



# Staff Report

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Agenda Item: **FISCAL YEAR 2009-2010 BUDGET UPDATE** – A worksession to discuss the third quarter of the 2009-2010 FY budget.

Sponsored By: Kathy Bainbridge, Finance Director

Meeting Date: April 13, 2010

Background:

This budget update is designed to provide the Town Council with an overview of the current budget position, discuss current budget and revenue projections, and talk about key areas in the Town's short term economic outlook.

Recommendation: This item is scheduled as a worksession only, and no official action is necessary from the council.

# Town of Clarkdale

2009-2010

Budget Update

Month Ending March 31, 2010

75% of Budget Year Complete

## OUTLINE

1. Streets Fund
2. Wastewater Fund
3. Sanitation Fund
4. Water Fund
5. Cemetery Fund
6. General Fund
7. Tax Comparisons
8. Special Projects
9. Good/Bad News
10. Projections
11. Planning

## Streets Fund Summary

	CURRENT BUDGET	YTD ACTUAL	% OF BUDGET	BUDGET BALANCE
<b>Revenue Summary</b>				
Local Revenue	\$ 326,642.43	\$ 183,015.18	56.03%	\$ 143,627.25
State Revenue	\$ 282,038.00	\$ 214,377.83	76.01%	\$ 67,660.17
<b>Total Revenues</b>	<b>\$ 608,680.43</b>	<b>\$ 397,393.01</b>	<b>65.29%</b>	<b>\$ 211,287.42</b>
<b>Expenditure Summary</b>				
HURF (Streets)	\$ 596,380.00	\$ 334,902.58	56.16%	\$ 261,478.15
Clarkdale R&M	\$ 5,100.00	\$ -	0.00%	\$ 5,100.00
Cottonwood R&M	\$ 5,100.00	\$ -	0.00%	\$ 5,100.00
Fire District R&M	\$ 5,100.00	\$ -	0.00%	\$ 5,100.00
<b>Total Expenditures</b>	<b>\$ 611,680.00</b>	<b>\$ 334,902.28</b>	<b>54.75%</b>	<b>\$ 276,778.15</b>
TOTAL REVENUE OVER(UNDER)				
EXPENDITURES		\$ 62,490.73		

## Wastewater Fund Summary

	CURRENT BUDGET	YTD ACTUAL	% OF BUDGET	BUDGET BALANCE
<b>Wastewater Operations &amp; Maintenance</b>				
Revenues	\$ 280,260.00	\$ 228,957.04	81.69%	\$ 51,302.96
Expenditures	\$ 280,260.00	\$ 226,752.18	80.91%	\$ 53,507.82
TOTAL REVENUE OVER(UNDER)				
EXPENDITURES		\$ 2,204.86		

## Sanitation Fund Summary

	CURRENT BUDGET	YTD ACTUAL	% OF BUDGET	BUDGET BALANCE
<b>Revenue Summary</b>				
Sanitation Revenue	\$ 273,000.00	\$ 204,845.72	75.04%	\$ 68,154.28
<b>Expenditure Summary</b>				
Sanitation O&M	\$ 273,000.00	\$ 157,835.97	57.82%	\$ 115,164.03
<b>TOTAL REVENUE OVER(UNDER) EXPENDITURES</b>				
		\$ 47,009.75		

## Water Fund Summary

	CURRENT BUDGET	YTD ACTUAL	% OF BUDGET	BUDGET BALANCE
<b>Water Operations &amp; Maintenance</b>				
Revenue	\$ 1,272,767.52	\$ 807,652.05	63.46%	\$ 465,115.47
Expenditures	\$ 1,277,701.39	\$ 796,480.51	62.34%	\$ 481,220.88
<b>TOTAL REVENUE OVER(UNDER) EXPENDITURES</b>				
		\$ 11,171.54		

## Cemetery Fund Summary

	CURRENT BUDGET	YTD ACTUAL	% OF BUDGET	BUDGET BALANCE
<b>Cemetery Operations &amp; Maintenance</b>				
Revenue	\$ 45,582.51	\$ 21,276.94	46.68%	\$ 24,305.57
Expenditures	\$ 45,582.51	\$ 33,596.47	73.70%	\$ 11,986.04
TOTAL REVENUE OVER(UNDER) EXPENDITURES				
		\$ (12,319.53)		

## General Fund Summary

	CURRENT BUDGET	YTD ACTUAL	% OF BUDGET	BUDGET BALANCE
<b>Expenditure Summary</b>				
Contingency	\$ 622,041.16	\$ 155,473.93	24.99%	\$ 466,567.23
Administration	\$ 327,637.92	\$ 216,311.17	66.02%	\$ 111,326.75
Town Clerk	\$ 114,250.97	\$ 80,261.79	70.25%	\$ 33,989.18
Town Wide	\$ 278,412.13	\$ 217,674.11	78.18%	\$ 60,738.02
Library	\$ 57,361.44	\$ 38,857.59	67.74%	\$ 18,503.85
Planning	\$ 260,593.19	\$ 181,285.04	69.57%	\$ 79,308.15
Community Services	\$ 78,578.98	\$ 53,412.72	67.97%	\$ 25,166.26
Parks & Recreation	\$ 46,516.06	\$ 25,693.14	55.23%	\$ 20,822.92
Pool	\$ 8,785.79	\$ 7,926.48	90.22%	\$ 859.31
Court	\$ 88,081.53	\$ 63,782.77	72.41%	\$ 24,298.76
Police	\$ 895,615.94	\$ 579,161.33	64.67%	\$ 316,454.61
Buildings	\$ 153,672.42	\$ 99,248.19	64.58%	\$ 54,424.23
Heritage Conservancy	\$ 1,500.00	\$ 6.78	0.45%	\$ 1,493.22
<b>Total Expenditures</b>	<b>\$ 2,933,047.53</b>	<b>\$ 1,719,095.04</b>	<b>58.61%</b>	<b>\$ 1,213,952.49</b>

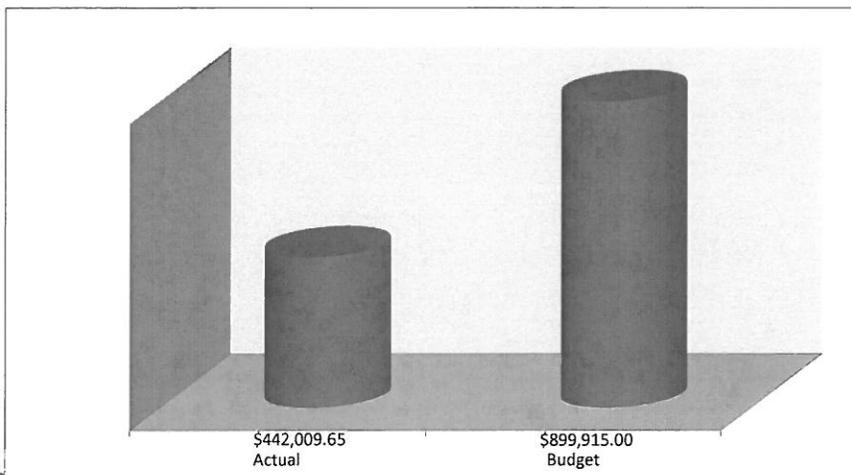
## General Fund Summary

	CURRENT BUDGET	YTD ACTUAL	% OF BUDGET	BUDGET BALANCE
<b>Revenue Summary</b>				
Local Revenue	\$ 1,942,248.28	\$ 979,913.80	50.45%	\$ 962,334.48
County Revenue	\$ 232,767.25	\$ 173,502.70	74.54%	\$ 59,264.55
State Revenue	\$ 758,032.00	\$ 559,217.07	73.77%	\$ 198,814.93
<b>Total Revenues</b>	<b>\$ 2,933,047.53</b>	<b>\$ 1,712,633.57</b>	<b>58.39%</b>	<b>\$ 1,220,413.96</b>

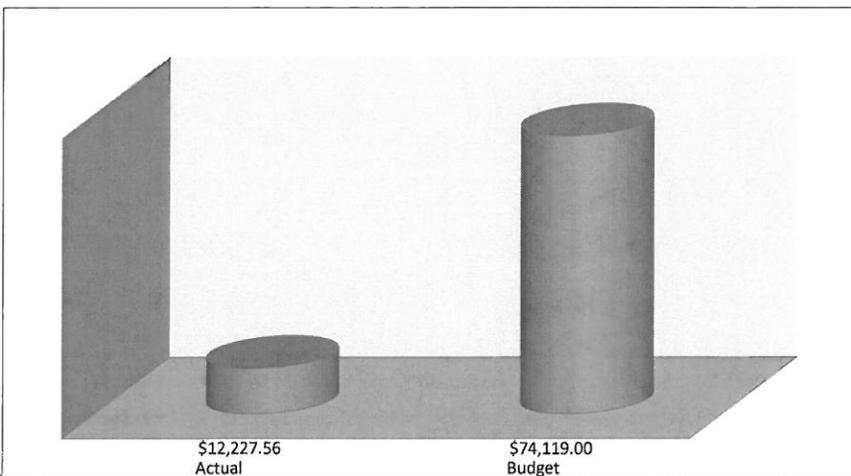
## General Fund Summary

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<b>Total Revenues</b>	<b>\$ 2,933,047.53</b>	<b>\$ 1,712,633.57</b>	<b>58.39%</b>	<b>\$ 1,220,413.96</b>
<b>Total Expenditures</b>	<b>\$ 2,933,047.53</b>	<b>\$ 1,719,095.04</b>	<b>58.61%</b>	<b>\$ 1,213,952.49</b>
<b>TOTAL REVENUE OVER(UNDER) EXPENDITURES</b>		<b>\$ (6,461.47)</b>		

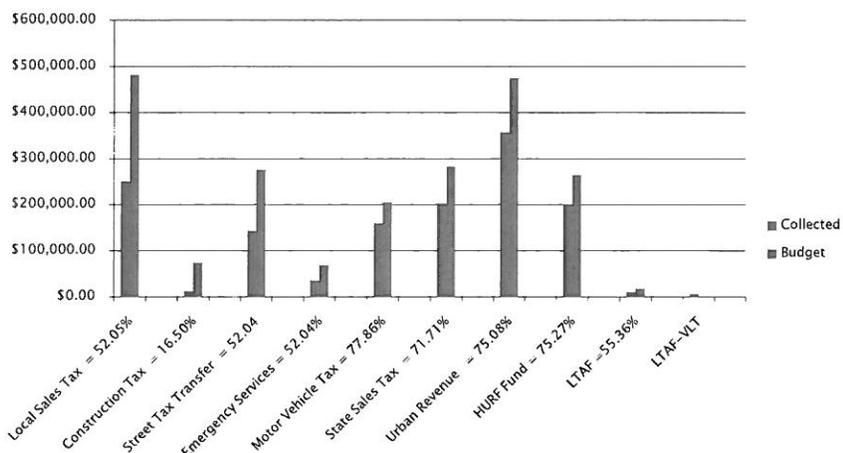
### General Fund Sales Tax Actual vs. Budget at 49.12%



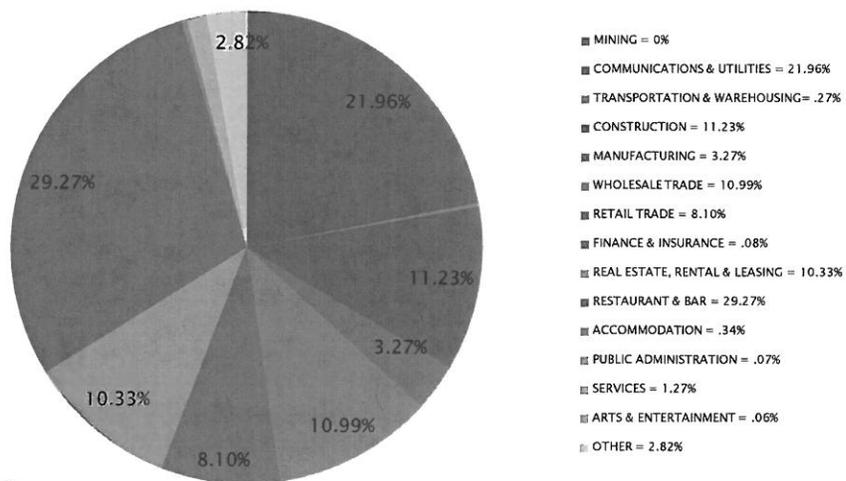
### Construction Related Sales Tax Budget vs. Actual at 16.50%



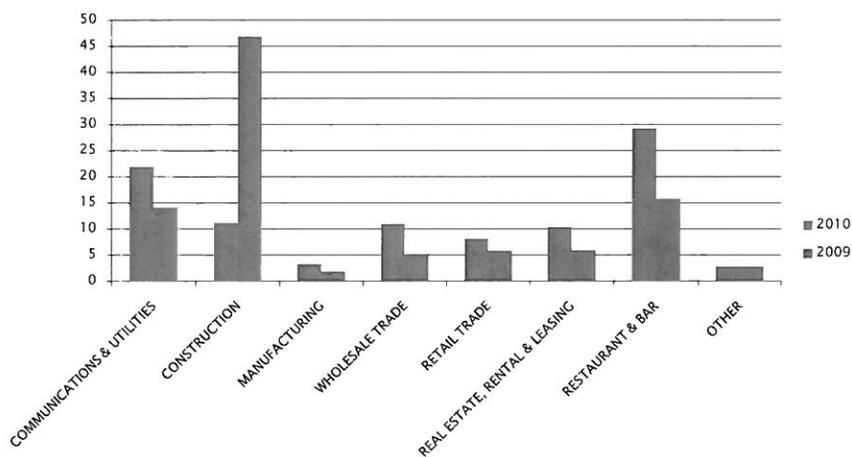
## Tax Collection vs. Budget



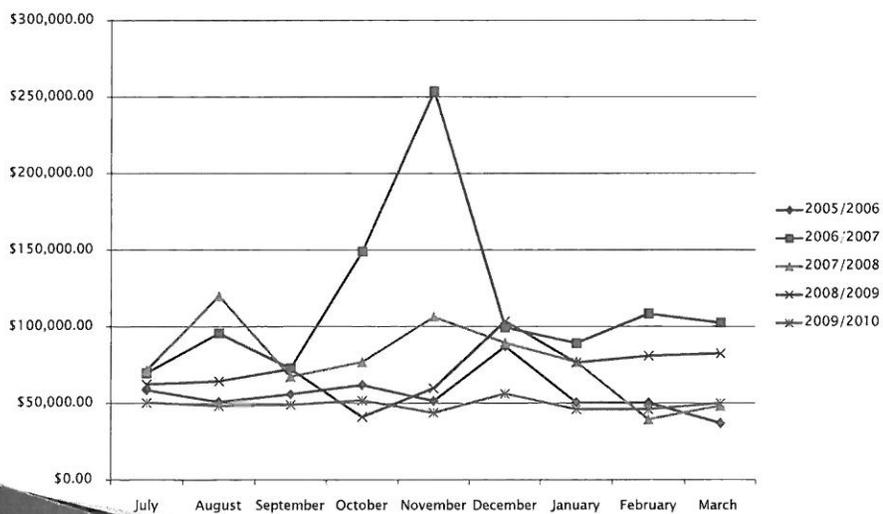
## 09-10 Local Sales Tax Breakdown



## Comparison 09-10 Local Sales Tax



## Five Year Local Sales Tax Comparison



## Special Projects

- ▶ Yavapai County Flood Control Funds – \$160,000
  - \$26,093 Wages
  - \$12,000 Administration Fees
  - \$17,280 Equipment Rental Fees paid to Streets Fund
  - \$15,320 Project Costs
  - \$70,693 Total Expenditures
  
- Remaining Projects include
  - Old Jerome/Rodgers Place & Sky Drive = \$2,400
  - Low Water crossing on Deborah Drive = \$45,000
  - Broadway Road riprap = \$1,250

## Special Projects

- ▶ FEMA – Flooding Event
  - \$ 9,325 Wages
  - \$ 5,300 Project Costs
  - \$14,625 Total
  
- Has not been approved for reimbursement as of now.  
If FEMA reimbursement costs are not approved, we will need to absorb expenses throughout the funds.

## Special Projects

- ▶ Mountain Gate Funds – \$150,000
  - \$33,040 Used last fiscal year
  - \$ 8,800 Wages
  - \$ 3,324 Reimbursement to General Fund
  - \$ 266 Equipment Rental fees to Streets Fund
  - \$ 800 Project Costs
  - \$46,230 Total
  
- ▶ Remaining projects include:
  - ▶ Guard Rails, Handrails, Emergency Gate = \$23,500
  - ▶ Broken curb, gutters, sidewalks

## Good News

- ▶ Motor Vehicle Licenses close but over budget by 2.86%
- ▶ Highway Urban Revenue Fund (HURF) close but over budget by .08%
- ▶ State Sales Tax currently close to budget with a 3.29% shortfall compared to the 2.87% at second quarter. Project a 5% shortfall by June 30<sup>th</sup> which is \$11,296
- ▶ LTAF Funds were not swept by State but have not received for 2 months. 19.64% shortfall

## Not so Good News

- Project a shortfall for Local Sales Tax at 34% by June 30<sup>th</sup> which is \$303,326. Now 22.95%
  
- Only 16.50% of the \$74,119 Construction Tax budgeted to fund the Capital Projects has been received. Projected collection is only \$18,530 which leaves a shortfall in the Capital Project Fund.

## Year End Projections

- General Fund projected (\$34,500)
  - With full Street Tax Transfer of \$192,686
  - With carryover of \$36,000 for Emergency Vehicle Tax
  
- Street Fund projected \$42,600
  - With full Street Tax Transfer of \$192,686
  - Beginning fund balance correction (\$41,405)
  
- Capital Projects projected (\$168,800)
  - Shortfall in collection of Construction Tax (\$56,000)
  - Beginning fund balance correction (\$112,800)

## Year End Projections

- ▶ Wastewater Operations Fund projected (\$33,000)
- ▶ Sanitation Fund projected \$50,000
- ▶ Cemetery Fund projected (\$14,000)
- ▶ Water Operations Fund projected \$66,000
  - Cautious budgeting for first year operations

## Shortfall Planning

- ▶ Eliminated two General Fund positions
- ▶ One retirement in Police Department (GF)
- ▶ Use School Resource Officer wages and contingency funds budgeted in General Fund
- ▶ Continue limiting non-essential expenditures
- ▶ Hold a portion of Street Transfer Tax in GF
- ▶ Use Sanitation Capital Funds to fund Capital Projects Fund shortfall
- ▶ Use Perpetual Care funds for cemetery operations

## Continue to Monitor

- ✓ Local Sales Tax Actual vs. Budget
- ✓ State Shared Sales Tax
- ✓ Local Transportation Assistant Fund (LTAF)
- ✓ FEMA Reimbursement

# QUESTIONS??