



STAFF REPORT
FINANCIAL STATEMENTS UPDATE
SEPTEMBER 10, 2018

Topic: FY 2019 Monthly Financial Statement Update

From: Bobby Fitts, Finance Director
Prepared by: Bobby Fitts, Finance Director
Approved by: Joseph M. Moore II, PE, Town Manager

Executive Summary:

The attached financials are for Board of Commissioners review only. See discussion below for details on statements.

Background:

The attached financials are a summary of revenues and expenditures to date. These are provided to keep the Board informed, on a monthly basis, of how revenues and expenditures are trending throughout the year.

Information:

These financial statements are through August 27, 2018. We've received eleven months of sales tax and three quarterly distributions of utilities sales in FY 2018. These revenues for FY 2019 will not be received until starting in October. As usual, the majority of property taxes will be received later in the year as well (November – December). See notes below for analysis on those and other revenues.

For FY 2019, approximately 8 weeks in to the new year, the Town has spent about 23% (approximately \$3,290,000) of its General Fund budget of \$14,319,209. It is too early in the year to discuss trends in revenues or expenditures. It is important to note some larger early year expenditures – payment has been made on the ladder and pumper trucks totaling approximately \$1.6 million as well as some other capital expenditures in Police (vehicles and radios totaling \$147,000) and Sanitation (the knuckleboom purchase and debt service payments totaling \$223,000). This is why these departments have disproportionate amounts of percent of budget spent at this early point in the year. Some discussion on some early revenue activity such as zoning fees and property taxes are below. The revenue and expenditure statements are included for your review.

A few highlights to date include:

Sales Tax

- Sales taxes collected in May 2018 were received and were 13.2% (\$10,881) more than the distribution received for the same period in FY 2017.
- For the first eleven months of FY 2018 they are 4.81% (\$43,291) ahead of FY 2017.
- Article 39 receipts, proceeds returned to the county of origin, were 9.72% (\$3,727) more than the distribution received for the same period in FY 2017.
- Article 39 totals are ahead of last year's year-to-date total for the first eleven months by 3.95% (\$16,280). (Ref. attached Sales Tax Collections spreadsheet).



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Utilities Sales Tax (Sales tax on natural gas, electricity, telecommunication services and video programming)

- The fourth and final distribution for FY 2018 (quarter ending June 30, 2018) will be received September 15.
- The first distribution for FY 2019 will not be received until December 15.

Property Tax

- Property taxes collected so far in FY 2019 are approximately \$340,000. This is 5.3% of budgeted revenues (\$6,379,500).
- This is 28% more than what was collected to date in FY 2018 (\$264,900).

Permits & Zoning

- Permit and zoning fees collected to date in FY 2019 are \$7,156.
- This is 7.5% of budgeted revenues (\$95,000) for the year.
- It is about 45% more than what was collected to date in FY 2018 (\$4,920).

Transportation Impact Fees

- Transportation Impact fees collected to date for FY 2019 are \$4,422.
- It is 63% more than what was collected to date in FY 2018 (\$2,718).
- The unaudited balance to date of Transportation Impact fees is \$90,131.
- This revenue is placed into a reserve for current and future transportation projects to be spent within 10 years.

Policy Analysis: N/A

Financial Analysis: Budgeted revenue is \$14,319,209 while year to date revenue collected is \$524,239 (4% of budgeted). As shown in the chart on the Revenue Statement, 71% of year to date revenues come from property taxes.

Staff Recommendation:

No staff recommendation or Board action is necessary. These are informational only.



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Attachments:

1. General Fund Fiscal Year 2019 Expenditure Statement and Revenue Statement
(as of August 27, 2018)
2. Sales Tax – FY 2018

Sales Tax

FY 2018

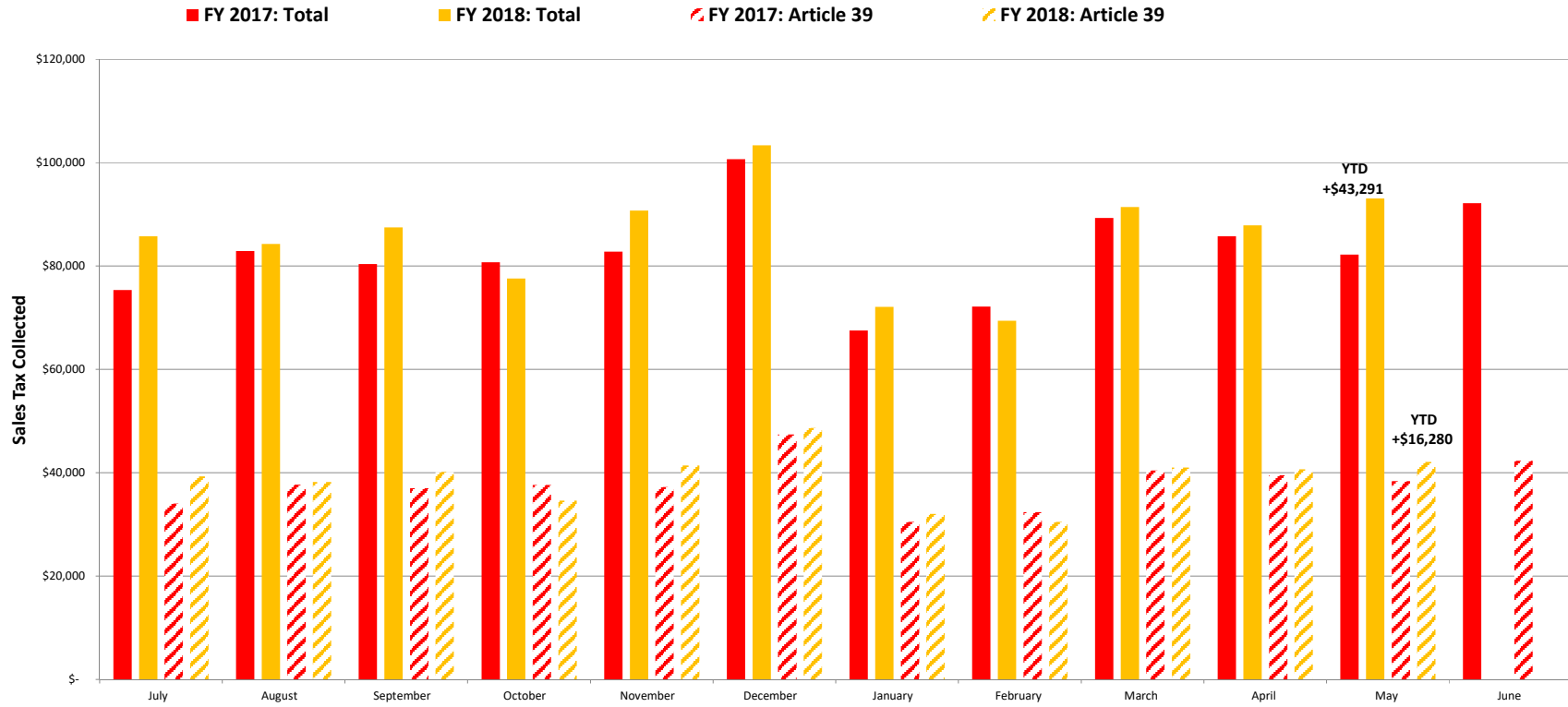
Month	Article 39 (1) *	Article 40 (1/2)	Article 42 (1/2)	Article 44 (1/2)	City Hold Harmless	FY 18 Totals	Prior Year (FY 2017)	% Inc (Dec) from Prior Yr
July	\$ 39,291	\$ 15,388	\$ 19,542	\$ (205)	\$ 11,766	\$ 85,782	\$ 75,359	13.8%
August	38,167	15,189	18,990	0	11,909	84,256	82,879	1.7%
September	40,136	15,606	19,988	(4)	11,763	87,489	80,395	8.8%
October	34,599	14,293	17,203	(11)	11,526	77,610	80,741	-3.9%
November	41,413	16,168	20,614	0	12,527	90,722	82,777	9.6%
December	48,633	17,785	24,242	3	12,695	103,358	100,663	2.7%
January	31,988	13,416	15,916	(1)	10,761	72,080	67,521	6.8%
February	30,459	13,038	15,127	0	10,763	69,386	72,155	-3.8%
March	40,989	16,725	20,435	0	13,270	91,420	89,323	2.3%
April	40,662	15,444	20,227	1	11,559	87,894	85,773	2.5%
May	42,066	16,797	20,917	(6)	13,288	93,063	82,182	13.2%
June	0	0	0	0	0	0	92,134	-100.0%
Total	\$ 428,403	\$ 169,850	\$ 213,201	\$ (221)	\$ 131,826	\$ 943,058	\$ 899,768	4.8%

FY 2017

Month	Article 39 (1) *	Article 40 (1/2)	Article 42 (1/2)	Article 44 (1/2)	City Hold Harmless	FY 17 Totals	Prior Year (FY 2016)	% Inc (Dec) from Prior Yr
July	\$ 34,032	\$ 13,729	\$ 16,935	\$ (44)	\$ 10,707	\$ 75,359	\$ 79,966	-5.8%
August	37,673	14,904	18,698	(1)	11,605	82,879	73,018	13.5%
September	37,017	14,249	18,357	1	10,770	80,395	77,225	4.1%
October	37,651	14,056	18,774	1	10,260	80,741	71,829	12.4%
November	37,238	15,058	18,530	3	11,949	82,777	76,904	7.6%
December	47,416	17,228	23,584	(0)	12,435	100,663	94,836	6.1%
January	30,490	12,323	15,166	0	9,542	67,521	63,979	5.5%
February	32,352	13,225	16,078	1	10,500	72,155	69,330	4.1%
March	40,433	16,157	20,137	1	12,596	89,323	85,422	4.6%
April	39,482	15,199	19,653	1	11,438	85,773	83,877	2.3%
May	38,339	14,221	19,048	1	10,572	82,182	82,551	-0.4%
June	42,330	16,292	21,063	(0)	12,450	92,134	88,447	4.2%
Total	\$ 454,453	\$ 176,640	\$ 226,023	\$ (38)	\$ 134,824	\$ 991,902	\$ 947,384	4.7%

* Net proceeds of the Article 39 tax are returned to the county of origin.

Monthly Summary of Sales Tax Collected



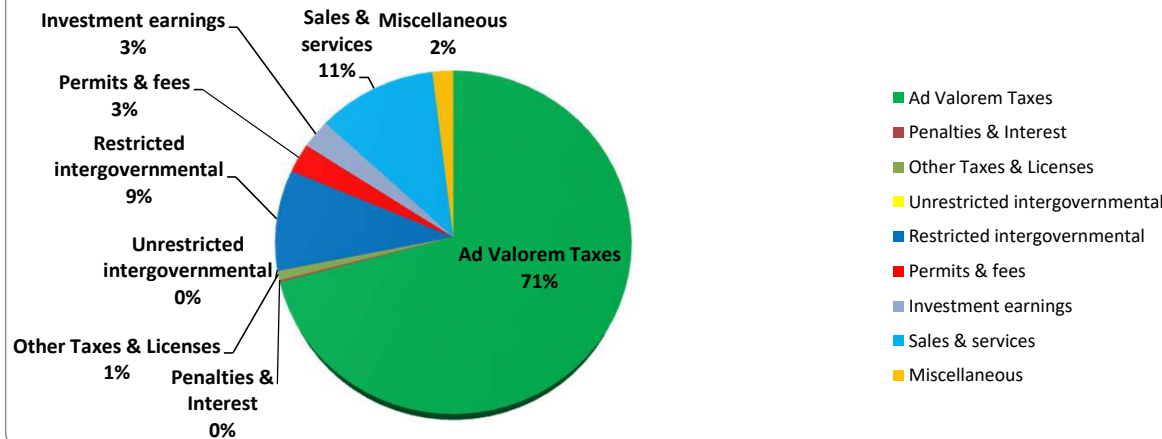


TOWN OF ZEBULON
 Revenue Statement: 2018 - 2019
 for Accounting Period 6/30/2019
 GENERAL FUND

As of 8/27/2018

<u>Revenue Categories</u>	<u>Estimated Revenue</u>	<u>Revenue YTD</u>	<u>% Collected</u>	<u>% of Total Revenue YTD</u>
Ad Valorem Taxes	\$6,433,471	\$371,254	5.8%	70.8%
Penalties & Interest	\$12,500	\$973	7.8%	0.2%
Other Taxes & Licenses	\$39,500	\$4,515	11.4%	0.9%
Unrestricted intergovernmental	\$1,685,500	\$0	0.0%	0.0%
Restricted intergovernmental	\$789,170	\$49,753	6.3%	9.5%
Permits & fees	\$149,500	\$14,528	9.7%	2.8%
Investment earnings	\$60,000	\$14,365	23.9%	2.7%
Sales & services	\$591,300	\$58,589	9.9%	11.2%
Miscellaneous	\$166,500	\$10,263	6.2%	2.0%
Lease Purchase Proceeds	\$2,629,000	\$0	0.0%	0.0%
Fund Balance Appropriated	\$1,762,768	\$0	0.0%	0.0%
Total Revenues	\$14,319,209	\$524,239	3.7%	100%

Town of Zebulon General Fund % of Total Revenue To Date - FY 2019





TOWN OF ZEBULON
 Expenditure Statement:2018 - 2019
 for Accounting Period 6/30/2019
 GENERAL FUND

As of 8/27/2018

<u>Dept #</u>	<u>Department</u>	<u>Approp Amount</u>	<u>Expenditure YTD</u>	<u>% Exp.</u>
410	GOVERNING BODY	\$354,450	\$31,217	8.8%
420	FINANCE	\$359,100	\$45,398	12.6%
430	ADMINISTRATION	\$616,965	\$86,619	14.0%
450	CONTRACTED SERVICES	\$22,000	\$1,270	5.8%
470	STADIUM	\$51,600	\$5,972	11.6%
490	PLANNING AND ZONING	\$896,310	\$68,571	7.7%
500	BUILDINGS & GROUNDS	\$1,395,941	\$76,157	5.5%
510	POLICE	\$2,252,645	\$498,371	22.1%
530	FIRE	\$3,317,096	\$1,885,109	56.8%
560	STREETS AND HIGHWAYS	\$712,900	\$69,288	9.7%
570	POWELL BILL	\$256,000	\$1,294	0.5%
580	SANITATION	\$1,179,100	\$337,314	28.6%
590	STORMWATER	\$1,328,650	\$33,041	2.5%
620	PARKS & RECREATION	\$1,446,702	\$136,263	9.4%
690	SPECIAL PROJECTS	\$129,750	\$13,979	10.8%
Total Expenditures		\$14,319,209	\$3,289,863	23.0%