

CITY OF



# PORT ANGELES

WASHINGTON, U. S. A.

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## CITY COUNCIL MEMO

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**DATE:** May 25, 2017

**TO:** **Members of the City Council**  
**Dan McKeen, City Manager**

**FROM:** **Cindy Jensen, Interim Director of Finance**

**SUBJECT:** **2017 1st Quarter Budget Status Report**

I am pleased to submit for your review the City of Port Angeles' 2017 1st Quarter Budget Status Report showing 2017 actual numbers through March 31 compared to budgeted revenues and expenditures for all City funds. Historical actuals for 2015 and 2016 through March 31 are included for reference.

Overall, the City budget is performing as expected.

This report is summarized by type of fund, and incorporates a Financial Monitoring System presentation. Information is reported by functional type, in the following order:

- **Performance at a Glance - Financial Monitoring System**
- **City-Wide Overview**
- **General Fund Revenue Analysis**
- **General Fund Expenditure Analysis**
- **Other Funds Analysis**
- **Top 10 Capital Project List**
- **Exhibits** – Fund detail that supports the summaries:
  - **Exhibit I** – Special Revenue/Enterprise Operating Funds
  - **Exhibit II** – Capital Improvement Funds
  - **Exhibit III** – Internal Service and Other Funds
  - **Exhibit IV** – General Obligation Bond Redemption Funds

Beginning Fund Balances for 2017 that are noted to be “actual” are based on the results of operations in 2016, and will likely differ from the budgeted or estimated beginning fund balances. These are still considered preliminary because they are under review in the annual audit, but we do not anticipate any material changes to these amounts.

## PERFORMANCE AT A GLANCE

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	<b>STATUS</b>	<b>PAGE</b>
<b>General Fund</b>		
Revenues	NORMAL	4-6
Expenditures	NORMAL	7-8
<b>Other Funds</b>	NORMAL	9-10
<b>Top 10 Capital Projects</b>	NORMAL	11
<b>Exhibits</b>		
Special Revenue/Enterprise Operating Funds <sup>(1)</sup>	NORMAL	12
Capital Improvement Funds <sup>(1)</sup>	NORMAL	13
Internal Service, Trust & Agency Funds <sup>(1)</sup>	NORMAL	14
General Obligation Bond Redemption Funds <sup>(1)</sup>	NORMAL	14

Legend:

Revenues exceed budget >5%, Expenditures below budget >5%

Revenues within budget + or - 3%, Expenditures within budget + or - 3%

Revenues below budget between 3-5%, Expenditures above budget between 3-5%

Revenues below budget >5%, Expenditures above budget >5%

<b>POSITIVE</b>
<b>NORMAL</b>
<b>WARNING</b>
<b>NEGATIVE</b>

(1) These funds are graded on a Net Revenue measurement.

**Note:** These “tags” are intended to be an early warning system for revenues not coming in according to budget, or expenditures ultimately exceeding budget. If a variance is based on the timing of either the revenue or expenditure, the tags are being kept as “normal” if we still anticipate that the full year activity will be within 3% of budget.

The First Budget Amendment is not included in this analysis, as it wasn’t passed by Council until early May. It will be incorporated in the 2<sup>nd</sup> quarter report.

## CITY-WIDE OVERVIEW

### REVENUE COMPARISON (History and Budget vs. Actual)

	2015	2016	2017		
	1st Qtr Actual	1st Qtr Actual	Adopted Budget	1st Qtr Actual	Percent Rec'd
General Fund	\$ 3,803,971	\$ 3,883,832	\$ 20,324,100	\$ 4,065,368	20.0%
Special Revenue Funds	1,265,146	1,151,794	5,654,250	1,098,010	19.4%
Utility/Enterprise Operating Funds	14,797,188	15,594,104	63,417,250	18,502,772	29.2%
General Gov Capital Funds	110,845	50,070	2,857,700	205,194	7.2%
Utility Capital Funds	840,476	1,944,583	6,023,500	775,323	12.9%
G.O. Bond Redemption Funds	374,851	158,827	642,200	161,634	25.2%
Internal Service Funds	2,440,597	2,272,995	10,503,100	2,444,076	23.3%
Trust and Agency Funds	5,467	5,368	26,600	1,234	4.6%
<b>Total</b>	<u>\$ 23,638,541</u>	<u>\$ 25,061,573</u>	<u>\$ 109,448,700</u>	<u>\$ 27,253,611</u>	24.9%

### EXPENDITURE COMPARISON (History and Budget vs. Actual)

	2015	2016	2017		
	1st Qtr Actual	1st Qtr Actual	Adopted Budget	1st Qtr Actual	Percent Spent
General Fund	\$ 4,484,651	\$ 5,013,265	\$ 20,577,900	\$ 4,915,295	23.9%
Special Revenue Funds	1,450,145	1,405,604	6,695,800	1,155,066	17.3%
Utility/Enterprise Operating Funds	14,232,058	13,433,672	63,611,750	14,483,945	22.8%
General Gov Capital Funds	237,233	44,925	2,997,900	373,349	12.5%
Utility Capital Funds	897,630	3,603,871	7,128,300	494,137	6.9%
GO Bond Redemption Funds	89,077	61,245	666,600	67,403	10.1%
Internal Service Funds	3,001,454	2,180,484	11,735,000	2,356,710	20.1%
Trust and Agency Funds	24,144	12,990	62,600	39,590	63.2%
<b>Total</b>	<u>\$24,416,392</u>	<u>\$ 25,756,056</u>	<u>\$ 113,475,850</u>	<u>\$23,885,495</u>	21.0%

## GENERAL FUND REVENUE ANALYSIS

### GENERAL FUND REVENUES

	Revenues through 3/31			2017	Percent Received	Status
	2015	2016	2017	Adopted Budget		
Property Tax	\$ 122,142	\$ 72,789	\$ 194,251	\$ 4,503,400	4.3%	NORMAL
General Sales Tax	676,232	811,638	796,856	3,167,400	25.2%	NORMAL
Sales Tax-EUGA Shared	35,147	34,079	-	131,000	0.0%	NORMAL
Sales Tax-Criminal Justice	59,127	63,926	68,364	251,100	27.2%	NORMAL
Utility Tax-Electric	541,701	571,701	560,251	1,941,900	28.9%	NORMAL
Utility Tax-Water	130,293	130,687	149,586	628,600	23.8%	NORMAL
Utility Tax-Wastewater	182,033	193,446	214,695	865,100	24.8%	NORMAL
Utility Tax-Solid Waste	204,746	204,023	232,491	833,400	27.9%	NORMAL
Utility Tax-Stormwater	3,034	2,486	7,090	159,600	4.4%	NORMAL
Utility Tax-Telephone	12,295	1,944	36,794	365,400	10.1%	NORMAL
Other Taxes	50,343	50,882	44,382	234,500	18.9%	NORMAL
Subtotal-Taxes	2,017,093	2,137,601	2,304,760	13,081,400	17.6%	NORMAL
Licenses & Permits	92,748	91,221	115,456	526,400	21.9%	NORMAL
Intergovernmental	119,353	124,070	126,397	570,700	22.1%	NORMAL
Charges for Goods/Svcs	1,462,537	1,430,520	1,449,166	5,829,700	24.9%	NORMAL
Fines and Penalties	50,492	14,351	2,253	10,000	22.5%	NORMAL
Other Revenue	61,748	86,069	67,336	305,900	22.0%	NORMAL
<b>Total Revenue</b>	3,803,971	3,883,832	4,065,368	20,324,100	20.0%	NORMAL
Beginning Fund Balance	4,910,849	5,777,237	6,089,106	5,276,337		
<b>Total Resources</b>	<u>\$8,714,820</u>	<u>\$9,661,069</u>	<u>\$10,154,474</u>	<u>\$25,600,437</u>	39.7%	NORMAL

**Property Tax** – The first half of the Property Tax assessment is due to the Clallam County Treasurer by April 30, and the second half is due October 31. Therefore, the first quarter receipts are typically below 10% of the annual budget due to timing of property tax payments. This major revenue should meet or slightly exceed budget by year end.

**Sales Tax** – In both 2015 and 2016, the City experienced a significant increase in sales tax, primarily due to four major construction projects. Because many of the projects are completed or nearly completed, the 2017 budget was set to be about 10% lower than 2016 actual results, and about 2.4% lower than 2015. The City no longer is seeing the major increase in construction based sales tax. However, non-construction related tax has seen growth. The City receives sales tax on a two-month lag from the State so this amount represents tax on sales made in November and December 2016, and January 2017. Historically, sales tax is somewhat seasonal in nature, starting more slowly in the beginning of the year and increasing in the second half of the year as tourism picks up in the summer. Through the 1<sup>st</sup> quarter, this major revenue source is 1.8% less than the prior year, but still within the budget parameters. The **Eastern Urban Growth Area (EUGA) Sales Tax** is received from Clallam County quarterly. The first quarter distribution in the amount of \$48,038 was received on April 3, and so not included in 1<sup>st</sup> quarter activity.

**Utility and Franchise Taxes** –Year to date the City has collected \$1,200,907 or 25.1% of the total budget of \$4,794,000. Contributing factors for this category include weather conditions through the first three months of the year. The electric utility tax budget is being reduced by \$315,500 in the first budget amendment in order to accommodate the recent mill closure. Because of the uncertainty surrounding the electricity consumption at the mill, the electric utility tax will continue to be closely monitored, however, the City is in a good fiscal position to weather this storm. Stormwater is billed by the County, so its collection rate is also tied to the property tax payment calendar. Telephone tax also experiences a timing difference, as many of the 1<sup>st</sup> quarter collections are accrued back to the prior year. Because of the trend in the industry to drop land lines and use more data than voice communications the telephone tax budget was reduced for 2017.

**Other Taxes** – This category consists primarily of Leasehold Excise Tax, Commercial Parking Tax and Gambling Taxes. Gambling taxes are paid quarterly after the quarter is over, so this account has very little actual in the first quarter. Commercial Parking Tax also has an accrual timing difference, along with a seasonal component. We anticipate the current variance to be a timing difference, and therefore, consider these accounts normal in the 1<sup>st</sup> quarter.

**Licenses and Permits** – This category is typically slower in the cold winter months and picks up when the weather improves. One quarter of information is not enough time to see a clear trend, but for now, the slightly negative variance is considered a timing difference, and still ranked as normal, partly because the 1<sup>st</sup> quarter is an improvement over both 2015 and 2016 levels.

**Intergovernmental** – This category includes both State Shared Revenue that comes in quarterly, and other activity related grants. The activity based grants (i.e. COPS and Homeland Security) have not been billed for 1<sup>st</sup> quarter activity, so the slightly negative variance for this category is a timing difference, and considered normal.

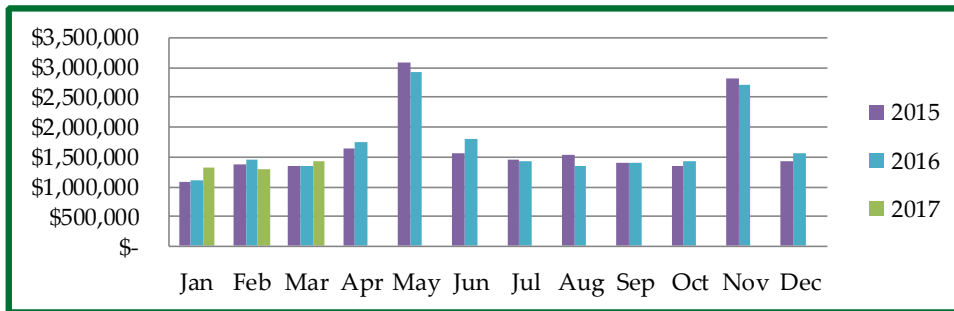
**Other Revenue** – This category consists primarily of interest earnings, lease/rental revenue, sale of assets, and operating transfers into General Fund. There is nothing of concern in this category in the 1<sup>st</sup> quarter.

**General Fund Beginning Fund Balance** – This represents the unassigned General Fund reserve balance, which is available for general governmental use. This balance changes by the amount revenue exceeds (or is below) expenditures at the end of each year. In a conservative budget environment, revenues often come in better than estimated while expenditures are less than budget, resulting in an increase in fund balance. In 2015 and 2016, the increased sales tax from the major construction projects in the community pushed revenues higher, adding to the fund balance in those years. Council policy is to maintain the General Fund balance at 25% of the current year General Fund expenditures. The actual beginning 2017 reserve balance is \$6,089,186, which is 29.6% of the adopted 2017 budget, exceeding the policy. Council and the City Manager worked together to determine one-time uses for these additional funds which were included in the first budget amendment in May. Because of the uncertainty surrounding the mill closure, which could affect tax collections through 2018, we are also targeting to maintain a higher level of reserve in these two years to cover potential revenue shortfalls.

**Summary** – Overall, General Fund revenues are up by about \$181,000 or 4.7% over 2016 through the 1<sup>st</sup> quarter. The 2017 revenue budget was set conservatively. The 2016 actual revenues came in at \$20,256,906, so the 2017 budget only exceeds prior year actual by \$67,194 or 0.3%. When \$315,500 is removed from the electric utility tax by the first budget amendment, the current 2017 budget will be less than prior year actual by \$248,306. So with a good start to the year, we are still anticipating year end to meet the budget within the 3% range which maintains the “normal” ranking.

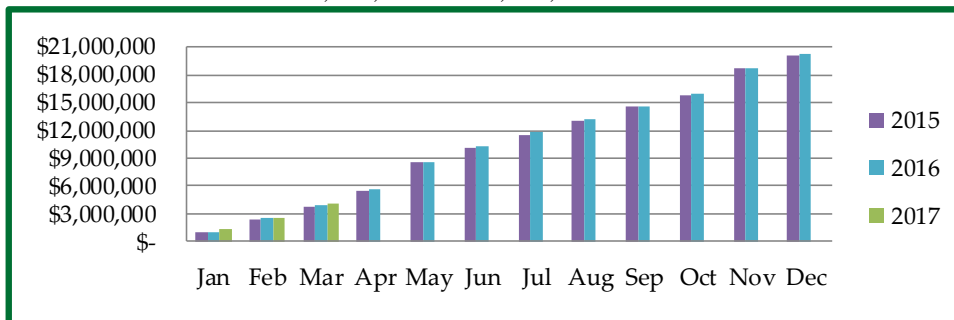
### GENERAL FUND REVENUES - By Month

	<u>2015</u>	<u>2016</u>	<u>2017</u>
Jan	\$ 1,080,176	\$ 1,099,706	\$ 1,328,032
Feb	1,384,149	1,446,574	1,306,608
Mar	1,339,645	1,337,554	1,430,726
Apr	1,641,934	1,758,674	-
May	3,097,484	2,922,420	-
Jun	1,566,391	1,805,481	-
Jul	1,443,414	1,416,752	-
Aug	1,545,211	1,353,715	-
Sep	1,402,034	1,394,089	-
Oct	1,359,094	1,428,564	-
Nov	2,816,254	2,722,487	-
Dec	<u>1,415,076</u>	<u>1,570,890</u>	<u>-</u>
	\$ 20,090,862	\$ 20,256,906	\$ 4,065,366



### GENERAL FUND REVENUES - Cumulative By Month

	<u>2015</u>	<u>2016</u>	<u>2017</u>
Jan	\$ 1,080,176	\$ 1,099,706	\$ 1,328,032
Feb	2,464,325	2,546,280	2,634,640
Mar	3,803,970	3,883,834	4,065,366
Apr	5,445,904	5,642,508	
May	8,543,388	8,564,928	
Jun	10,109,779	10,370,409	
Jul	11,553,193	11,787,161	
Aug	13,098,404	13,140,876	
Sep	14,500,438	14,534,965	
Oct	15,859,532	15,963,529	
Nov	18,675,786	18,686,016	
Dec	<u>20,090,862</u>	<u>20,256,906</u>	



# GENERAL FUND EXPENDITURE ANALYSIS

## GENERAL FUND EXPENDITURES

By Department	Expenditures through 3/31			2017		Status
	2015	2016	2017	Adopted Budget	Percent Spent	
	Police	\$1,170,579	\$1,456,316	\$1,323,575	\$ 5,379,300	
Parks & Recreation	711,097	806,967	798,036	3,376,900	23.6%	NORMAL
Finance	577,052	631,886	753,084	2,824,200	26.7%	NORMAL
Public Works	679,333	774,540	542,276	2,843,500	19.1%	NORMAL
Fire	617,910	638,352	741,777	2,813,300	26.4%	NORMAL
Legal	357,116	330,858	393,502	1,315,300	29.9%	NORMAL
City Mgr/Clerk/HR	167,049	182,879	180,056	999,500	18.0%	NORMAL
Community Development	176,444	175,976	169,645	888,100	19.1%	NORMAL
City Council	15,199	15,491	13,344	71,600	18.6%	NORMAL
Non-Departmental	12,872	-	-	66,200	0.0%	NORMAL
<b>Total General Fund</b>	<b>\$4,484,651</b>	<b>\$5,013,265</b>	<b>\$4,915,295</b>	<b>\$20,577,900</b>	<b>23.9%</b>	<b>NORMAL</b>

By Category	Expenditures through 3/31			2017		Status
	2015	2016	2017	Adopted Budget	Percent Spent	
	Salaries & Wages	\$2,201,986	\$2,593,847	\$2,299,237	\$ 9,236,400	
Personnel Benefits	911,946	960,583	827,666	4,020,100	20.6%	NORMAL
Supplies	118,686	156,580	159,856	696,500	23.0%	NORMAL
Services	665,562	766,388	880,854	3,678,600	23.9%	NORMAL
Intergov/Interfund Trsfrs	585,659	533,606	738,555	2,945,800	25.1%	NORMAL
Capital Outlay	-	-	-	-	-	NORMAL
Interfund Pmts for Svcs	812	2,261	9,127	500		NORMAL
<b>Total General Fund</b>	<b>\$4,484,651</b>	<b>\$5,013,265</b>	<b>\$4,915,295</b>	<b>\$20,577,900</b>	<b>23.9%</b>	<b>NORMAL</b>

**Total General Fund Expenditures – 1.1% Below 25%**

**NORMAL**

Overall, General Fund expenditures are within expectations for first quarter activity. Most of both the positive and negative variances are due to timing differences. With the 2018 budget process gearing up, all areas will be reviewed as year-end estimates are developed.

## SIGNIFICANT EXPENDITURE VARIANCES

Some operations in the General Fund area have seasonal expenditures, which result in negative timing variances in the first quarter. For example, Parks and Recreation and Community Development have lower program activity in the first quarter, and pick up through the end of the year. However, since the total General Fund budget is about 64% salaries and related benefits, many variances are tied to personnel – i.e. position vacancies.

**The following explains why some areas are receiving a Normal designation even though they may be over/under 25% in first quarter:**

- **Finance** – The former Finance Director received a cashout of accrued leave upon his resignation in March. Typically, cashouts may be “recouped” when the position remains vacant during the recruitment process. Since the City is backfilling that duty with an interim, it is unlikely that the full amount will be saved by the position remaining vacant, but the Finance Department is making other plans to stay within their total annual budget. This will be further analyzed as the year goes on.
- **Public Works** – This budget is below the 25 percent mark because the City Engineer position remained unfilled for the entire 1<sup>st</sup> quarter, coupled with contracts and equipment purchases included in the budget which are still in the negotiation/research stages.
- **Fire** – The negotiation with the Washington Surveying and Rating Bureau to avoid a downgrade in the City’s fire insurance rating resulted in a solution that requires additional overtime which is pushing this budget over 25% at the end of the first quarter. This budget will also be revisited in conjunction with Council’s recent approval of the addition of four Firefighter/EMTs and the resulting increase in the Medic 1 utility rates.
- **Legal** – This division is over budget through the end of the first quarter as there were four payments of the monthly contracted amount to the County for prosecution and jail services, because the April payment was processed in March to meet the due date. This one contract makes up almost 2/3 of the Legal budget, and the variance is only a payment timing issue.
- **City Manager/ City Clerk/ Human Resources** – The Records Management position was vacant for the first quarter. Additionally, this budget includes a capital contribution of \$150,000 for the records management computer system which has not yet been transferred. These two factors combined are causing this budget to be underspent through the 1<sup>st</sup> quarter.
- **Community Development** – This area is underspent in the first quarter primarily because of timing of contracted services. This budget contains the Comprehensive Plan update, the Hearings Examiner, the Façade Improvement program, and other economic development initiatives. Most of these programs are in early stages of development in the first quarter, but are expected to be fully utilized throughout the rest of the year.
- **City Council** – Travel for Association of Washington Cities (AWC) events and other meetings and training is well below the total annual budget for this activity in the first quarter.



## OTHER FUNDS ANALYSIS

### OTHER FUNDS REVENUES

	Revenues through 3/31			2017 Adopted Budget	Percent Rec'd	Status
	2015	2016	2017			
Special Revenue	\$ 1,265,146	\$ 1,151,794	\$ 1,098,010	\$ 5,654,250	19.4%	NORMAL
Utility/Enterprise Operating	14,797,188	15,594,104	18,502,772	63,417,250	29.2%	NORMAL
General Government Capital	110,845	50,070	205,194	2,857,700	7.2%	NORMAL
Utility Capital	840,476	1,944,583	775,323	6,023,500	12.9%	NORMAL
G.O. Bond Redemption	374,851	158,827	161,634	642,200	25.2%	NORMAL
Internal Service	2,440,597	2,272,995	2,444,076	10,503,100	23.3%	NORMAL
Trust and Agency	5,467	5,368	1,234	26,600	4.6%	NORMAL
<b>Total Revenue</b>	<u>19,834,570</u>	<u>21,177,741</u>	<u>23,188,243</u>	<u>89,124,600</u>	26.0%	NORMAL
Beginning Fund Balance	64,264,677	60,586,676	48,987,034	50,314,564		
<b>Total Resources</b>	<u>\$ 84,099,247</u>	<u>\$ 81,764,417</u>	<u>\$ 72,175,277</u>	<u>\$ 139,439,164</u>	51.8%	NORMAL

### OTHER FUNDS EXPENDITURES

	Expenditures through 3/31			2017 Adopted Budget	Percent Spent	Status
	2015	2016	2017			
Special Revenue	\$ 1,450,145	\$ 1,405,604	\$ 1,155,066	\$ 6,695,800	17.3%	NORMAL
Utility/Enterprise Operating	14,232,058	13,433,672	14,483,945	63,611,750	22.8%	NORMAL
General Government Capital	237,233	44,925	373,349	2,997,900	12.5%	NORMAL
Utility Capital	897,630	3,603,871	494,137	7,128,300	6.9%	NORMAL
G.O. Bond Redemption	89,077	61,245	67,403	666,600	10.1%	NORMAL
Internal Service	3,001,454	2,180,484	2,356,710	11,735,000	20.1%	NORMAL
Trust and Agency	24,144	12,990	39,590	62,600	63.2%	NEGATIVE
<b>Total Expenditures</b>	<u>\$ 19,931,741</u>	<u>\$ 20,742,791</u>	<u>\$ 18,970,200</u>	<u>\$ 92,897,950</u>	20.4%	NORMAL

First quarter results are performing as expected. Most variances at this time of the year are related to timing, which is why they are getting a Normal status. The one negative designation is the result of a significant ongoing medical claim in the Firemen's Pension Fund. This will be addressed in the second budget amendment. Exhibits showing the revenue and expenditures actual compared to budget by fund are included at the end of this report.

Many **Special Revenue Funds** have a seasonal component, and are not as active in the winter months. Revenue examples include Real Estate Taxes and Lodging Taxes which are under collected at the end of the 1<sup>st</sup> quarter. The Housing Authority projects also are typically not as active in the winter months. Capital purchases are mostly under budget in the first quarter and projects are in various stages of completion, as construction activity often slows in the winter months.

**Utility/Enterprise Operating Funds** also have seasonal components. The Electric Utility's highest quarter is typically the 1<sup>st</sup> quarter because of inclement weather, while Water and Wastewater usage increases during the summer months. The Stormwater Fund relies on a charge that is included on the County property tax billing for its revenue, so its revenue is less than 10% received, which in turn reduces the taxes that are tied to revenue generation, so that expenditures are only at 14.4% spent through the first quarter.

The Harbor Clean-up and Conservation funds' budgets have projects that did not have much activity in the first quarter. As is typical with grant-funded or insurance reimbursed programs, the expenditures have to be made before we can be reimbursed.

**Capital Fund** budgets include annual project costs, and are not often not 100% completed in the current year. The prior few years had significant projects (i.e. the Landfill Cell Stabilization, and Combined Sewer Overflow) that are now complete. Generally, the City is stepping back to allow capital reserves to rebuild before engaging in significant projects. Therefore, spending has decreased compared to previous years. The first budget amendment included several modifications to the adopted capital budget, in conjunction with updates to the Capital Facilities Plan, either because of the carryforward of projects in process at 2016 year end, or better information for cost estimates of planned projects. A listing of the top ten budgeted projects (after the amendment) and their first quarter expenses follow in the next section of the report.

Revenues in **Bond Redemption Funds** are deposited/transferred steadily throughout the year, but the bulk of debt service payments are made in the second and last quarters.

**Internal Service Funds** collect revenue monthly from all the other funds, while the capital components of Equipment Rental and Information Technology purchases are typically ordered, but not yet received, contributing to expenditures being underspent in the 1<sup>st</sup> quarter.

**Trust and Agency Funds** include the the Firemen's Pension Fund which has a major revenue source of state fire insurance premiums which are received in the 2<sup>nd</sup> quarter—the negative revenue variance is a timing issue. Expenditures are over budget in the Firemen's Pension Fund due to long-term medical expenses that have occurred. The City is mandated to pay these costs, therefore, a budget amendment will be required for the remainder of 2017. This category is receiving a negative rating because it is exceeding the projected expenditure budget by more than 5%, and shows a trend of increasing expenditures throughout the year. This fund will be closely monitored and addressed as warranted throughout the year.

## TOP 10 CAPITAL PROJECTS

Because of a few major changes made in project budgets as a result of the completion of the Capital Facilities Plan which considered the extent project budgets were carried forward from 2016, this table presents the top 10 projects after the first budget amendment was approved. These 10 projects consist of individual projects \$250,000 or greater in the 2017 budget as amended by Council on May 2, 2017:

<u>Project Number/Description</u>	<u>Dept</u>	<u>2017 Amended Budget</u>	<u>Actual 2017 Expended</u>	<u>Funding Source</u>	<u>Expected Completion</u>
WW0205 Biosolids Dewatering & Reuse	WW	\$ 1,435,000	\$ 52,275	Charges for Services Capital Reserves	FY 2017/18
CAPES Jet Truck Replacement #1649	ER	510,000	-	Equipment Replacement Contributions/reserves	FY 2017
CL0916 "A" Street Substation Switchgear	EL	500,000	-	Charges for Services Capital Reserves	FY 2017/18
CL0816 Laurel St Transformer Switchgear	EL	500,000	-	Charges for Services Capital Reserves	FY 2017/18
TR0209 Race Street Design	ST	472,300	-	Grants and REET	FY 2017
DR0213 "H" St Stormwater Outfall Improvements	DR	400,000	7,164	Charges for Services Capital Reserves	FY 2017/18
PK1106 City Pier Floats Construction	PK	365,000	-	Grants \$269,000 REET - \$96,000	FY 2017
CAPES 10 yd Rolloff Dump Truck/Hook Replacement	ER	325,000	-	Equipment Replacement Contributions/reserves	FY 2017
IT0114 Network Data and Voice	IT	250,000	243,600	Charges for Services	FY 2017
IT0913 iSeries Sungard System Upgrade/ HA Redundancy	IT	250,000	-	Charges for Services	FY 2017
		<u>\$ 5,007,300</u>	<u>\$ 303,039</u>		

Department Legend:

PK - Parks Capital  
ST - Street Improvement  
EL- Electric Capital  
DR - Stormwater Capital

WW - Wastewater Capital  
CSO - Combined Sewer Overflow  
ER - Equipment Rental Replacement  
IT - Information Technology Int. Service Fund

# EXHIBITS

Exhibit I

## SPECIAL REVENUE AND ENTERPRISE OPERATING FUNDS

Fund	Actual	Revenues			Appropriations			Ending
	Beg Bal 01/01/17	Adopted Budget	Actual Revenue	% Rec'd	Adopted Budget	Actual Exp	% Exp'd	Balance 03/31/17
<b>Special Revenue Funds</b>								
Lodging Excise Tax	\$ 679,594	\$ 565,000	\$ 69,507	12.3%	\$ 895,500	\$ 167,393	18.7%	\$ 581,708
Street	800,920	1,557,800	343,511	22.1%	1,909,100	413,255	21.6%	731,176
Real Estate Excise Tax #1	552,358	173,000	24,717	14.3%	277,700	4,528	1.6%	572,547
PenCom	630,072	2,641,450	631,932	23.9%	2,735,100	569,890	20.8%	692,114
Real Estate Excise Tax #2	319,940	173,000	23,161	13.4%	83,700	-	0.0%	343,101
Housing Rehab Project	324,638	544,000	5,182	1.0%	794,700	-	0.0%	329,820
<b>Total Special Revenue Funds</b>	<u>\$ 3,307,522</u>	<u>\$ 5,654,250</u>	<u>\$ 1,098,010</u>	19.4%	<u>\$ 6,695,800</u>	<u>\$ 1,155,066</u>	17.3%	<u>\$ 3,250,466</u>
<b>Enterprise Operating Funds</b>								
Electric Utility	7,578,224	32,364,850	9,574,279	29.6%	30,133,650	5,876,402	19.5%	11,276,101
Water Utility	7,991,678	6,324,100	1,457,839	23.1%	7,665,500	1,258,825	16.4%	8,190,692
Wastewater Utility	797,252	6,998,500	1,603,666	22.9%	7,198,300	1,289,929	17.9%	1,110,989
Solid Waster Utility	355,781	11,229,600	5,028,055	44.8%	11,303,700	4,889,602	43.3%	494,234
Stormwater Utility	556,687	2,005,100	90,857	4.5%	2,057,500	296,728	14.4%	350,816
Medic 1 Utility	322,009	2,517,200	633,190	25.2%	2,587,700	572,388	22.1%	382,811
Harbor Clean-up	706,384	1,067,900	15,705	1.5%	1,436,400	154,414	10.8%	567,675
Conservation	1,234,796	910,000	99,181	10.9%	1,229,000	145,657	11.9%	1,188,320
<b>Total Enterprise Op Funds</b>	<u>\$ 19,542,811</u>	<u>\$ 63,417,250</u>	<u>\$ 18,502,772</u>	29.2%	<u>\$ 63,611,750</u>	<u>\$ 14,483,945</u>	22.8%	<u>\$ 23,561,638</u>

## CAPITAL IMPROVEMENT FUNDS

Fund	Actual	Revenues			Appropriations			Ending
	Beg Bal 01/01/17	Adopted Budget	Actual Revenue	% Rec'd	Adopted Budget	Actual Exp	% Exp'd	Balance 03/31/17
<b>General Gov Capital</b>								
Capital Imp. Fund-Finance		\$ 17,000	\$ 5,557	32.7%	\$ -	\$ -		
Capital Imp. Fund-Public Safety		316,000	198,008	n/a	319,000	237,174	74.3%	
Capital Imp. Fund-Public Works		2,140,100	-	n/a	2,073,900	1,785	n/a	
Capital Imp. Fund-Parks & Rec.		380,000	-	0.0%	605,000	134,390	22.2%	
<b>Subtotal-Govnl Capital Imp</b>	1,925,713	2,853,100	203,565	7.1%	2,997,900	373,349	12.5%	1,755,929
Lincoln Park Improvement	210,008	4,600	1,629	35.4%	-	-		211,637
<b>Total General Gov Capital</b>	<u>\$ 2,135,721</u>	<u>\$ 2,857,700</u>	<u>\$ 205,194</u>	7.2%	<u>\$ 2,997,900</u>	<u>\$ 373,349</u>	12.5%	<u>\$ 1,967,566</u>
<b>Enterprise Fund Capital</b>								
Electric Utility Capital	4,331,836	625,000	-	0.0%	1,300,000	129,997	10.0%	4,201,839
Water Utility Capital	3,524,251	1,430,000	-	0.0%	589,200	-	n/a	3,524,251
Wastewater Utility Capital	3,730,862	955,000	-	0.0%	1,757,000	42,261	2.4%	3,688,601
Solid Waste Trsfr Stn Capital	2,036,818	375,500	217,430	57.9%	870,500	39,189	4.5%	2,215,059
Stormwater Utility Capital	1,268,305	400,000	-		460,000	-		1,268,305
CSO Capital Fund	1,584,044	2,238,000	557,893	24.9%	2,151,600	282,690	13.1%	1,859,247
<b>Total Enterprise Fund Capital</b>	<u>\$ 16,476,116</u>	<u>\$ 6,023,500</u>	<u>\$ 775,323</u>	12.9%	<u>\$ 7,128,300</u>	<u>\$ 494,137</u>	6.9%	<u>\$ 16,757,302</u>

Exhibit III

**INTERNAL SERVICE AND OTHER FUNDS**

Fund	Actual	Revenues			Appropriations			Ending
	Beg Bal 01/01/17	Adopted Budget	Actual Revenue	% Rec'd	Adopted Budget	Actual Exp	% Exp'd	Balance 03/31/17
<b>Internal Service Funds</b>								
Equipment Services	\$ 4,182,212	\$ 1,809,200	\$ 473,710	26.2%	\$ 2,952,100	\$ 295,036	10.0%	\$ 4,360,886
Information Technology	627,003	3,038,400	606,730	20.0%	3,127,400	433,238	13.9%	800,495
Self-Insurance	1,150,215	5,655,500	1,363,636	24.1%	5,655,500	1,628,436	28.8%	885,415
<b>Total Internal Service</b>	<u>\$ 5,959,430</u>	<u>\$ 10,503,100</u>	<u>\$ 2,444,076</u>	23.3%	<u>\$ 11,735,000</u>	<u>\$ 2,356,710</u>	20.1%	<u>\$ 6,046,796</u>
<b>Trust and Agency Funds</b>								
Cemetery Endowment Trust	\$ 392,419	\$ 2,700	\$ 1,175	43.5%	\$ -			\$ 393,594
Firemen's Pension	373,402	23,900	59	0.2%	62,600	39,590	63.2%	333,871
<b>Total Other Funds</b>	<u>\$ 765,821</u>	<u>\$ 26,600</u>	<u>\$ 1,234</u>	4.6%	<u>\$ 62,600</u>	<u>\$ 39,590</u>	63.2%	<u>\$ 727,465</u>

Exhibit IV

**GENERAL OBLIGATION BOND REDEMPTION FUNDS**

Fund	Actual	Revenues			Appropriations			Ending
	Beg Bal 01/01/17	Adopted Budget	Actual Revenue	% Rec'd	Adopted Budget	Actual Exp	% Exp'd	Balance 03/31/17
<b>GO Bond Redemption</b>								
2006 Property Acquisition	\$ 630,094	\$ 60,900	\$ 16,044	26.3%	\$ 87,000	\$ 43,445	n/a	\$ 602,693
2014 LTGO Solid Waste	159,655	345,200	86,632	25.1%	344,200	-	0.0%	246,287
2015 LTGO Refunding	9,864	236,100	58,958	25.0%	235,400	23,958	10.2%	44,864
<b>Total G.O. Bond Redemption</b>	<u>\$ 799,613</u>	<u>\$ 642,200</u>	<u>\$ 161,634</u>	25.2%	<u>\$ 666,600</u>	<u>\$ 67,403</u>	10.1%	<u>\$ 893,844</u>