

AGENDA ITEM #3B.

CITY COUNCIL COMMUNICATION FORM

FROM: Kim Weber, Finance Director
THROUGH: Gary Suiter, City Manager
DATE: February 27, 2018
ITEM: Financial Status Report Format.

DIRECTION
 INFORMATION ONLY
 ORDINANCE
 MOTION
 RESOLUTION

I. REQUEST/ISSUE & BACKGROUND INFORMATION:

City Council has requested regular, brief, summarized financial updates. The purpose of this agenda item is to look at the format of what these updates will look like and to give Council the opportunity to provide feedback on the information and the format.

You will see that this Financial Status Report (FSR) is through November 2017. A substantial amount of our year-end accruals happen at the end of February, therefore the report would be materially inaccurate if it were through December 2017.

You will notice that the attached FSR has "Draft" on it. After staff receives feedback on the format, we will bring back the FSF for year-end 2017 and provide a FSR to Council on a quarterly basis in staff reports.

II. ALTERNATIVES:

1. No changes to the format of the report.
 - a. Pros
 - i. Simple and easy to read

- ii. Provides big picture information.
 - b. Cons
 - i. Doesn't include all funds (General Fund only).
 - ii. Requires about 2 hours of staff time to update each time.
- 2. Provide suggested changes to the report.
 - a. Pros
 - i. May be additional information Council would like to see in this type of report.
 - b. Cons
 - i. Could increase the amount of staff time to produce the report
 - ii. If the report gets too lengthy it could lose its ability to be a quick reference/snap-shot view.

III. STAFF RECOMMENDATION:

Provide feedback to staff to create a report that is useful to Council and the community, yet isn't staff-time intensive.

IV. FISCAL IMPACTS:

Approximately 2 hours per quarter of Finance staff time.

V. LEGAL ISSUES:

None noted.

VI. CONFLICTS OR ENVIRONMENTAL ISSUES:

None noted.

VII. CONSISTENCY WITH COUNCIL GOALS AND POLICIES

None noted.

ATTACHMENTS:

Attachment 1: Financial Status Report Draft – November 2017.

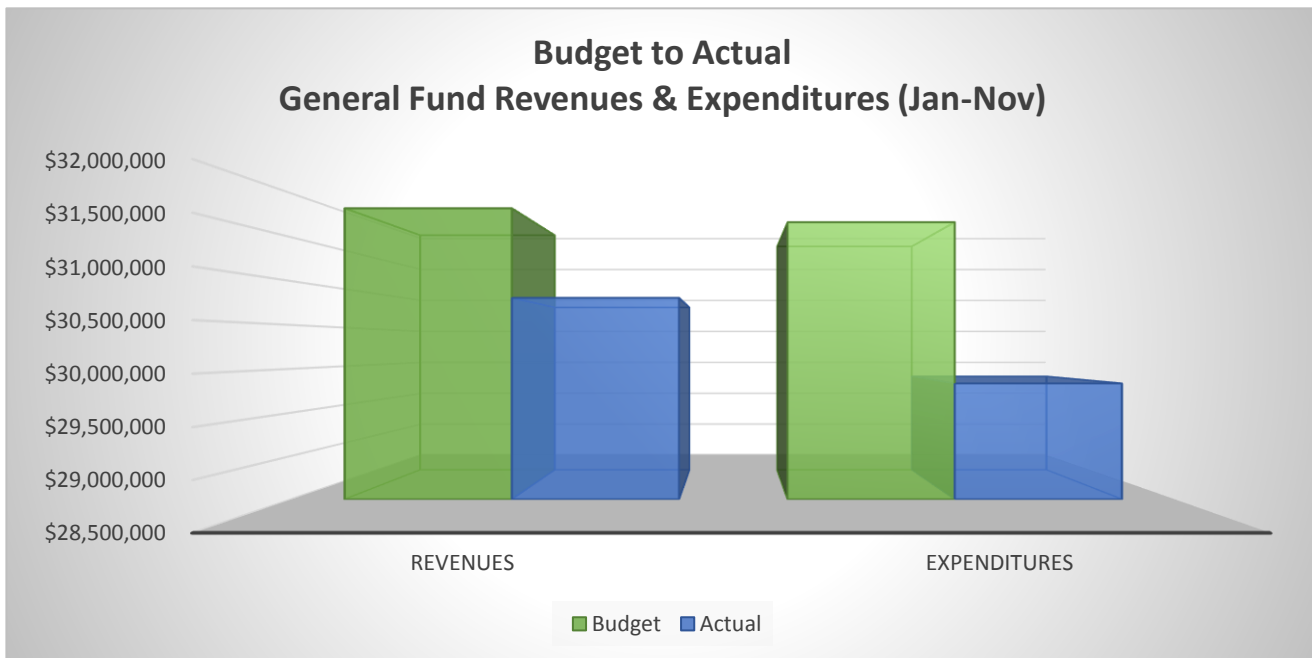


Financial Status Report - DRAFT

November 2017

The City of Steamboat Springs Finance Department is starting to prepare regular Financial Status Reports (FSR) to monitor the performance of the adopted budget by showing expenditure and revenue activity relative to budget levels. The FSR shows revenues by major category and expenditures by department or division. The City of Steamboat Springs does not budget monthly, therefore the YTD budgets are based on an even monthly spread. This method of reporting the budget does not take into account the seasonality of the departments, however it does give an overall picture of the revenue and expenditure activity year-to-date. This FSR only accounts for the General Fund which is the City's primary operating fund.

| Category | YTD - Budget ¹ Nov-17 | YTD - Actual Nov-17 | Variance ² \$ | Variance % |
|---|-------------------------------------|------------------------|-----------------------------|---------------|
| Revenues | \$31,826,370 | \$30,807,555 | (\$1,018,815) | (3) |
| Expenditures | \$31,668,319 | \$29,834,461 | \$1,833,858 | 6 |
| Surplus (deficit) of revenues over expenditures | \$158,051 | \$973,094 | (\$815,043) | N/A |



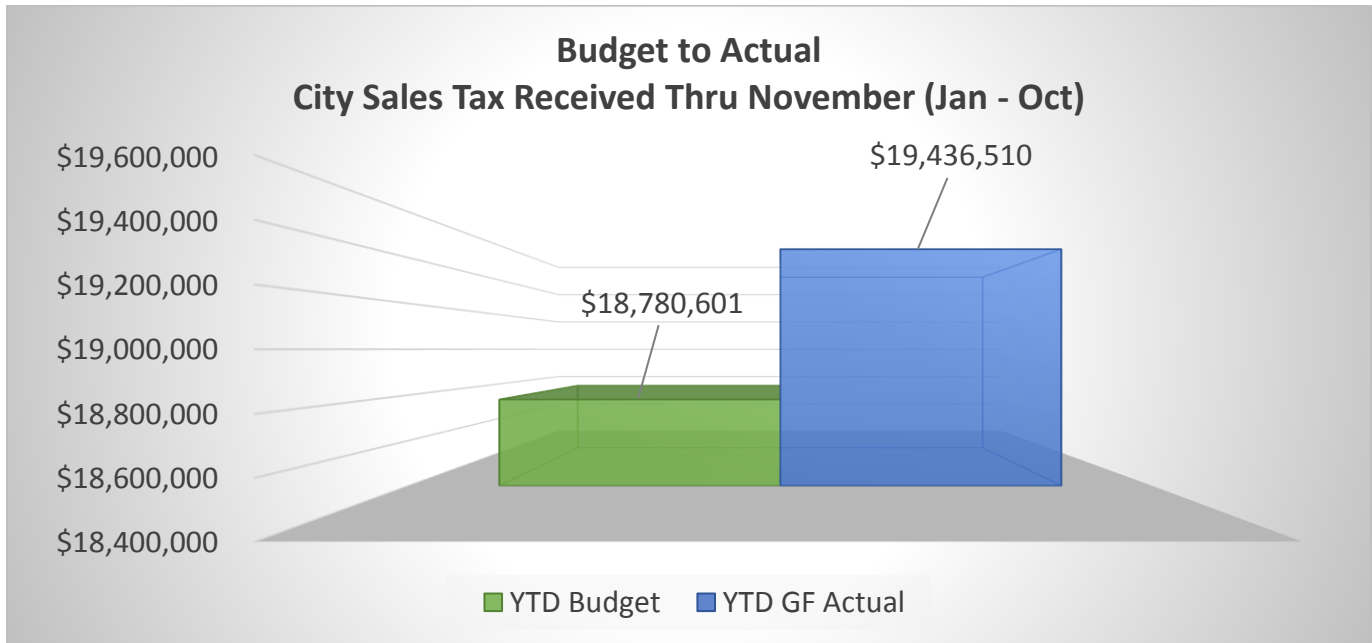
¹ YTD budget is based on an even monthly spread.

² Positive variances indicate a favorable budget variance; negative variances indicated an unfavorable budget variance.

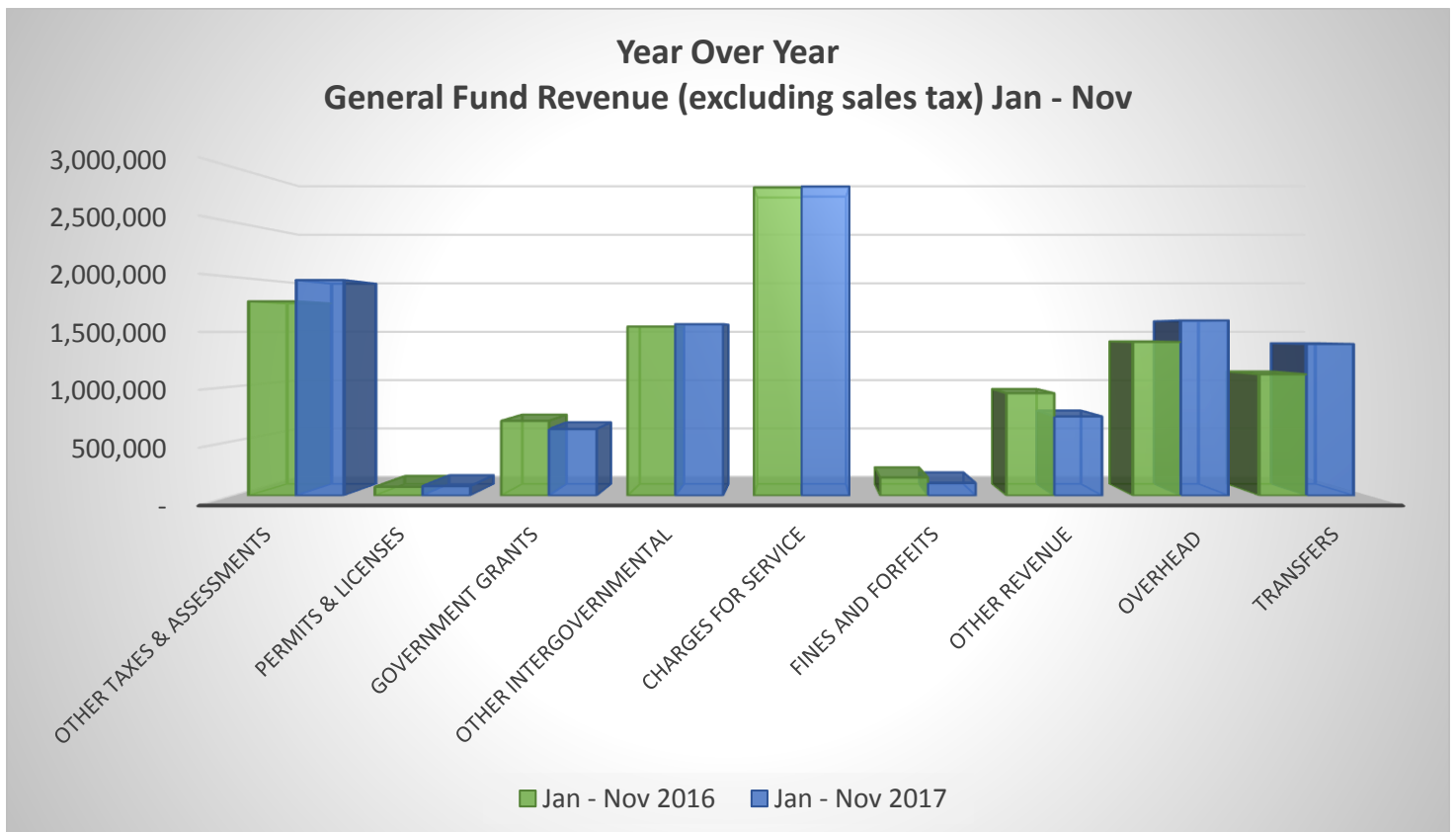
Note: Budget is evenly split by month, however sales tax collections is one month in arrears.

General Fund Revenue:

- Sales tax is collected and reported by the City one month in arrears. Based on an estimated YTD budget, the City has collected approximately \$650K more than budgeted for a positive budget to actual variance of 3.49%
- We are currently below 2016 for collections of government grants and fines and forfeits. Government grants are typically on a reimbursement basis and there is not always consistency in collections, but we are still anticipating our full grant revenue. Fines and forfeits are less than prior year due to staffing levels in the police department in 2017.



Note: The above graph is net of the Steamboat Springs Redevelopment Authority revenue.



General Fund – Expenditures

- Due to the seasonality of the department, the Parks & Community Services department is over their budget YTD. They are anticipated to end the year within budget.
- Fire/EMS is trending over-budget due to overtime. It is likely they will exceed their 2017 budget.
- Overall, the General Fund is under budget and will likely have budget savings at year-end.

| | YTD Budget | YTD Actual | Budget Variance | |
|-------------------------------|---------------------|---------------------|--------------------|----------|
| | Nov-17 | Nov-17 | Var (\$) | Var (%) |
| Expenditures | | | | |
| City Council | \$233,192 | \$231,943 | \$1,249 | 1 |
| City Manager | 2,993,470 | 2,855,827 | 137,643 | 5 |
| Finance | 1,178,216 | 1,126,485 | 51,731 | 4 |
| General Services | 2,959,285 | 2,795,469 | 163,816 | 6 |
| Transit Admin | 3,287,510 | 3,091,752 | 195,758 | 6 |
| Public Works Eng. & Streets | 3,784,878 | 3,488,880 | 295,998 | 8 |
| Police Services | 3,914,852 | 3,663,327 | 251,525 | 6 |
| Fire/EMS | 3,473,256 | 3,546,979 | (73,724) | (2) |
| Legal services | 370,167 | 362,669 | 7,498 | 2 |
| Municipal court | 136,305 | 129,718 | 6,587 | 5 |
| PCS Admin | 555,419 | 537,410 | 18,009 | 3 |
| PCS - Marketing & Event Admin | 142,749 | 114,307 | 28,442 | 20 |
| PCS - Parks | 1,169,126 | 1,170,498 | (1,372) | (0) |
| PCS - Botanic Park | 170,875 | 174,727 | (3,852) | (2) |
| PCS - Trails | 174,253 | 159,786 | 14,467 | 8 |
| PCS - Open Space | 147,456 | 115,279 | 32,177 | 22 |
| PCS - Recreation | 617,381 | 646,878 | (29,497) | (5) |
| PCS - Howelsen Hill Ski Area | 1,139,926 | 1,036,334 | 103,592 | 9 |
| PCS - Rodeo | 211,626 | 188,023 | 23,603 | 11 |
| PCS - Ice Arena | 756,473 | 722,114 | 34,359 | 5 |
| PCS - Tennis Center | 164,195 | 163,168 | 1,027 | 1 |
| Planning & Com. Development | 813,663 | 728,977 | 84,686 | 10 |
| Debt Service | 890,826 | 184,036 | 706,790 | 79 |
| Transfers | 2,383,219 | 2,599,875 | (216,656) | (9) |
| Total General Fund | \$31,668,319 | \$29,834,461 | \$1,833,858 | 6 |

