluctuations:

- Golf/Pro-Shop Division – there was an overall decrease of \$24,345. Part of this decrease was in water and sewer due to reallocation of these expenditures in FY2019 to better reflect actual usage. Part of it was due to a decrease in personnel costs due to now paying in arrears
- Ice Arena - an overall decrease of \$9,034 with part of it being a decrease in capital equipment from FY 2018.

We budgeted an increase in revenues and a decrease in expenditures for the Enterprise Fund for FY 2019. A delay in payments being received is most of the reason for the decrease this quarter, but the closure of the ice rink for several weeks will have a big impact on the Enterprise Fund not being able to meet budgeted revenues for FY 2019. And while expenditures are slightly less than last year at this time, due to several small one-time capital purchases and payroll being paid in arrears, it looks like expenditures will probably be on track with the expenditure budget.

Due to the closure of the ice rink, it looks like our budgeted surplus for the Enterprise Fund may be closer to a break even or a loss.

3. Capital Fund

a. Revenues

At this time, revenues for the Capital Fund are up \$374,827 from last year mainly due to the City receiving a grant for the Warson Road project in the amount of \$362,250. Plus, the City received \$35,000 as a donation for the police fitness equipment. Sales tax revenue is up \$46,710 over FY 2018.

b. Expenditures

Expenditures are \$957,673 less than last year at this time due to the Ladue Road Repair Project being a major factor in last year's expenditures. All current expenditures are within the budget.

The Capital Fund is within what was budgeted for FY 2019.

4. Sewer Lateral Fund

a. Revenues

Sewer Lateral Revenue is \$3,093 more than FY 2018. But that is due to St. Louis County being slow in disbursement for FY 2018.

b. Expenditures

Expenditures are \$10,122 less than last year.

Overall, the Sewer Lateral Fund was budgeted with a surplus of \$20,500. We are at a surplus of \$69,036 due to most of the revenue coming in during the 3rd quarter and expenditures being down. Because expenditures are down, we are slightly better than anticipated for the year.

5. Public Safety Sales Tax Fund

a. Revenues

The Public Safety Sales Tax revenues are at \$753,574 for the 3rd Quarter of FY 2019, which is \$441,324 more than 3rd Quarter of FY 2018. We didn't start receiving this sales tax until December of last year which is why FY 2019 has more revenue. We budgeted \$500,000 in FY 2018 and received \$634,959, which represented 9 months. We budgeted \$850,000 in FY 2019 and looks like we might be close to the budgeted amount.

b. Expenditures

So far \$88,505 has been expensed for FY 2019 and nothing was expensed in FY 2018.

The Public Safety Sales Tax Fund started last fiscal year. So far very little has been used out of this fund. The fund balance as of 3/31/19 is \$1,166,561.

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 March 31, 2019
FY 2019

	Annual Budget	Adjusted Budget	YTD Actual	YTD With Encumb	2019 Actual As % of Adjusted Budget	2018 3rd Qtr Actual	2018 Actual As % of Budget
General Fund Revenues:							
Property Taxes	672,044	672,044	564,796		84.0%	388,460	70.4%
Sales Tax	5,096,789	5,096,789	3,743,675		73.5%	3,821,346	77.2%
Utility Taxes	5,834,943	5,834,943	4,590,798		78.7%	4,603,069	78.5%
Cig., Gas, Road & Auto Sales	1,684,950	1,684,950	1,407,461		83.5%	1,273,622	58.1%
Licenses and Permits	1,029,896	1,029,896	785,916		76.3%	913,945	93.5%
Charges for Municipal Services	99,900	99,900	43,090		43.1%	62,529	60.7%
Municipal Court	428,000	428,000	458,538		107.1%	342,433	57.1%
Interest Revenue	200,000	200,000	301,840		150.9%	207,547	98.8%
Other Revenues	318,574	438,561	290,757		66.3%	232,385	71.4%
Total Revenues	15,365,096	15,485,083	12,186,870		78.7%	11,845,337	75.1%
General Fund Expenditures:							
Legislative Services	254,991	257,991	171,599	174,599	66.5%	341,159	71.8%
Legal Services	278,083	278,083	113,336	113,336	40.8%	0	0.0%
Administrative Services	619,909	644,909	439,746	471,437	68.2%	451,783	70.2%
Information Systems	231,817	352,113	257,979	307,245	73.3%	161,697	37.4%
Finance Department	543,929	543,929	381,849	396,349	70.2%	448,474	78.2%
Municipal Court	261,598	261,598	188,436	200,836	72.0%	170,446	66.0%
InterDepartmental	526,369	526,369	424,503	427,003	80.6%	395,693	79.8%
Community Services	134,059	134,059	82,613	84,477	61.6%	78,085	66.0%
Maint. of Municipal Prop.	358,759	377,759	268,801	295,156	71.2%	235,299	66.2%
Police Department	7,355,427	7,389,967	5,325,346	5,643,315	72.1%	5,332,771	71.3%
Public Works - Admin.	521,580	521,580	399,339	403,007	76.6%	421,669	68.3%
Street Maintenance	1,602,632	1,642,331	1,073,218	1,260,246	65.3%	1,115,235	66.8%
Health and Environment	780,000	780,000	510,858	778,188	65.5%	553,308	71.4%
Park Maintenance	500,244	500,244	335,336	362,590	67.0%	319,234	61.8%
Community Development	1,472,719	1,558,164	1,115,234	1,118,834	71.6%	1,092,042	74.1%
Total Expenditures	15,442,116	15,769,096	11,088,193	12,036,617	70.3%	11,116,894	70.0%
Total Operating Surplus (-Deficit)	(77,020)	(284,013)	1,098,677			728,443	
Transfers In From Other Funds	139,200	139,200	131,167			0	
Transfers Out To Other Funds	-400,000	-400,000	0			-1,000,000	
	-260,800	-260,800	131,167			-1,000,000	
Operating Revenues Over (under) Expenditures	(337,820)	(544,813)	1,229,844			(271,557)	



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

	Annual Budget	Adjusted Budget	YTD Actual	YTD With Encumb	2019 Actual As % of Adjusted Budget	2018 3rd Qtr Actual	2018 Actual As % of Budget
<u>Municipal Enterprise Fund Revenues:</u>							
Golf Course	380,038	380,038	218,296		57.4%	241,861	64.4%
Food Service	59,600	59,600	38,247		64.2%	39,798	71.1%
Ice Arena	687,388	687,388	451,658		65.7%	543,848	86.9%
Capital Contribution	0	0	0		0.0%	0	0.0%
Total Revenue	1,127,026	1,127,026	708,200	0	62.8%	825,507	78.1%
<u>Municipal Enterprise Fund Expenditures:</u>							
Golf Course	528,994	528,994	351,053	355,591	66.4%	375,398	76.7%
Food Service	48,201	48,201	32,062	40,799	66.5%	36,483	89.0%
Ice Arena	524,895	524,895	356,677	379,991	68.0%	365,711	68.7%
Depreciation	0	0	0	0	0.0%	0	0.0%
Total Expenditures	1,102,090	1,102,090	739,792	776,380	67.1%	777,592	73.1%
Total Operating Surplus (-Deficit)	24,936	24,936	(31,592)			47,915	
Transfers to other Funds	0	0	0			0	
Operating Revenues Over (Under) Expenditures	24,936	24,936	(31,592)			47,915	



City of Creve Coeur
Statement of Revenues and Expenditures
As of March 31, 2019
FY2018

	Annual Budget	Adjusted Budget	YTD Actual	YTD With Encumb	2019 Actual As % of Adjusted Budget	2018 3rd Qtr Actual	2018 Actual As % of Budget
Capital Improvement Fund Revenues:							
Intergovernmental	2,046,955	2,046,955	1,658,639		81.0%	1,611,929	76.5%
Interest Revenue	3,800	3,800	0		0.0%	0	0.0%
Other Revenues	332,000	771,000	397,250		51.5%	69,134	7.4%
Total Revenues	2,382,755	2,821,755	2,055,889	0	72.9%	1,681,062	55.1%
Capital Improvement Fund Expenditures:							
Personnel	85,000	85,000	59,962	702,987	70.5%	0	0.0%
Building & Improvements	40,000	540,100	172,260	82,750	31.9%	0	0.0%
Park Development Projects	122,500	139,878	89,696	106,716	64.1%	672,055	77.6%
Storm water Projects	250,000	250,000	3,140	4,264	1.3%	142,836	43.2%
Street Overlay/Repair	2,289,508	2,987,875	1,586,416	1,825,940	53.1%	2,000,807	55.7%
Capital Equipment	440,372	475,372	143,528	386,355	30.2%	196,976	48.4%
Total Expenditures	3,227,380	4,478,225	2,055,001	3,109,013	45.9%	3,012,674	55.8%
Total Operating Surplus (-Deficit)	(844,625)	(1,656,470)	887			(1,331,612)	
Transfers in from General Fund	400,000	400,000	0			1,000,000	
Operating Revenues Over (Under) Expenditures	(444,625)	(1,256,470)	887			(331,612)	



City of Creve Coeur
Statement of Revenues and Expenditures
As of March 31, 2019
FY2018

	Annual Budget	Adjusted Budget	YTD Actual	YTD With Encumb	2019 Actual As % of Adjusted Budget	2018 3rd Qtr Actual	2018 Actual As % of Budget
<u>Sewer Lateral Fund</u>							
Intergovernmental	132,200	132,200	127,349	0	96.3%	124,256	94.1%
Total Revenues	132,200	132,200	127,349	0	96.3%	124,256	94.1%
<u>Sewer Lateral Fund Expenditures:</u>							
Technical & Personal Services	1,500	1,500	0	0	0.0%	0	0.0%
Sewer Lateral Reimbursements	110,000	110,000	58,313	58,313	53.0%	68,435	62.2%
Total Expenditures	111,500	111,500	58,313	58,313	52.3%	68,435	61.4%
Total Operating Surplus (-Deficit)	20,700	20,700	69,036			55,821	
Operating Revenues Over (Under) Expenditures	20,700	20,700	69,036			55,821	



	Annual Budget	Adjusted Budget	YTD Actual	YTD With Encumb	2019 Actual As % of Adjusted Budget	2018 3rd Qtr Actual	2018 Actual As % of Budget
<u>Public Safety Sales Tax Fund</u>							
Intergovernmental	850,000	850,000	753,574	0	88.7%	312,250	62.5%
Interest Revenue	1,000	1,000	0	0	0.0%	0	0.0%
Total Revenues	851,000	851,000	753,574	0	88.6%	312,250	62.5%
<u>Public Safety Sales Tax Fund</u>							
Operating Expenditures	57,008	57,008	19,870	19,954	34.9%	0	0.0%
Capital Expenditures	30,130	77,341	68,635	76,833	88.7%	0	0.0%
Total Expenditures	87,138	134,349	88,505	96,786	65.9%	0	0.0%
Total Operating Surplus (-Deficit)	763,862	716,651	665,069			312,250	
Transfers out to General Fund	-139,202	-139,202	-131,167			0	
Operating Revenues Over (Under) Expenditures	624,660	577,449	533,902			312,250	

Investments - March 31, 2019

GENERAL FUND

Investment	CUSIP Tracking #	Instrument	Holder	Quantity	Premium / Discount	Principal	Market Value	YTM	Purchase Date	Maturity Date	Call Date	Years	Interest Earned
FMNA	3136G3YG4	Fed	MBS	150,000.00	(37.50)	149,962.50		1.000%	7/25/2016	4/25/2019		2.9	
FHLB Bond	313379EE5	Fed	MBS	400,000.00	3,320.00	403,320.00		1.625%	7/10/2015	6/14/2019	BULLET	3.11	
FHLB Bond	313383vn8	Fed	MBS	400,000.00	1,252.98	401,252.98		2.000%	9/12/2014	9/13/2019	BULLET	5.0	
FHLB Bond	3130A6NA1	Fed	MBS	400,000.00	(77.53)	399,922.47		1.400%	10/29/2015	10/29/2019	4/29/2016	4.0	
FHLB Bond	3130A17H5	Fed	MBS	400,000.00	9,260.00	409,260.00		2.000%	1/28/2016	3/4/2020	BULLET	4.1	
FFCB	3133EGBL8	Fed	MBS	400,000.00	(250.00)	399,750.00		1.370%	5/19/2016	5/19/2020	5/19/2017	4.0	
FHLB Bond	3130A87H0	Fed	MBS	400,000.00	(160.00)	399,840.00		1.400%	5/26/2016	5/26/2020	5/26/2017	4.0	
FFCB	3133EGFNO	Fed	MBS	400,000.00	1,528.00	401,528.00		1.400%	6/28/2016	6/15/2020	6/15/2017	3.11	
FHLB Bond	3130A8NS8	Fed	MBS	400,000.00	(700.00)	399,300.00		1.240%	7/28/2016	7/13/2020	1/17/2017	3.11	
FFCB	3133EGVK8	Fed	MBS	400,000.00	(280.00)	399,720.00		1.350%	9/21/2016	9/21/2020	9/21/2017	4.0	
FHLB Bond	3130A9WK3	Fed	MBS	400,000.00	-	400,000.00		1.400%	10/28/2016	10/28/2020	4/28/2017	4.0	
FHLB Bond	3130A86G3	Fed	MBS	250,000.00	477.50	250,477.50		1.600%	6/20/2016	11/25/2020		4.5	
		Subtotal		4,400,000.00	14,333.45	4,414,333.45							-
Northfield Bank	66612AA93	CD	MBS	245,000.00	(342.01)	244,657.99		1.200%	6/29/2016	4/29/2019		2.10	
Bank of Leumi		CD	MOSIP	150,000.00		150,000.00		2.450%	5/4/2018	5/6/2019		1.0	
Bank of the West		CD	MOSIP	239,000.00		239,000.00		1.350%	5/9/2016	5/9/2019		3.0	
Wells Fargo	9497486F9	CD	MBS	245,000.00	-	245,000.00		1.250%	7/8/2016	7/1/2019		2.11	
BMW Bank of North America	05580ACD4	CD	MBS	245,000.00	-	245,000.00		1.950%	7/9/2015	7/17/2019		4.0	
Morgan Stanley	61747MXT3	CD	MBS	245,000.00	-	245,000.00		1.700%	8/3/2017	8/12/2019		2.0	
Capital One NA	14042E5R7	CD	MBS	245,000.00	-	245,000.00		2.100%	8/19/2015	8/19/2019		4.0	
Tustin Comm Bank	1052926A9	CD	1sTEN	243,902.45		247,611.09		2.50%	8/21/2018	8/22/2019		1.0	517.87
Morgan Stanley	61760A-KC-2	CD	MBS	245,000.00		245,000.00		2.600%	4/12/2018	4/13/2020		2.0	
American Express Centurion	02587DXU7	CD	MBS	245,000.00	-	245,000.00		2.000%	5/7/2015	5/7/2020		5.0	
Discover Bank	2546726000	CD	MBS	245,000.00	-	245,000.00		1.900%	7/26/2017	7/27/2020		3.0	
Ally Bank Midvale	02006L4S9	CD	MBS	245,000.00	-	245,000.00		1.900%	8/3/2017	8/10/2020		3.0	
Commerical Banking Co	1051021A5	CD	1sTEN	250,000.00		240,661.32		2.850%	9/6/2018	8/18/2020		1.11	573.27
Royal Bank of Missouri	1052956A2	CD	1sTEN	250,000.00		239,659.56		2.950%	9/24/2018	9/24/2020		2.0	591.43
First Technology	33715LAW0	CD	MBS	150,000.00		150,000.00		2.000%	10/17/2017	10/30/2020		3.0	
Luana Savings Bank	1049673A0	CD	1sTEN	250,000.00		238,941.96		2.850%	9/12/2018	11/23/2020		2.2	569.43
1st Technology Fed Cr Un	33715LDJ6	CD	MBS	95,000.00		95,000.00		3.200%	1/9/2019	1/8/2021		1.11	
State Bk India NY	856285-HL-8	CD	MBS	245,000.00		245,000.00		2.450%	2/14/2018	2/16/2021		3.0	
Marlin Business Bk	57116APP7	CD	MBS	245,000.00	-	245,000.00		1.900%	8/14/2017	2/23/2021		3.6	
MB FINL BK	55266C-YY-6	CD	MBS	245,000.00		245,000.00		2.600%	3/23/2018	3/23/2021		3.0	
Bristol Cnty Svgs BK	110001-AJ-3	CD	MBS	245,000.00		245,000.00		2.700%	4/18/2018	4/19/2021		3.0	
TowneBank	89214P-BL-2	CD	MBS	245,000.00		245,000.00		2.800%	4/30/2018	4/30/2021		3.0	
Horizon Bank Natl	44042WBZ9	CD	MBS	245,000.00		245,000.00		2.750%	5/4/2018	5/4/2021		3.0	
Medallion Bank	58404DCA7	CD	MBS	245,000.00		245,000.00		2.950%	6/4/2018	6/4/2021		3.0	
Mercantil Bank	58733AEX3	CD	MBS	245,000.00		245,000.00		3.000%	6/21/2018	6/21/2021		3.0	
Bar HBR Bank & trust	066851WF9	CD	MBS	245,000.00		245,000.00		3.000%	6/29/2018	6/29/2021		3.0	
Midwest Bankcenter	59828QBB3	CD	MBS	245,000.00		245,000.00		2.850%	9/12/2018	9/13/2021		3.0	
Bank Midwest	063615BK3	CD	MBS	245,000.00		245,000.00		2.900%	9/17/2018	9/15/2021		2.11	
US Alliance FCU	90352RAE5	CD	MBS	245,000.00		245,000.00		3.100%	9/27/2018	9/27/2021		3.0	
JPMorgan Chase Bank	48128FZJ4	CD	MBS	245,000.00		245,000.00		3.150%	10/19/2018	10/19/2021		3.0	
Mountain Amer Fed Cr Un	62384RAH9	CD	MBS	245,000.00		245,000.00		3.200%	10/31/2018	10/29/2021		2.11	
Synchrony Bank	87164YNU4	CD	MBS	245,000.00	-	245,000.00		1.700%	10/31/2016	10/31/2021		5.0	
Capital One Bank	1404206G0	CD	MBS	245,000.00		245,000.00		2.150%	11/13/2017	11/8/2021		3.11	
Michigan Legacy	59452WAA6	CD	MBS	245,000.00		245,000.00		3.200%	11/9/2018	11/9/2021		3.0	
Third Fed Svgs & LN	88413QBY3	CD	MBS	245,000.00		245,000.00		2.500%	1/30/2018	1/31/2022		4.0	
First Bank PR Santurce	33767A3U3	CD	MBS	245,000.00	-	245,000.00		2.250%	8/3/2017	8/11/2022		5.0	
Goldman Sachs Bk	38148PWT0	CD	MBS	245,000.00	-	245,000.00		2.650%	1/24/2018	1/24/2023		5.0	
UBS BK USA	90348JCR9	CD	MBS	245,000.00	-	245,000.00		3.150%	5/30/2018	5/30/2023		5.0	
		Subtotal		8,977,902.45	(342.01)	8,950,531.92							2,252.00
Total General Fund				13,377,902.45		13,364,865.37							

CAPITAL IMPROVEMENT FUND													
Investment	CUSIP Tracking #	Instrument	Holder	Quantity	Premium / Discount	Principal	Market Value	YTM	Purchase Date	Maturity Date	Call Date	Years	Interest Earned
Citibank Natl Assn	17312Q-H7-7	CD	MBS	245,000.00		245,000.00		2.700%	3/29/2018	3/29/2021		3.0	
Stifel BK & TR	86063Q-AB-1	CD	MBS	245,000.00		245,000.00		2.700%	3/29/2018	3/29/2021		3.0	
Total Capital Improvement Fund				490,000.00		490,000.00							
ESCROW FUND													
Investment	CUSIP Tracking #	Instrument	Holder	Quantity	Premium / Discount	Principal	Market Value	YTM	Purchase Date	Maturity Date	Call Date	Years	Interest Earned
Security State Bank	1052762A6	CD	1sTEN	250,000.00		249,646.15		2.20%	4/25/2018	4/25/2019		1.0	457.07
Bank India New York	06279KKW5	CD	MBS	245,000.00		245,000.00		2.30%	5/21/2018	5/22/2019		1.0	
Bank Hapoalim	06251AU40	CD	MBS	245,000.00		245,000.00		2.35%	8/21/2018	8/27/2019		1.0	
East Boston Svgs Bk	27113PCT6	CD	MBS	245,000.00		245,000.00		2.45%	2/28/2019	2/28/2020		1.0	
Total Escrow Fund				985,000.00	-	984,646.15							
TOTAL INVESTMENTS FOR ALL FUNDS						14,839,511.52							
Total Investments by Holder			1sTEN			1,216,520.08							
			MBS			13,233,991.44							
			MOSIP			389,000.00							
			TOTAL INVESTMENTS			14,839,511.52							-
			MBS UNVEST CASH			14,839,511.52							