

FOURTH QUARTER FINANCIAL REPORT

FOR THE PERIOD ENDED JUNE 30, 2016

PRELIMINARY



Fiscal Year 2016

CITY OF PAGE

Vision Statement

The City of Page is a clean, financially responsible, diverse and vibrant community that respects the quality of its environment, fosters a sense of community and family, encourages a healthful, active lifestyle and supports a wide-range of business opportunities to promote a prosperous economy.

INTRODUCTION

Quarterly financial reporting is being prepared by the City of Page as a means of providing the community, Council and the organization with an overview of financial information for the General Government Funds. Quarterly financial reporting is a priority identified by Council during previous strategic planning work sessions.

The primary information provided in the quarterly report is a comparison of the annual budget amounts to actual revenues and expenditures for operating departments. Prior year comparisons are also included in some areas.

All financial information is based on preliminary, unaudited information reported from the municipal financial system as of the report date. Seasonal variations or special occurrences in municipal operations may affect the proportion of revenues achieved or expenditures incurred to date.

Notations for this quarter include the following:

*There were various personnel vacancies filled, including, the City Attorney position, two full-time Information Technology positions, one full-time and one part-time Library position, one full-time Communications position, one part-time Recreation position, and one seasonal Park Maintenance position.

*Capital Purchases made this quarter:

- Police - 2016 Chevy Tahoe and Receivers (\$59,000)
- Community Services - Mower parts and Mower Leases (\$38,000)
- Public Works - John Deere Mower and accessories (\$11,000)

*Capital Projects expenses this quarter:

- Airport- AIP 27 Wildlife Hazard Assessment (\$7,500) and AIP 29 Electrical Upgrade (\$360,000)
- Streets - Lake Powell Blvd sidewalk design (\$8,500) and South Navajo Rehabilitation (\$17,600)
- Community Services - Library Shelving (\$1,400)
- Community Development - Horseshoe Bend Consultation (\$3,200) and Park Master Plan (\$13,800)
- General Government - IGA Justice / Municipal Court Addition (\$100,000)

*Interfund transfers to Debt Service this quarter: \$275,000

- \$186,000 from General Funds
- \$55,000 from Sewer Funds from Page Utility
- \$34,000 from Refuse Funds from Page Utility

*\$1M in bonds called before maturity and reinvested

ALL FUNDS (EXCLUDES ENTERPRISE FUNDS)

Total cash balance ended with \$20.1M in FY16, an increase of \$5.2M or 35% from prior year.

Total revenues received increased by \$2.1M or 11% over prior year. Total revenues exceeded budgeted amount by \$811K (4%), compared to the prior year \$376K (2%).

Revenue Highlights

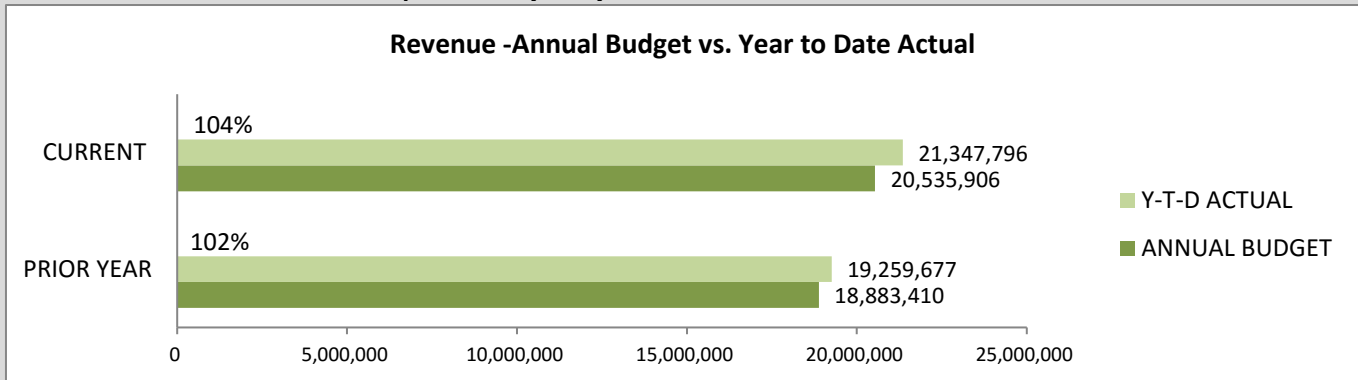
- Increase in revenue mainly due to City Sales Tax revenue in the General Fund.
- \$1M in bonds called before maturity and then reinvested.

Total expenses increased by \$753K or 3% over the prior year. Total expenses were \$16.7M, utilizing only 82% of budget amount.

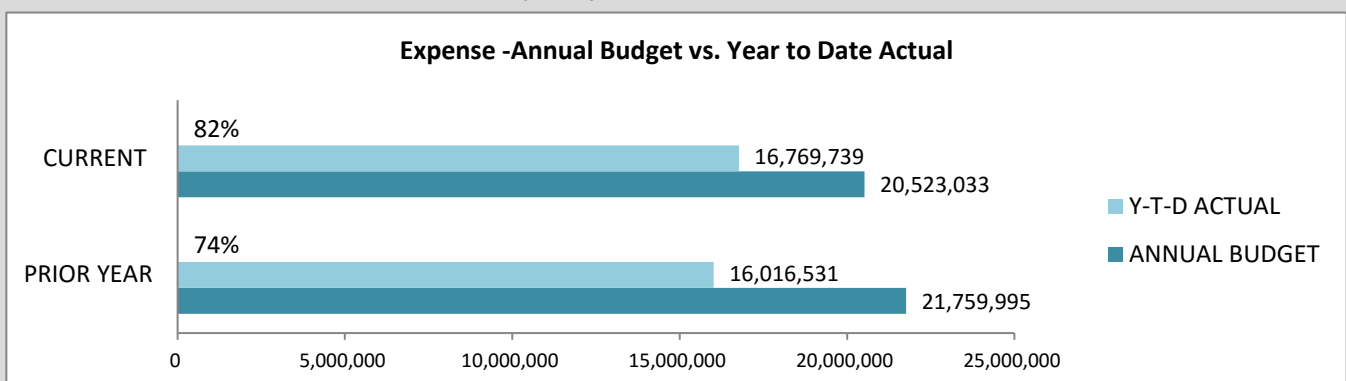
Expense Highlights

- City only had to utilize \$111K of contingency this fiscal year (\$400K budgeted).
- Airfield Electrical Upgrades and Runway 7 Connector Taxiway - Airport (used \$890K of \$1.2M budget)
- Street Projects - HURF Street Improvements (used \$305K of \$600K budget)
 - Chip seal on Coppermine and Haul Rd not completed in FY16
- Library Facility Upgrade - Community Services (\$190K) not completed
- Community Development Fund (used \$449K of \$569K budget)
 - Event expenses lower than projected
 - Contract services expenses lower than projected
 - Economic Development projects will be carried over to FY17
- Several departments not fully staffed in FY16.

TOTAL YTD REVENUE \$ 21,347,796



TOTAL YTD EXPENSE \$ 16,769,739



**CITY OF PAGE
FISCAL YEAR 2016
SUMMARY BY FUND
ENDING JUNE 30, 2016**

FUND	PRIOR YEAR EXPENSE	CURRENT EXPENSE	PRIOR YEAR REVENUE	CURRENT REVENUE	PRIOR YEAR NET +/-	CURRENT NET +/-	*CASH BALANCE	
							AS OF 6/30/2015	AS OF 6/30/2016
	10,876,665	(12,013,340)	12,929,772	14,910,712	2,053,107	2,897,372	9,057,706	12,383,378
5	(1,069,025)	(498,344)	1,058,323	736,778	(10,701)	238,435	1,917,471	1,811,743
	(9,553)	(23,300)	5,874	4,711	(3,679)	(18,589)	37,956	19,367
1	(2,240)	0	0	0	(2,240)	0	0	0
1	(38,353)	0	0	0	(38,353)	0	0	0
1	(7,559)	0	0	0	(7,559)	0	0	0
4	(1,384,329)	(1,390,351)	2,477,949	2,801,810	1,093,619	1,411,459	1,307,121	2,761,533
1	(166)	0	0	0	(166)	0	0	0
1	(8,073)	0	0	0	(8,073)	0	0	0
2	(343)	0	0	0	(343)	0	0	0
	0	0	0	0	0	0	0	0
	(104,738)	(74,993)	146,604	75,992	41,866	999	16,189	54,490
1	(3,526)	0	0	0	(3,526)	0	0	0
2	(17,078)	0	0	0	(17,078)	0	0	0
	(7,443)	(8,062)	5,139	5,088	(2,304)	(2,974)	58,629	55,825
3	(20,944)	(15,672)	78,884	6,240	57,940	(9,432)	61,642	52,590
8	(1,234,959)	(1,708,821)	1,148,336	1,612,062	(86,623)	(96,759)	274,316	644,707
7	(58,793)	0	23,250	0	(35,542)	0	0	0
	(312,297)	(448,644)	417,477	472,591	105,179	23,946	479,844	508,167
	(357,881)	(396,705)	541,496	534,656	183,615	137,951	985,622	1,116,570
	0	(2,887)	0	0	0	(2,887)	2,887	0
	(357,700)	(152,958)	357,700	152,958	0	0	0	0
5	(86,119)	(25,427)	29,795	33,169	(56,325)	7,742	279,279	285,401
6	(58,747)	(10,235)	39,078	1,030	(19,670)	(9,205)	486,402	477,197
TOTAL	(16,016,531)	(16,769,739)	19,259,677	21,347,796	35,276,208	38,117,535	14,965,063	20,170,969

NOTES:

- 1: FUND BALANCE TRANSFERRED TO FUND 36
- 2: FUND BALANCE TRANSFERRED TO FUND 25
- 3: NET GAIN FROM PRIOR YEAR REFLECTS TRANSFERS IN FROM VARIOUS FUNDS
- 4: FY16 ADDITIONAL TRANSFER TO DEBT SERVICE PER ORDINANCE 616-14 AND RESOLUTION 1105-13 \$1,400,000
- 5: NET GAIN DUE TO UNEXPENDED CAPITAL BUDGET
- 6: NET LOSS DUE TO UNREALIZED LOSS IN MARKET VALUES
- 7: FUND BALANCE RETURNED TO PAGE LAKE POWELL BALLOON REGATTA
- 8: NET LOSS DUE TO HAVE NOT RECEIVED REIMBURSEMENT FOR FEDERAL GRANT ON AIRPORT PROJECT

*BALANCES DO NOT INCLUDE FUNDS USED FOR ACCOUNTS PAYABLE REIMBURSEMENTS FROM PAGE UTILITY

GENERAL FUND

General Fund cash balance ended with \$12.3M in FY16, an increase of \$3.3M or 36% from prior year.

General fund revenues increased by \$1.9M or 15% over prior year. Total revenues in General Fund exceeded budgeted amount by \$2.7M (22%), comparable to the prior year \$2.2M (21%).

Revenue Highlights

- City Sales taxes increased by \$1.2M or 14% over prior year
- \$1.6M or 20% more than budgeted in City Sales tax (\$9.6M actual, \$8M budget)
- \$112K or 140% more than budgeted in Building fees (\$192K actual, \$80K budget)
- \$169K or 28% more than budgeted in Rescue Services (769K actual, \$600K budget)
- \$1M in bonds called before maturity and reinvested

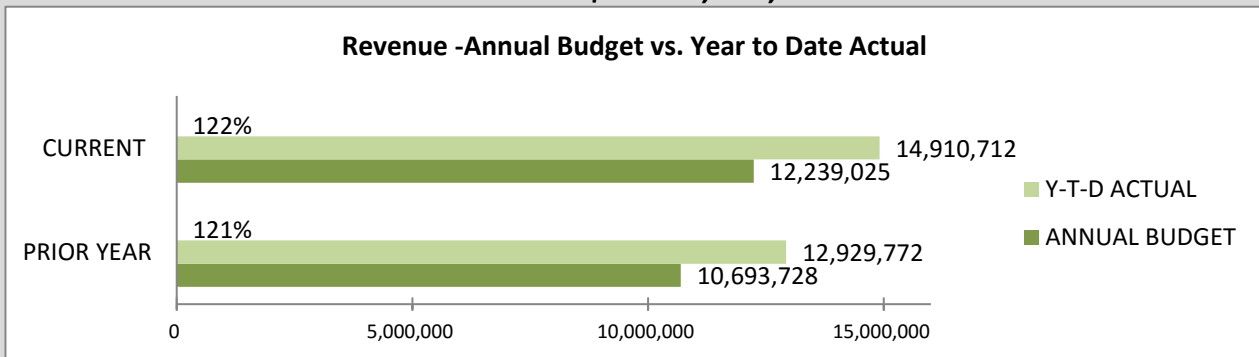
General fund expenses increased by \$1.1M or 10% over prior year. Total expenses in General Fund were \$12M, utilizing only 88% of budget amount.

Expense Highlights

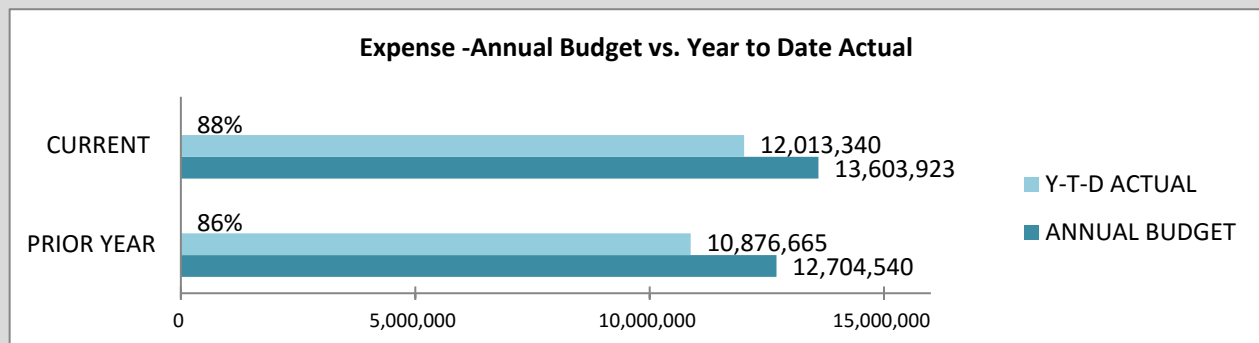
- Expenditures for debt coverage increased \$700K from prior year.
- Personnel expenses \$900K under budget
 - Positions in several departments not yet filled.
 - Several departments not fully staffed in FY16.

No transfers in. Transfers out, made to provide support to other funds, increased by \$832K.

GENERAL FUND YTD REVENUE \$ 14,910,712



GENERAL FUND YTD EXPENSE \$ 12,013,340



**CITY OF PAGE
FISCAL YEAR 2016
GENERAL FUND SUMMARY BY DEPARTMENT
ENDING JUNE 30, 2016**

<u>REVENUE</u>	<u>PRIOR YEAR</u>	<u>% OF REVENUE</u>	<u>YTD ACTUAL</u>	<u>% OF REVENUE</u>	<u>VARIANCE</u>	<u>% VARIANCE</u>
TAXES	9,014,013	69.7	9,616,592	64.5	602,580	6.7
TAXES & FEES	418,195	3.2	505,356	3.4	87,162	20.8
INTERGOVERNMENTAL	1,831,903	14.2	1,807,142	12.1	(24,761)	(1.4)
NON-OPERATING	15,244	0.1	0	0.0	(15,244)	0.0
OTHER	1,650,418	12.8	2,981,622	20.0	1,331,203	80.7
TOTAL FUND REVENUE	12,929,772	100.0	14,910,712	100.0	1,980,940	15.3
 <u>EXPENDITURES</u>						
CITY ADMINISTRATION	224,610	1.7	225,169	1.5	559	0.2
CITY COUNCIL	71,676	0.6	68,411	0.5	(3,265)	(4.6)
CITY CLERK	101,989	0.8	128,280	0.9	26,291	25.8
CITY ATTORNEY	168,231	1.3	225,695	1.5	57,464	34.2
1/2 INTERFUND TRANSFERS	2,183,592	16.9	3,015,594	20.2	832,002	38.1
8 COMMUNITY SERVICES ADMIN	0	0.0	88,228	0.6	88,228	100.0
PAGE ADULT COMMUNITY CENTER	82,255	0.6	72,594	0.5	(9,661)	(11.7)
3 GENERAL SERVICES	815,089	6.3	652,075	4.4	(163,014)	(20.0)
8 POLICE DEPT. ADMINISTRATION	0	0.0	275,920	1.9	275,920	100.0
7 PATROL	1,886,080	14.6	1,572,999	10.5	(313,081)	(16.6)
COMMUNICATIONS	389,325	3.0	402,663	2.7	13,338	3.4
5 COMMUNITY RESOURCE	73,723	0.6	0	0.0	(73,723)	(100.0)
9 INVESTIGATIONS	118,676	0.9	297,650	2.0	178,974	150.8
4 FIRE DEPARTMENT	1,811,465	14.0	1,676,022	11.2	(135,443)	(7.5)
3 HUMAN RESOURCE/RISK MANG.	296,608	2.3	527,038	3.5	230,430	77.7
10 FINANCE	330,129	2.6	346,810	2.3	16,681	5.1
MAGISTRATE	324,194	2.5	333,763	2.2	9,570	3.0
LIBRARY	448,920	3.5	387,614	2.6	(61,306)	(13.7)
7 PLANNING & ZONING	2,139	0.0	84,651	0.6	82,512	100.0
BUILDING & CODE COMPLIANCE	78,053	0.6	79,824	0.5	1,771	2.3
CENTRAL GARAGE	261,505	2.0	249,781	1.7	(11,724)	(4.5)
7 INFORMATION TECHNOLOGY	327,871	2.5	201,386	1.4	(126,486)	(38.6)
7 BUILDINGS MAINTENANCE	327,499	2.5	254,405	1.7	(73,094)	(22.3)
8 PUBLIC WORKS ADMINISTRATION	0	0.0	350,088	2.3	350,088	100.0
6 ENGINEERING	39,135	0.3	0	0.0	(39,135)	(100.0)
PARKS MAINTENANCE	276,905	2.1	296,458	2.0	19,552	7.1
RECREATION	164,112	1.3	170,925	1.1	6,813	4.2
GOLF COURSE MTCE	72,884	0.6	29,297	0.2	(43,587)	(59.8)
TOTAL FUND EXPENDITURES	10,876,665	84.1	12,013,340	80.6	1,136,675	10.5
NET REVENUE OVER EXPENDITURES	2,053,107	15.9	2,897,372	19.4	844,265	41.1

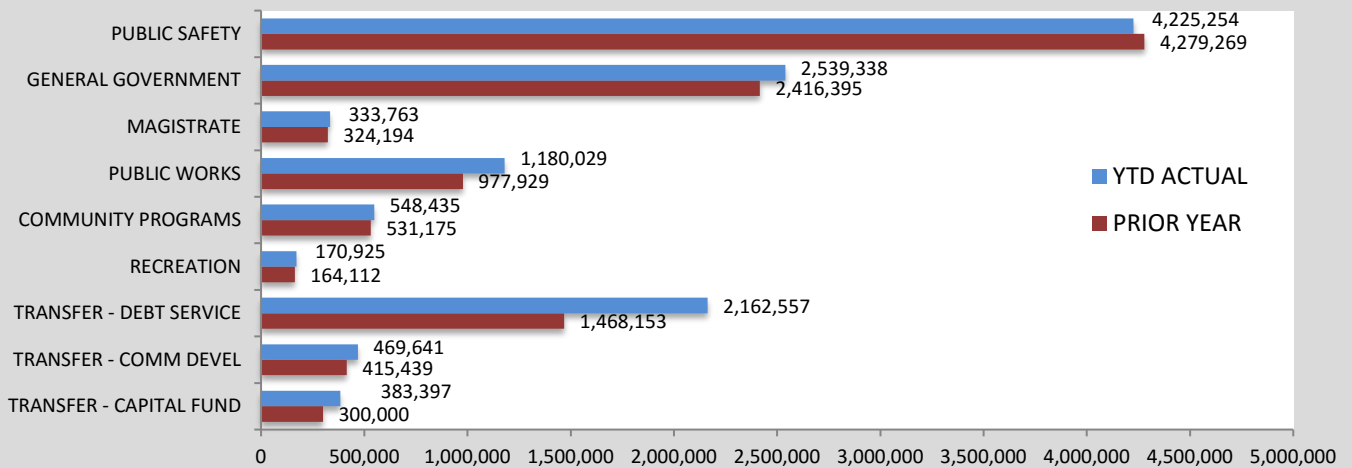
NOTES:

- 1 FY16 ADDITIONAL TRANSFER TO DEBT SERVICE PER ORDINANCE 616-14 AND RESOLUTION 1105-13 \$1,400,000
- 2 TRANSFER TO CAPITAL PROJECTS FUND FOR CURRENT YEAR CAPITAL PURCHASES - \$384,000
- 3 COMPENSATED ABSENCES EXPENSE MOVED TO HUMAN RESOURCES \$49,800
- 4 DECREASE DUE TO CAPITAL PURCHASES BEING EXPENDED FROM CAPITAL PROJECTS FUND INSTEAD OF INDIVIDUAL DEPARTMENTS
- 5 NO BUDGET FOR FY16 - INCLUDED IN INVESTIGATIONS AND BUILDING/CODE COMPLIANCE DEPARTMENTS
- 6 NO BUDGET FOR FY16 - INCLUDED IN PUBLIC WORKS ADMIN DEPARTMENT
- 7 CHANGES IN PERSONNEL VACANCIES, INDIVIDUAL BENEFIT ELECTIVES, OR UNEMPLOYMENT
- 8 NEW DEPARTMENT CREATED IN FY16
- 9 INCREASES OVER LAST YEAR DUE TO RE-STRUCTURE OF ADMINISTRATION FOR INVESTIGATIONS DEPARTMENT
- 10 CONTRACT SERVICES FOR FINANCE INCREASED IN FY16 DUE TO CHARGES IMPOSED BY STATE OF AZ FOR TPT COLLECTION

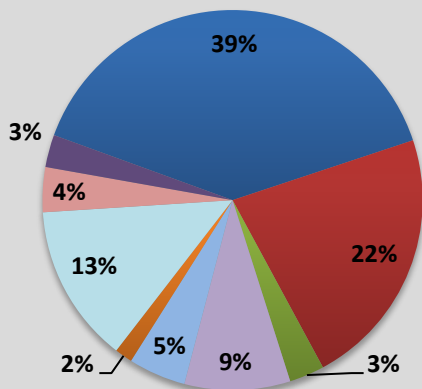
**CITY OF PAGE
FISCAL YEAR 2016
GENERAL FUND EXPENDITURES BY CATEGORY
ENDING JUNE 30, 2016**

GENERAL FUND EXPENDITURES	PRIOR YEAR	YTD ACTUAL	VARIANCE
PUBLIC SAFETY (Patrol, Communications, Fire, Comm. Resource, Investigations)	4,279,269	4,225,254	(54,015)
GENERAL GOVERNMENT (City Manager, Council, Clerk, Attorney, Transit, Gen. Services, HR, P&Z, Building Safety, IT, Finance)	2,416,395	2,539,338	122,944
MAGISTRATE	324,194	333,763	9,570
PUBLIC WORKS (Garage, Building Maint., Parks Maintenance, Engineering, Golf Maint.)	977,929	1,180,029	202,100
COMMUNITY PROGRAMS (Library, Community Center)	531,175	548,435	17,261
RECREATION	164,112	170,925	6,813
TRANSFER - DEBT SERVICE	1,468,153	2,162,557	694,404
TRANSFER - COMMUNITY DEVELOPMENT	415,439	469,641	54,202
TRANSFER - CAPITAL FUND	300,000	383,397	83,397
GENERAL FUND EXPENDITURES	10,876,665	12,013,340	1,136,675
ALL OTHER FUND EXPENDITURES	5,139,866	4,756,399	(383,467)
TOTAL FUND EXPENDITURES (EXCLUDES ENTERPRISE FUNDS)	16,016,531	16,769,739	753,208

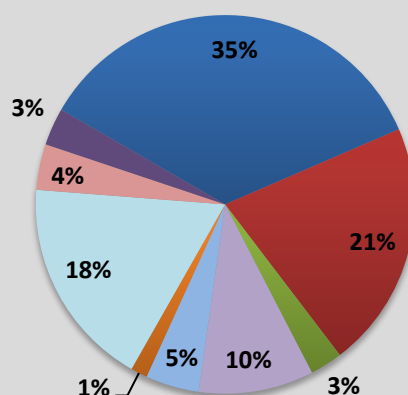
**General Fund Y-T-D Expenses by Category
with Prior Year Comparison**



PRIOR YEAR



YTD ACTUAL



- PUBLIC SAFETY
- GENERAL GOVERNMENT
- MAGISTRATE
- PUBLIC WORKS
- COMMUNITY PROGRAMS
- RECREATION
- TRANSFER - DEBT SERVICE
- TRANSFER - COMMUNITY DEVELOPMENT
- TRANSFER - CAPITAL FUND