



# MEMORANDUM

To: Mayor and City Council  
Mark Hoppen, City Manager

From: Jennifer Ferrer-Santa Ines, Finance Director

RE: Financial Update-Q4, as of 12/31/2015

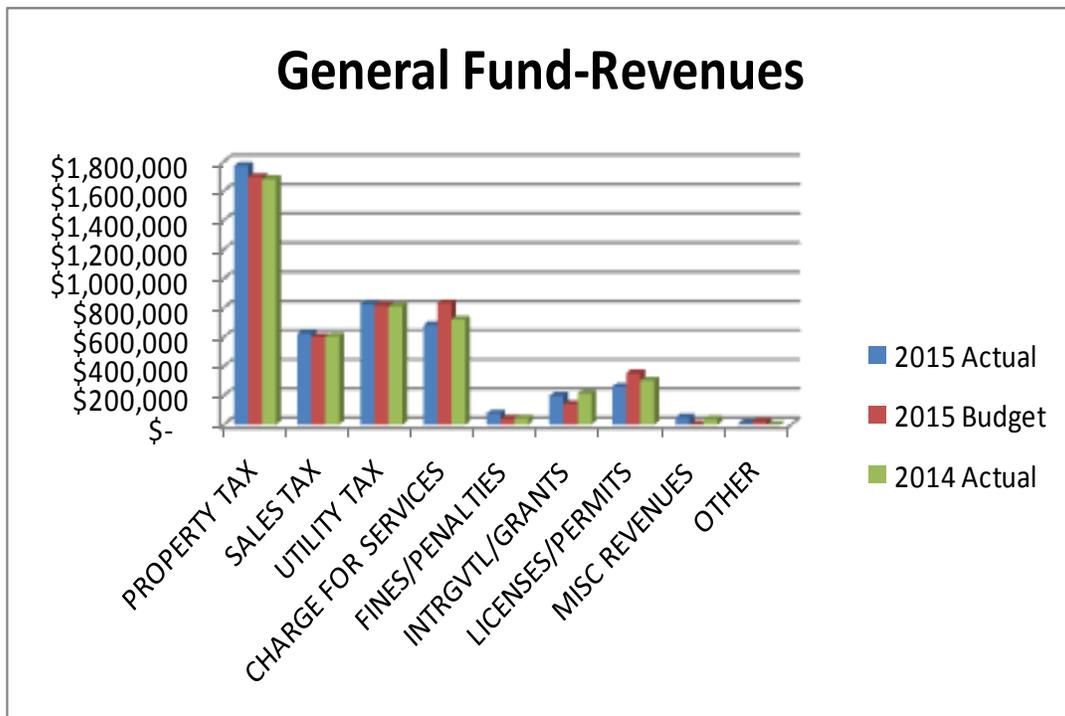
Date: February 23, 2016

The following pages include revenue and expenditure summary and comparisons year to date through December 31, 2015.

## GENERAL FUND HIGHLIGHTS

### Revenue

General Fund revenues total \$4,496,568 through the end of the fourth quarter, just \$848 off from actual projections for the year. Revenue collections from taxes are comparable to prior year receipts through the end of December as shown below in the graph.



The Charge for Services category is lower in 2015 due to the timing of reimbursements from the Metropolitan Park District (MPD) for services provided under the Interlocal Agreement. The MPD reimbursed the City for third quarter services in February 2016.

**Expenditure**

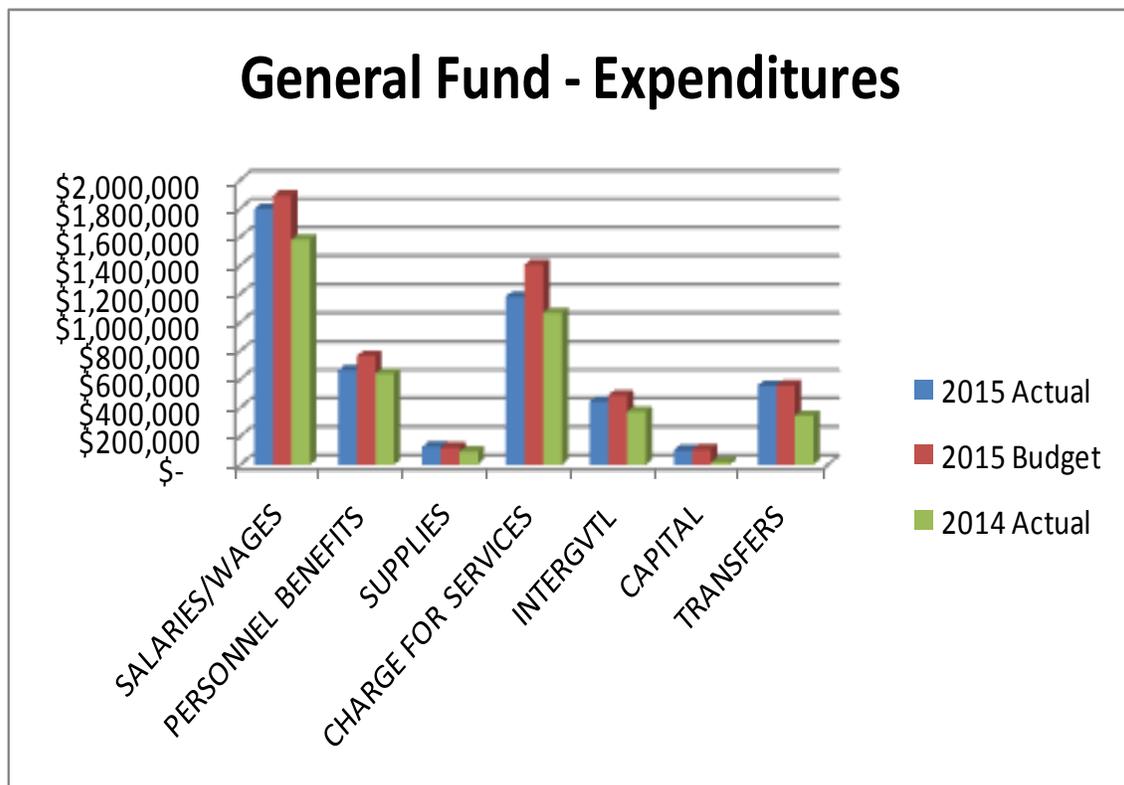
Expenditures in the General Fund total \$4,870,077 as of December 31st. Of this amount, \$423,126 is related to services provided for the Metropolitan Park District (MPD). The General Fund ended the year eight percent below budget in expenditures.

Departments and divisions stayed within budget except for the following:

- ✓ Legal: Expenditures through year end were 27% higher partially due to unanticipated special counsel related to civil service commission as well as routine counsel costs.
- ✓ Central Services: This division ended with 3.6% over budget due to technology related purchases including antivirus protection and upgrade Microsoft Office software. There were also additional expenses for computer replacement, furniture, and supply purchases for staff.

Salaries and wages were higher in 2015 primarily due to staffing changes, cost of living increases, and leave balance cash-outs for voluntary termination of employment.

The Charge for Services category increased due to the costs to update the Comp Plan up and Shoreline Master Plan.



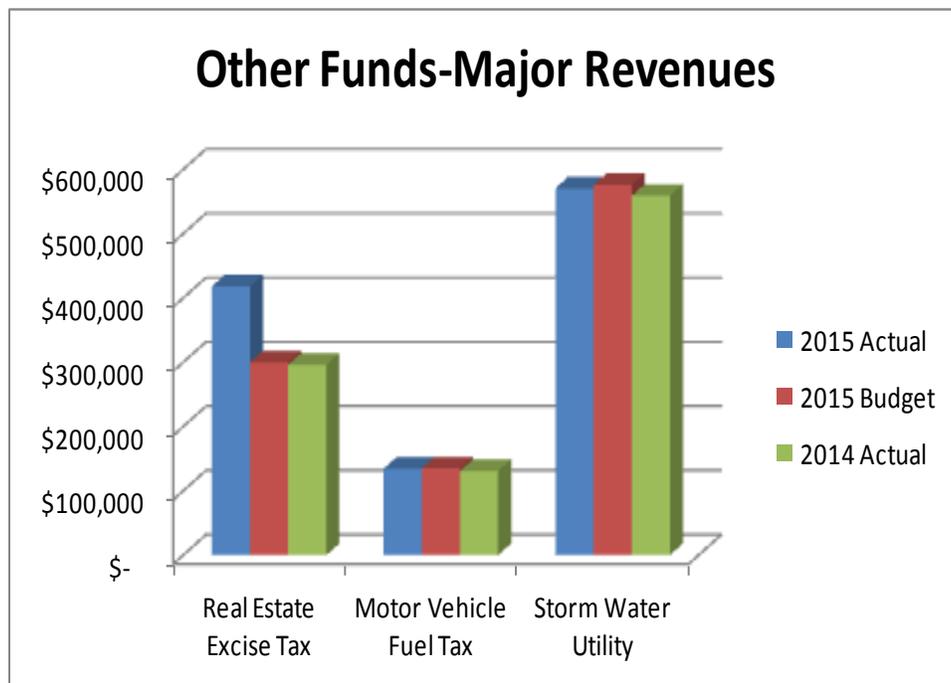
## OTHER FUNDS HIGHLIGHTS

### Revenue

Revenue for the rest of the funds through the end of December total \$2,581,487 excluding Fund 635/636 used to account for (MPD) transactions. Excluding operating transfers and pass through revenues, the City brought in 10% more than projected.

Receipts from Real Estate Excise Tax are more favorable this year than the previous year due to continued increase in home sales. For Normandy Park, this represents \$121,612 more revenue than what the City received through the fourth quarter last year.

Revenues from Motor Vehicle Fuel and Storm Water Utility are in line with prior year results through the end of December.



## Expenditure

Expenses from other funds besides the General Fund total \$1,920,902, excluding transactions in Funds 635/636 related to MPD. This is 83% of the total amended annual budget of \$2.3 million. Of the total budget amount for Other Funds, \$150,000 is grant related used to acquire the Meng Property.

Many of the funds remained under budget for the year. This is attributable to careful monitoring of costs against budget appropriations by staff.

Capital outlays represent work on Sequoia Creek, Manhattan Village drainage improvement, and Nature Trails. Capital expenditures are significantly less than budget due deferred capital improvement projects like SW Normandy Road and Nearshore/Beaconsfield acquisition into 2016.

