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## MEMORANDUM

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TO: Honorable Mayor and Council

FROM: Pat Randleel, Finance Director

CC: File

DATE: February 7, 2018

**RE: GENERAL, STREET MAINTENANCE AND DEBT SERVICE FUNDS  
REVENUE AND EXPENSE REPORTS**

Attached for your review is a summary of revenues and expenses of the General, Street Maintenance and Debt Service Funds as of December 31, 2017. The report compares year to date actual to budget as well as year to date of the prior year.

**General Fund**

Total revenues received are **\$2,419,997** and are over budget for the period by **\$962,317** or **66.02%**. Total expenditures are **\$1,188,838** and are under budget for the period by **\$257,096** or **17.64%**. Revenues are 6.25% higher than revenues for the same period last year. Expenditures are 6.24% higher than they were for the same period last year. Following are some explanations of the variances between budget and actual revenues and expenses for the three month period.

**Revenues**

Revenues are over budget primarily due to receipt of property tax revenues. These revenues are not received evenly over the year, but are 90% collected between December and February. In addition, Building and Inspection Fees are 51.48% over budget, primarily due to unbudgeted Subdivision Park Fees.

**Expenses**

All the departments except Administration and Financial Services are under budget for the period. Timing of major expenses will account for most of the departmental budgets being over or under. In addition, all departments reflect lower than budgeted salaries and group health. Because of year end accruals, salaries earned in September 2017, but paid in October are not included in FY2018 expenses. Medical benefits are lower than the anticipated increase due to a change in carrier.

1. **Administration** ó This department is **\$10,766** over budget or **5.85%**. This is primarily due to timing of payment of annual fees for software which are due in December but cover the 12 month period going forward.

2. **Public Service** ó This department includes the Health, Environmental Services and Animal Services contracts and expenses for the Oz Glaze Center. It is **\$55,024 under** budget or **59.65%**. This is primarily due to delays in the billings for services.
3. **Building Services** ó This department is **\$24,391 under** budget or **30.05%**. This is primarily due to the loss of one building inspector who has yet to be replaced.
4. **Streets** ó This department is **\$30,568 under** budget or **34.19%**. This is primarily due to the delay in hiring both the Public Works Inspector and the additional street maintenance worker.
5. **Public Safety Police** ó This department is **\$31,558 under** budget or **7.64%**. This is primarily due to salaries and benefits. One employee was out on disability.
6. **Municipal Court** ó This department is **\$17,680 under** budget or **26.11%**. This is primarily due salaries and benefits and delay in the billing of collection fees.
7. **Parks** ó This department is under budget by **\$21,960** or **24.72%**. This is primarily due to the timing of the seasonal expenses. Routine expenses are generally less in the fall and winter than the spring and summer.
8. **Development Services** ó This department is under budget by **\$15,520** or **26.14%**. This is due primarily to timing in the use of contract labor.
9. **Code Enforcement** ó This department is under budget by **\$20,935** or **36.74%**. This is primarily due timing of the hire of a replacement and the use of contract labor.
10. **Storm Water** ó This department is under budget by **\$8,191** or **90.30%**. This is due to the timing of training opportunities for personnel and use of contract labor. Most activity in this department takes place in the spring and summer.
11. **Financial Services** ó This department is over budget by **\$14,031** or **20.86%**. This is primarily due to the timing of fees paid for contracted services.
12. **Public Safety Dispatch** – This department is under budget by **\$28,800** or **14.25%**. This is primarily due to salaries and group health as mentioned above
13. **Executive** ó This department is under budget by **\$5,484** or **42.19%**. This is primarily due to the level of Council stipends paid and timing of training opportunities.
14. **Capital Improvements** ó This department is under budget by **\$21,781** or **64.97%**. This is primarily due to the timing of the purchases of equipment.

### **Street Maintenance Fund**

Total revenues received are **\$83,362** and are over budget by **\$2,296** or **2.83%**. Total expenses are **\$6,218** and are under budget by **\$74,750** or **92.32%**.

A long-term maintenance plan has yet to be developed and therefore contracted services have not been hired.

### **Debt Service Fund**

Total revenues received are **\$610,791** and are over budget by **\$345,827** or **130.52%**. Total expenses are **\$240** and are under budget by **\$264,725** or **99.91%**. The majority of property taxes are collected between December and February while budgeted revenues are spread out over the year. Major debt service payments occur in February and August.

**TOWN OF HORIZON CITY  
GENERAL FUND MAINTENANCE & OPERATION  
FINANCIAL REPORT AND COMPARISON  
FISCAL YEAR 2018 FOR THE QUARTER ENDED DECEMBER 31, 2017**

Line No.	Description	(1) Annual Budget	(2) Budget	(3) YTD Actual	(2-3) Budget Variance (Over)/Under	(2-3) Percent	(4) FY2017	(4-3) FY Variance (Over)/Under	(4-3) Percent
<b>Revenues</b>									
1	Property Taxes	2,788,565.37	696,862.47	1,607,067.48	(910,205.01)	-130.61%	1,483,591.72	(123,475.76)	-8.32%
2	Sales Taxes	1,445,805.87	361,306.86	338,094.48	23,212.38	6.42%	327,058.04	(11,036.44)	-3.37%
3	Franchise Fees	348,098.40	86,989.71	95,717.82	(8,728.11)	-10.03%	80,209.92	(15,507.90)	-19.33%
4	Building and Inspection Fees	481,102.76	120,227.55	182,121.64	(61,894.09)	-51.48%	209,438.88	27,317.24	13.04%
5	Citations and Fees	307,250.00	76,781.76	75,740.99	1,040.77	1.36%	63,434.50	(12,306.49)	-19.40%
6	Other	448,692.00	112,128.09	118,206.22	(6,078.13)	-5.42%	111,940.63	(6,265.59)	-5.60%
7	Interest	13,538.00	3,383.13	3,047.91	335.22	9.91%	1,978.87	(1,069.04)	-54.02%
8	Grant Income								
9	<b>Total Revenues</b>	<b>5,833,052.40</b>	<b>1,457,679.57</b>	<b>2,419,996.54</b>	<b>(962,316.97)</b>	<b>-66.02%</b>	<b>2,277,652.56</b>	<b>(142,343.98)</b>	<b>-6.25%</b>
<b>Expenditures</b>									
<u>Administration</u>									
10	Salaries and Benefits	166,589.53	41,630.64	37,147.36	4,483.28		33,522.09	(3,625.27)	
11	Personnel Services	10,050.00	2,511.48	5,226.86	(2,715.38)		4,728.10	(498.76)	
12	Supplies	26,800.00	6,697.32	3,405.85	3,291.47		9,176.73	5,770.88	
13	Advertising, Dues and Public Notices	27,500.00	6,872.25	7,732.52	(860.27)		6,276.05	(1,456.47)	
14	Professional Fees	280,500.00	70,096.95	66,303.27	3,793.68		59,735.95	(6,567.32)	
15	Contracted Expenses	22,000.00	5,497.80	-	5,497.80		-	-	
16	Maintenance Expense	201,600.00	50,379.84	74,087.78	(23,707.94)		90,667.59	16,579.81	
17	Other Expenses	1,500.00	374.85	923.80	(548.95)		389.45	(534.35)	
18	<b>Total Administration</b>	<b>736,539.53</b>	<b>184,061.13</b>	<b>194,827.44</b>	<b>(10,766.31)</b>	<b>-5.85%</b>	<b>204,495.96</b>	<b>9,668.52</b>	<b>4.73%</b>
<u>Public Service</u>									
19	Contracted Services	356,499.00	89,089.05	35,154.75	53,934.30		-	(35,154.75)	
20	Maintenance Expense	12,600.00	3,148.74	2,058.86	1,089.88		2,043.59	(15.27)	
21	<b>Total Public Service</b>	<b>369,099.00</b>	<b>92,237.79</b>	<b>37,213.61</b>	<b>55,024.18</b>	<b>59.65%</b>	<b>2,043.59</b>	<b>(35,170.02)</b>	<b>-1720.99%</b>
<u>Building Services</u>									
22	Salaries and Benefits	273,505.62	68,348.97	50,005.38	18,343.59		44,969.64	(5,035.74)	
23	Personnel Services	10,300.00	2,573.97	-	2,573.97		6.16	6.16	
24	Supplies	4,000.00	999.60	-	999.60		355.25	355.25	
25	Advertising, Dues and Public Notices	1,500.00	374.85	384.35	(9.50)		55.00	(329.35)	
26	Professional Fees	25,000.00	6,247.50	5,336.64	910.86		2,880.00	(2,456.64)	
27	Maintenance Expense	10,050.00	2,511.48	939.21	1,572.27		537.38	(401.83)	
28	Other Expenses	500.00	124.95	124.30	0.65		50.00	(74.30)	
29	<b>Total Building Services</b>	<b>324,855.62</b>	<b>81,181.32</b>	<b>56,789.88</b>	<b>24,391.44</b>	<b>30.05%</b>	<b>48,853.43</b>	<b>(7,936.45)</b>	<b>-16.25%</b>

**TOWN OF HORIZON CITY  
GENERAL FUND MAINTENANCE & OPERATION  
FINANCIAL REPORT AND COMPARISON  
FISCAL YEAR 2018 FOR THE QUARTER ENDED DECEMBER 31, 2017**

Line No.	Description	(1) Annual Budget	(2) YTD Budget	(3) Actual	(2-3) Budget Variance (Over)/Under	Percent	(4) FY2017	(4-3) FY Variance (Over)/Under	Percent
<u>Streets</u>									
30	Salaries and Benefits	282,297.29	70,546.02	42,342.76	28,203.26		30,829.98	(11,512.78)	
31	Personnel Services	5,150.00	1,286.97	574.10	712.87		201.10	(373.00)	
32	Supplies	5,500.00	1,374.45	284.41	1,090.04		1,057.61	773.20	
33	Advertising, Dues and Public Notices	790.00	197.40	347.44	(150.04)		67.00	(280.44)	
34	Professional Fees	3,000.00	749.70	840.00	(90.30)		-	(840.00)	
35	Maintenance Expense	60,550.00	15,131.43	14,454.61	676.82		15,336.10	881.49	
36	Other Expenses	500.00	124.95	-	124.95		-	-	
37	<b>Total Streets</b>	<b>357,787.29</b>	<b>89,410.92</b>	<b>58,843.32</b>	<b>30,567.60</b>	<b>34.19%</b>	<b>47,491.79</b>	<b>(11,351.53)</b>	<b>-23.90%</b>
<u>Public Safety Police</u>									
38	Salaries and Benefits	1,490,903.82	372,576.78	329,144.85	43,431.93		303,816.41	(25,328.44)	
39	Personnel Services	31,275.00	7,815.60	12,195.29	(4,379.69)		44,279.08	32,083.79	
40	Supplies	24,250.00	6,060.06	6,478.17	(418.11)		5,785.12	(693.05)	
41	Advertising, Dues and Public Notices	2,050.00	512.28	191.96	320.32		-	(191.96)	
42	Contracted Expenses	-	-	-	-		742.00	742.00	
43	Maintenance Expense	94,229.00	23,547.81	33,199.96	(9,652.15)		25,013.90	(8,186.06)	
44	Other Expenses	9,500.00	2,374.05	118.59	2,255.46		458.99	340.40	
45	<b>Total Public Safety Police</b>	<b>1,652,207.82</b>	<b>412,886.58</b>	<b>381,328.82</b>	<b>31,557.76</b>	<b>7.64%</b>	<b>380,095.50</b>	<b>(1,233.32)</b>	<b>-0.32%</b>
<u>Courts</u>									
46	Salaries and Benefits	225,103.42	56,253.27	46,597.48	9,655.79		37,690.87	(8,906.61)	
47	Personnel Services	3,750.00	937.11	-	937.11		51.50	51.50	
48	Supplies	4,000.00	999.60	715.89	283.71		1,329.59	613.70	
49	Advertising, Dues and Public Notices	850.00	212.40	-	212.40		203.50	203.50	
50	Professional Fees	29,000.00	7,247.10	970.00	6,277.10		3,624.93	2,654.93	
51	Maintenance Expense	3,750.00	937.11	1,156.37	(219.26)		989.34	(167.03)	
52	Other Expenses	4,500.00	1,124.55	591.15	533.40		1,421.53	830.38	
53	<b>Total Courts</b>	<b>270,953.42</b>	<b>67,711.14</b>	<b>50,030.89</b>	<b>17,680.25</b>	<b>26.11%</b>	<b>45,311.26</b>	<b>(4,719.63)</b>	<b>-10.42%</b>
<u>Parks</u>									
54	Personnel Services	-	-	-	-		-	-	
55	Supplies	10,000.00	2,499.00	-	2,499.00		104.44	104.44	
56	Professional Fees	-	-	-	-		-	-	
57	Contracted Expenses	234,500.00	58,601.55	53,168.00	5,433.55		48,070.50	(5,097.50)	
58	Maintenance Expense	111,022.00	27,744.39	13,717.05	14,027.34		12,161.87	(1,555.18)	
59	<b>Total Parks</b>	<b>355,522.00</b>	<b>88,844.94</b>	<b>66,885.05</b>	<b>21,959.89</b>	<b>24.72%</b>	<b>60,336.81</b>	<b>(6,548.24)</b>	<b>-10.85%</b>

**TOWN OF HORIZON CITY  
GENERAL FUND MAINTENANCE & OPERATION  
FINANCIAL REPORT AND COMPARISON  
FISCAL YEAR 2018 FOR THE QUARTER ENDED DECEMBER 31, 2017**

Line No.	Description	(1) Annual Budget	(2) Budget	(3) YTD Actual	(2-3) Budget Variance (Over)/Under	Percent	(4) FY2017	(4-3) FY Variance (Over)/Under	Percent
<u>Development Services</u>									
60	Salaries and Benefits	150,327.69	37,566.84	33,711.33	3,855.51		30,351.96	(3,359.37)	
61	Personnel Services	3,400.00	849.66	973.77	(124.11)		6.16	(967.61)	
62	Supplies	1,500.00	374.82	-	374.82		458.07	458.07	
63	Advertising, Dues and Public Notices	600.00	149.94	146.00	3.94		-	(146.00)	
64	Professional Fees	76,000.00	18,992.40	8,296.29	10,696.11		15,427.29	7,131.00	
65	Maintenance Expense	5,450.00	1,361.94	643.36	718.58		1,426.73	783.37	
66	Other Expenses	280.00	69.96	74.94	(4.98)		319.24	244.30	
67	Total Development Services	237,557.69	59,365.56	43,845.69	15,519.87	26.14%	47,989.45	4,143.76	8.63%
<u>Code Enforcement</u>									
68	Salaries and Benefits	179,800.22	44,931.99	33,155.20	11,776.79		34,758.61	1,603.41	
69	Personnel Services	8,000.00	1,999.20	100.50	1,898.70		-	(100.50)	
70	Supplies	4,300.00	1,074.57	-	1,074.57		155.02	155.02	
71	Advertising, Dues and Public Notices	1,000.00	249.90	-	249.90		147.00	147.00	
72	Professional Fees	20,000.00	4,998.00	975.00	4,023.00		1,903.50	928.50	
73	Maintenance Expense	13,620.00	3,403.62	1,789.37	1,614.25		1,337.52	(451.85)	
74	Other Expenses	1,300.00	324.87	27.31	297.56		-	(27.31)	
75	Total Code Enforcement	228,020.22	56,982.15	36,047.38	20,934.77	36.74%	38,301.65	2,254.27	5.89%
<u>Storm Water Management</u>									
76	Personnel Services	3,800.00	949.62	-	949.62		-	-	
77	Supplies	600.00	149.94	-	149.94		-	-	
78	Advertising, Dues and Public Notices	1,500.00	374.85	190.00	184.85		100.00	(90.00)	
79	Professional Fees	19,000.00	4,748.10	400.00	4,348.10		-	(400.00)	
80	Maintenance Expense	10,900.00	2,723.91	290.00	2,433.91		1,400.00	1,110.00	
81	Other Expenses	500.00	124.95	-	124.95		-	-	
82	Total Storm Water Management	36,300.00	9,071.37	880.00	8,191.37	90.30%	1,500.00	620.00	41.33%
<u>Financial Services</u>									
83	Salaries and Benefits	107,841.10	26,949.42	23,466.29	3,483.13		15,511.80	(7,954.49)	
84	Personnel Services	5,350.00	1,336.95	785.22	551.73		51.50	(733.72)	
85	Supplies	1,650.00	412.32	347.08	65.24		705.16	358.08	
86	Advertising, Dues and Public Notices	200.00	49.98	35.00	14.98		-	(35.00)	
87	Professional Fees	88,641.94	22,151.55	23,338.14	(1,186.59)		20,158.54	(3,179.60)	
88	Contracted Expenses	58,582.74	14,639.79	31,948.98	(17,309.19)		31,001.15	(947.83)	
89	Maintenance Expense	902.00	225.36	165.77	59.59		100.50	(65.27)	
90	Other Expenses	6,050.00	1,511.88	1,221.48	290.40		1,122.57	(98.91)	
91	Total Financial Services	269,217.78	67,277.25	81,307.96	(14,030.71)	-20.86%	68,651.22	(12,656.74)	

**TOWN OF HORIZON CITY  
GENERAL FUND MAINTENANCE & OPERATION  
FINANCIAL REPORT AND COMPARISON  
FISCAL YEAR 2018 FOR THE QUARTER ENDED DECEMBER 31, 2017**

Line No.	Description	(1) Annual Budget	(2) YTD Budget	(3) Actual	(2-3) Budget Variance (Over)/Under	Percent	(4) FY2017	(4-3) FY Variance (Over)/Under	Percent
<u>Public Safety Dispatch</u>									
92	Salaries and Benefits	790,463.56	197,536.77	171,544.61	25,992.16		152,364.69	(19,179.92)	
93	Personnel Services	8,650.00	2,161.62	139.92	2,021.70		2,616.60	2,476.68	
94	Supplies	2,600.00	649.74	1,051.90	(402.16)		327.81	(724.09)	
95	Advertising, Dues and Public Notices	650.00	162.42	411.00	(248.58)		-	(411.00)	
96	Maintenance Expense	5,450.00	1,361.94	118.12	1,243.82		75.00	(43.12)	
97	Other Expenses	1,000.00	249.87	57.24	192.63		-	(57.24)	
98	Total Public Safety Dispatch	808,813.56	202,122.36	173,322.79	28,799.57	14.25%	155,384.10	(17,938.69)	
<u>Executive</u>									
99	Salaries and Benefits	19,617.79	4,902.45	4,509.37	393.08		4,480.08	(29.29)	
100	Personnel Services	6,400.00	1,599.36	-	1,599.36		-	-	
101	Supplies	2,000.00	499.80	730.25	(230.45)		737.48	7.23	
102	Professional Fees	21,000.00	5,247.90	1,875.00	3,372.90		1,750.00	(125.00)	
103	Maintenance Expense	2,000.00	499.80	400.17	99.63		125.79	(274.38)	
104	Other Expenses	1,000.00	249.90	-	249.90		100.00	100.00	
105	Total Executive	52,017.79	12,999.21	7,514.79	5,484.42	42.19%	7,193.35	(321.44)	
<u>Capital Improvements</u>									
106	Structures & Improvements	3,500.00	874.65	-	874.65			-	
107	Equipment	-	-	-	-			-	
108	Equipment Public - Safety	-	-	-	-			-	
109	Equipment - Parks	47,000.00	11,745.30	-	-			-	
110	Computer Equipment	-	-	-	-		3,694.90	3,694.90	
111	Computer Software	15,000.00	3,748.50	-	3,748.50		7,700.00	7,700.00	
112	Transportation Equipment-Public Safety	-	-	-	-			-	
113	Transportation Equipment-Code Enforcement	-	-	-	-			-	
114	Transportation Equipment-Building Services	26,000.00	6,497.40	-	6,497.40			-	
115	Transportation Equipment-Streets	26,000.00	6,497.40	-	6,497.40			-	
116	Contingency	16,660.68	4,163.49	-	4,163.49			-	
117	Transfers	-	-	-	-			-	
118	Total Capital	134,160.68	33,526.74	-	21,781.44	64.97%	11,394.90	11,394.90	100.00%
119	Total Expenditures	5,833,052.40	1,457,678.46	1,188,837.62	257,095.54	17.64%	1,119,043.01	(69,794.61)	-6.24%
120	Excess of Revenues over Expenditures	-	1.11	1,231,158.92	(1,219,412.51)		1,158,609.55	(72,549.37)	

**TOWN OF HORIZON CITY  
STREET MAINTENANCE AND DEBT SERVICE FUNDS  
FINANCIAL REPORT AND COMPARISON  
FISCAL YEAR 2018 FOR THE QUARTER ENDED DECEMBER 31, 2017**

Line No.	Description	(1) Annual Budget	(2) Budget	(3) YTD Actual	(2-3) Budget Variance (Over)/Under	Percent	(4) FY2017	(4-3) FY Variance (Over)/Under	Percent
<b><u>Street Maintenance Fund</u></b>									
<u>Revenues</u>									
1	Sales Taxes	324,392.64	81,065.70	82,899.05	(1,833.35)		80,305.31	(2,593.74)	
2	Interest	-	-	463.05	(463.05)			(463.05)	
3	Total Revenues	<u>324,392.64</u>	<u>81,065.70</u>	<u>83,362.10</u>	<u>(2,296.40)</u>	-2.83%	<u>80,305.31</u>	<u>(3,056.79)</u>	-3.81%
<u>Expenditures</u>									
4	Supplies	29,000.00	7,247.10	-	7,247.10		3,257.67	3,257.67	
5	Professional Fees	72,000.00	17,992.80	1,250.00	16,742.80		310.00	(940.00)	
6	Contracted Expenses	200,000.00	49,980.00	4,200.00	45,780.00		1,160.00	(3,040.00)	
7	Maintenance Expense	20,000.00	4,998.00	768.00	4,230.00		1,075.00	307.00	
8	Other Expenses	3,000.00	749.70	-	749.70		-	-	
9	Total Expenditures	<u>324,000.00</u>	<u>80,967.60</u>	<u>6,218.00</u>	<u>74,749.60</u>	92.32%	<u>5,802.67</u>	<u>(415.33)</u>	-7.16%
10	Excess of Revenues over Expenditures	<u>392.64</u>	<u>98.10</u>	<u>77,144.10</u>	<u>(77,046.00)</u>		<u>74,502.64</u>	<u>(2,641.46)</u>	
<b><u>Debt Service Fund</u></b>									
<u>Revenues</u>									
11	Property Taxes	1,059,325.00	264,725.31	610,249.32	(345,524.01)		667,959.99	57,710.67	
12	Interest Income	955.56	238.77	541.51	(302.74)		308.83	(232.68)	
13	Transfer Income	-	-	-	-		-	-	
14	Total Revenues	<u>1,060,280.56</u>	<u>264,964.08</u>	<u>610,790.83</u>	<u>(345,826.75)</u>	-130.52%	<u>668,268.82</u>	<u>57,477.99</u>	8.60%
<u>Expenditures</u>									
15	Other	60.00	14.97	-	14.97		-	-	
16	Debt Service	1,060,220.56	264,949.05	238.89	264,710.16		19,542.36	19,303.47	
17	Total Expenditures	<u>1,060,280.56</u>	<u>264,964.02</u>	<u>238.89</u>	<u>264,725.13</u>	99.91%	<u>19,542.36</u>	<u>19,303.47</u>	98.78%
18	Excess of Revenues over Expenditures	<u>-</u>	<u>0.06</u>	<u>610,551.94</u>	<u>(610,551.88)</u>		<u>648,726.46</u>	<u>38,174.52</u>	