

City of North Richland Hills, Texas



Quarterly Financial Report

Fiscal Year 2017-18

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Executive Summary

This report contains an unaudited snapshot of the financial performance for all budgeted operating funds in the City during October 1, 2017 through December 31, 2017. The following report includes both financial schedules and explanatory narrative for each budgeted operating fund. Staff believes this report offers a conservative picture of the City's financial performance in the first quarter (Q1) for FY17-18. A brief summary of this report highlighting the City's major operating funds is provided later in this section.

The Q1 financial report includes adjustments to the Revised Budget for prior year encumbrances, which reflect purchases approved in the FY16-17 Adopted Budget but due to timing of receipt will be paid for in the current fiscal year. This year staff is reflecting appropriations of fund balance, reserves and capital transfers different than in prior year. Appropriations of fund balance and reserves are reflected on a 1/12 basis with the intent of making any necessary final adjustments in the 12th period. This change helps smooth out the impact to the bottom line when reporting on all operating funds and still ensures these items are accounted for throughout the fiscal year. Capital transfers this fiscal year are reflected as completed in Q1 to ensure full funding of FY17-18 Capital Projects at the start of the fiscal year.

Like in prior years, estimates are used to capture outstanding items that were not available at the time of developing this report, such as for December sales tax collections.

General Fund

The General Fund is overall performing within expectations for the first quarter with year to date revenue receipts at 34.3% and total expenditures at 23.1% of the FY17-18 Revised Budget. A brief summary of Q1 highlights contained within this report are provided below:

- Current property tax collections are trending slightly ahead of the FY17 collection rate. Staff anticipates collections to meet budget projections for current the fiscal year.

- Sales tax collections are estimated to come in 2.68% higher in Q1 of FY18 as compared to collections for the same period in FY17.
- Total Fines and Forfeitures are running approximately (25%) lower than the same period last fiscal year. The decrease is primarily in Municipal Court Fines, which are driven by citations processed by the Municipal Court. To date there has been a significant drop in the first quarter from prior year in citations (38%). The decrease for Q1 is associated with a number of factors including a shortage in patrol and traffic officers and impacts from the Sandra Bland Act. Staff anticipates a pick-up in citations for Q2. Staff will continue to monitor this revenue source closely over the coming months and will adjust appropriately for any potential shortfall.
- Total Licenses & Permits are trending 22.6% above the Q1 FY17 collection rate resulting from strong construction activity including the recent permitting of the Stone Creek Assisted Living Center.
- Charges for Services are trending slightly below FY17 collections by (4.6%) with the majority of the impact in mowing fees. Mowing fees are from the payment of liens that were placed on properties due to code violations that required the City to mow, clean-up or demolish a property.
- Expenditures overall tracked within expectations.

Park & Recreation Facilities Development Fund

The Park & Recreation Facilities Development Fund is overall performing within expectations for the first quarter with year to date revenue receipts at 22.4% and total expenditures at 27.8% of the FY17-18 Revised Budget. A brief summary of Q1 highlights contained within this report are provided below:

- Sales tax collections are estimated to come in 2.68% higher in Q1 of FY18 as compared to collections for the same period in FY17.
- Expenditures for Reserves and Other Expenditures reflect above the straight-line target due to staff completing all capital project transfers for the FY17-18 Revised Budget in Q1.

Crime Control District Fund

The Crime Control District Fund is overall performing within expectations for Q1 with year to date revenue receipts at 27.2% and total expenditures at 23.9% of the FY17-18 Revised Budget. A brief summary of Q1 highlights contained within this report are provided below:

- Sales tax collections are estimated to come in 2.17% higher in Q1 of FY18 as compared to collections for the same time period in FY17.
- SRO Reimbursement is at 52% due to the receipt of one of two annual payments.
- Expenditures overall tracked within expectations.

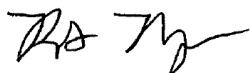
Utility Fund

The Utility Fund is overall performing within expectations for Q1 with year to date revenue receipts at 19% and total expenditures at 22.4% of the FY17-18 Revised Budget. A brief overview of highlights of activity for Q1 contained within this report are below:

- Water sales are trending 14.8% above prior year collections and are currently trending to meet budget estimates. This is due to billable water sales being up 5% from the same time period in prior year and due to the rate increase that took effect in October 2017.
- Sewer sales are trending 7.6% above prior year collections and are currently trending to meet budget estimates.
- Expenditures overall tracked within expectations.

Staff hopes the Council finds this report helpful and informative and will be happy to address any questions or concerns you may have.

Respectfully Submitted,



Robert Myers

Budget & Research Director

General Fund

The General Fund is overall performing within expectations for the first quarter with year to date revenue receipts at 34.3% and total expenditures at 23.1% of the FY17-18 Revised Budget. The General Fund includes a revision of \$285,133 for the annual encumbrance roll that reflects items included in the FY16-17 budget that will be received and paid for during the current fiscal year. The below analysis includes highlights and items of note for Q1.

Revenues

Property Tax

The city receives most property tax revenue between October and February, with December through February typically being the highest collection months. Current General Fund Property tax collections through December were \$9,175,465 or 56% of budget. Staff currently anticipates collections to reach budget estimates.

Sales Tax

Sales tax collections October through December totaled \$2,668,453 which exceeds budget estimates for these periods by 0.67% or \$17,706. For the month of December due to lag time in receipt of the December sales tax, staff included an estimate for a portion of collections related to the remittance of Sales Tax from City related operations totaling \$6,483. The FY17-18 Adopted Budget for sales tax estimated 2% growth over actual collections in FY 16-17. Sales tax collections are overall in-line with budget estimates and staff currently anticipate to meet original budget projections.

Franchise Tax

Franchise Fees currently reflect receipts of \$51,974 or 1.3% of budget. Through December franchise fees for cable, telephone, gas, and electricity had not been received. Historically cable and telephone receipts are received between December and January and gas and electricity are received in March. Staff anticipates that the Q2 financial report will reflect collections for all items.

Fines & Forfeitures

Fines & Forfeitures total \$412,714 or 19% of budget. Municipal Court Fines, which are driven primarily by the number of citations written by the Police Department and processed by Municipal Court are down as compared to prior year by (38%). The decrease for Q1 is associated a shortage in patrol and traffic officers and impacts from the Sandra Bland Act. Staff currently anticipates a pick-

up in citations for Q2. Staff will continue to monitor this revenue source closely and provide an update on the Q2 financial report.

Licenses & Permits

Revenue from licenses and permits totaled \$613,098 or 27.8% of the budget. The City experienced a steady stream of construction related revenue during the first quarter.

Building Permits totaled \$283,187 or 26.3% of projected collections. Collections were driven by strong construction activity including the recent permitting of the Stone Creek Assisted Living Center. Curb & drainage inspection fees, which are assessed on new developments, totaled \$17,661 or 28.2% of budget. These revenues are driven by construction related activity in the City. Collections included inspection and plan review fees for Iron Horse Commons Phase I.

Food Service Permits totaled \$123,450 or 76.7% of budget. Collections are up 5.4% as compared to FY17 and staff currently anticipates total receipts to meet budget. The bulk of food service permits are historically collected in Q1 due to the timing of when permits are renewed.

Charges for Service

Charges for Service totaled \$499,524 or 20.8% of budget. Mowing Fees totaled \$4,436 which are down (80.8%) from FY17 collections. Mowing fees are payments of liens that were placed on properties due to code violations that required the City to mow, clean-up or demolish a property. In Q1 there were no large liens paid off like in prior year, however based on collections in early January staff anticipate a return to a positive trend and expect to meet budget for mowing fees. Ambulance fees were \$377,927 or 22.2% of budget. Ambulance fees totaled \$377,927 which is (1%) behind prior year collections. Ambulance fee revenue is driven in part by the number of EMS transports, which were down slightly by (5%) from the same time period in FY17. Staff will continue to monitor this revenue source closely and provide updates in future reports.

Intergovernmental

Intergovernmental revenues totaled \$1,275,214 or 23.4% of budget. Intergovernmental revenues are the indirect costs paid to the General Fund by the City's other funds. Transfers to the General Fund are made on a monthly basis based on a 1/12 increment. Parks and CCD vary from this trend due to quarterly processing of economic development incentives.

Consolidation Reimbursements within the Intergovernmental category, totaled \$538,028 or 22.1% of budget. This revenue accounts for participating entity payments for the communications and detention consolidation which is paid on a

quarterly basis. A portion of shared service revenue is associated with shared costs for the CAD/RMS system. Revenue collections for CAD/RMS are received in two payments typically, one in February and one in August.

Miscellaneous

Miscellaneous revenue totaled \$764,283 or 34.2%. One of the largest sources of revenues within this category is Radio Reimbursements which are remitted to the City by participants in the radio consortium, for which NRH is the coordinating entity, and are based on the number of radios each entity possesses that are not currently covered under warranty. Radio reimbursements in Q1 totaled \$265,117 or 96.9% of budget.

Sale of Fixed Assets totaled \$29,709 due to the sale of property on Jerrie Jo Drive.

Designated Funds - City Hall Debt to date reflects \$400,000 in the transfers to the General Fund. This fiscal year this transfer will be recognized on a 1/12 basis with a year-end adjustment based on the actual need in the General Fund.

Appropriations of Fund Balance

Appropriations of fund balance totaled \$285,133 for prior year encumbrances. These encumbrances are items that were approved by City Council in the prior year, but will be received and paid for in the current fiscal year.

Expenditures

General Government

Overall in Q1 several departments came in below the straight-line target in part due to position vacancies. Savings due to vacant positions will begin to be reflected in non-departmental in Q2. Transfers of these savings will be completed 30 days after the close of each quarter.

Non-departmental expenditures through December were \$349,572 or 34.4% of budget. These are slightly ahead of the straight-line target as a result of the annual payment made for the North East Transportation System (NETS), payments made for the annual external audit, and expenses for the Night of Holiday Magic.



CITY OF NORTH RICHLAND HILLS

MONTHLY FINANCIAL REPORT FOR DECEMBER 2017

GENERAL FUND (001)

	ADOPTED BUDGET	REVISED BUDGET	ACTUAL AS OF 12/2017	REMAINING BALANCE	% REVISED BUDGET	% TARGET 25.00%
Revenues						
Taxes	\$ 32,144,108	\$ 32,144,108	\$ 12,233,044	\$ 19,911,064	38.06%	25.00%
Fines & Forfeitures	2,175,366	2,175,366	412,714	1,762,652	18.97%	25.00%
Licenses & Permits	2,205,406	2,205,406	613,098	1,592,308	27.80%	25.00%
Charges for Services	2,401,541	2,401,541	499,524	1,902,017	20.80%	25.00%
Intergovernmental	5,446,957	5,446,957	1,275,214	4,171,743	23.41%	25.00%
Miscellaneous	2,233,234	2,233,234	764,283	1,468,951	34.22%	25.00%
Total Revenues	\$ 46,606,612	\$ 46,606,612	\$ 15,797,877	\$ 30,808,735	33.90%	25.00%
Appropriation of Fund Balance	\$ -	\$ 285,133	\$ 285,133	\$ -	100.00%	25.00%
Total Resources	\$ 46,606,612	\$ 46,891,745	\$ 16,083,010	\$ 30,808,735	34.30%	25.00%
Expenditures						
City Council	\$ 131,079	\$ 131,079	\$ 25,657	\$ 105,422	19.57%	25.00%
City Manager	667,063	667,769	161,937	505,832	24.25%	25.00%
Communications	367,310	374,936	80,510	294,426	21.47%	25.00%
City Secretary	447,396	447,749	95,574	352,175	21.35%	25.00%
Legal	385,803	367,803	68,617	299,186	18.66%	25.00%
Human Resources	150,464	150,676	28,210	122,466	18.72%	25.00%
Finance	720,828	722,196	167,422	554,774	23.18%	25.00%
Budget & Research	412,093	412,269	76,405	335,864	18.53%	25.00%
Municipal Court	1,388,506	1,438,234	330,812	1,107,422	23.00%	25.00%
Planning & Development	1,271,250	1,277,199	303,642	973,557	23.77%	25.00%
Economic Development	336,148	336,766	78,494	258,272	23.31%	25.00%
Library	2,200,342	2,204,488	538,219	1,666,269	24.41%	25.00%
Neighborhood Services	1,978,654	1,990,771	423,242	1,567,529	21.26%	25.00%
Public Works	3,185,518	3,189,092	734,559	2,454,533	23.03%	25.00%
Parks and Recreation	2,148,142	2,150,331	472,595	1,677,736	21.98%	25.00%
Police	14,440,270	14,489,369	3,379,099	11,110,270	23.32%	25.00%
Fire	12,931,029	13,146,995	2,925,532	10,221,463	22.25%	25.00%
Facilities/Construction Management	812,101	812,101	203,025	609,076	25.00%	25.00%
Non-Departmental	1,067,329	1,016,635	349,572	667,063	34.39%	25.00%
Reserves & Other Expenditures	1,565,287	1,565,287	383,542	1,181,746	24.50%	25.00%
Total Expenditures	\$ 46,606,612	\$ 46,891,745	\$ 10,826,665	\$ 36,065,081	23.09%	25.00%

Promotional Fund

The Promotional Fund is overall performing within expectations for the first quarter with year to date revenue receipts at 8.5% and total expenditures at 19.7% of the FY17-18 Revised Budget. The Promotional Fund includes a revision of \$2,439 for the annual encumbrance roll that reflects items included in the FY16-17 budget that will be received and paid for during the current fiscal year. The below analysis includes highlights and items of note for Q1.

Revenues

Total collections for occupancy taxes for Q1 totaled \$18,388 or 7.2% of budget. Occupancy taxes collected from hotels and motels operating in the city is the primary source of revenue for this fund. Occupancy taxes are due on a quarterly basis and remitted within thirty days of the end of each quarter. Due to timing the bulk of Q1 occupancy tax payments are remitted to the City in January and will be reflected in the Q2 Financial Report.

Expenditures

Total expenditures were \$51,443, or 19.7% of revised budget. There were no specific items of note. Q1 typically reflects expenditures outpacing revenues as a result of when occupancy tax payments are received.



CITY OF NORTH RICHLAND HILLS

MONTHLY FINANCIAL REPORT FOR DECEMBER 2017 PROMOTIONAL FUND (105)

	ADOPTED BUDGET	REVISED BUDGET	ACTUAL AS OF 12/2017	REMAINING BALANCE	% REVISED BUDGET	% TARGET 25.00%
Revenues						
Occupancy Taxes	\$ 255,253	\$ 255,253	\$ 18,388	\$ 236,865	7.20%	25.00%
Interest Income	3,769	3,769	1,414	2,355	37.52%	25.00%
Prior Year Encumbrances	-	2,439	2,439	-	100.00%	25.00%
Total Revenues	\$ 259,022	\$ 261,461	\$ 22,241	\$ 239,220	8.51%	25.00%
Expenditures						
Economic Development	\$ 120,280	\$ 122,807	\$ 23,150	\$ 99,657	18.85%	25.00%
Cultural & Leisure	132,158	132,158	26,713	105,445	20.21%	25.00%
Non-Departmental	443	355	45	310	12.68%	25.00%
Contribution to Reserves	6,141	6,141	1,535	4,606	25.00%	25.00%
Total Expenditures	\$ 259,022	\$ 261,461	\$ 51,443	\$ 210,018	19.68%	25.00%

Donations Fund

The Donations Fund is overall performing within expectations for the first quarter with year to date revenue receipts at 35.4% and total expenditures at 29.6% of the FY17-18 Revised Budget. This fund accounts for events and operations paid for by contributions and donations. A bulk of the contributions are received through voluntary payments made as part of the water bill to support library activities, the Animal Adoption and Rescue Center, and special events/public art. The contributions are allocated to the Library (\$0.65), Humane Services (\$0.65), and special events and arts (\$0.20). The Donations Fund includes a revision of \$3,500 for the annual encumbrance roll that reflects items included in the FY16-17 budget that will be received and paid for during the current fiscal year. The below analysis includes highlights and items of note for Q1 activity.

Revenues

Water Bill contributions totaled \$16,052 or 27.2% of budget. Water Bill contributions are currently trending 11% above FY17 collections. In Donations, Republic totaled \$0 in Q1 as the receipt of this annual donation has historically been received in April and May. In Other Revenues, Other Income totaled \$61,629 or 45.2% budget. Q1 revenues in Other Income were driven by various events that took place during the first quarter such as Run Run Rudolph, Road Runner 5K, Lost Book Revenue, and the Senior Center Travel Donations.

Expenditures

Keep NRH Beautiful expenditures were \$6,264 or 31.4% of budget. Expenditures currently show above the straight-line target due to events held in Q1 including Keep NRH Beautiful, the Fall Community Cleanup Event, and holding environmental education events at local schools.

Parks – Special Events and Arts expenditures totaled \$49,749 or 51% of budget. Expenditures currently show above the straight-line target due to expenses resulting from events including the Hoot n Howl, NRH Run Run Rudolph and Night of Holiday Magic.



CITY OF NORTH RICHLAND HILLS

MONTHLY FINANCIAL REPORT FOR DECEMBER 2017

DONATIONS FUND (110)

	ADOPTED BUDGET	REVISED BUDGET	ACTUAL AS OF 12/2017	REMAINING BALANCE	% REVISED BUDGET	% TARGET 25.00%
Revenues						
Contributions						
NRH Water Bills	\$ 59,080	\$ 59,080	\$ 16,052	\$ 43,028	27.17%	25.00%
Total NRH Water Bill Contributions	\$ 59,080	\$ 59,080	\$ 16,052	\$ 43,028	27.17%	25.00%
Donations						
Spay / Neuter	\$ 13,800	\$ 13,800	\$ 3,188	\$ 10,612	23.10%	25.00%
Shelter Fund	23,850	23,850	4,180	19,670	17.53%	25.00%
Republic	15,000	15,000	-	15,000	0.00%	25.00%
Santa Cops	2,600	2,600	5,000	(2,400)	192.31%	25.00%
Total Donations	\$ 55,250	\$ 55,250	\$ 12,368	\$ 42,882	22.39%	25.00%
Proceeds						
Library Book Sale	\$ 9,000	\$ 9,000	\$ 5,630	\$ 3,370	62.56%	25.00%
Total Library Book Sale Proceeds	\$ 9,000	\$ 9,000	\$ 5,630	\$ 3,370	62.56%	25.00%
Other Revenues						
Interest Income	\$ 4,620	\$ 4,620	\$ 1,631	\$ 2,989	35.30%	25.00%
Other Income	136,500	136,500	61,629	74,871	45.15%	25.00%
Appropriation of Fund Balance						
Teen Court	400	400	100	300	25.00%	25.00%
Library	24,265	24,265	6,066	18,199	25.00%	25.00%
Neighborhood Services	4,969	4,969	1,242	3,727	25.00%	25.00%
Parks & Recreation	18,920	22,420	8,230	14,190	36.71%	25.00%
Police	9,000	9,000	2,250	6,750	25.00%	25.00%
Total Other Revenues	\$ 198,674	\$ 202,174	\$ 81,149	\$ 121,026	40.14%	25.00%
Total Resources	\$ 322,004	\$ 325,504	\$ 115,199	\$ 210,306	35.39%	25.00%
Expenditures						
Library - Book Collection	\$ 76,420	\$ 76,420	\$ 13,658	\$ 62,762	17.87%	25.00%
Neighborhood Services						
Animal Services	29,310	29,310	7,456	21,854	25.44%	25.00%
Keep NRH Beautiful	19,969	19,969	6,264	13,705	31.37%	25.00%
Municipal Court - Teen Court	5,000	5,000	-	5,000	0.00%	25.00%
Parks - Special Events and Arts	94,000	97,500	49,749	47,751	51.02%	25.00%
Police Department	45,000	45,000	5,561	39,439	12.36%	25.00%
Transfer to Capital	41,400	41,400	10,350	31,050	25.00%	25.00%
Total Expenditures	\$ 311,099	\$ 314,599	\$ 93,038	\$ 190,511	29.57%	25.00%

Special Investigations Fund

The Special Investigations Fund is overall performing within expectations for the first quarter with year to date revenue receipts at 35% and total expenditures at 27.3% of the FY17-18 Revised Budget. Revenue for this fund is received from Federal and State forfeited funds and the Automated Fingerprint Identification System (AFIS) program. The Special Investigations Fund includes a revision of \$3,300 for the annual encumbrance roll that reflects items included in the FY16-17 budget that will be received and paid for during the current fiscal year. The below analysis includes highlights and items of note for Q1 activity.

Revenues

Total revenues through December were \$89,362 or 35% of budget. Forfeited funds accounts for the bulk of collections totaling to \$51,994. These revenues fluctuate year to year depending on seizures and the timing of cases involving court awards. An appropriation of fund balance totaling \$3,300 was made for prior year encumbrances.

Expenditures

Total expenditures were \$69,730, or 27.3% of budget. Expenses for AFIS Maintenance & Equipment totaled \$46,941 or 91.5% of budget. These expenses are from the planned upgrade of the AFIS system this fiscal year with the purchase made in Q1.



CITY OF NORTH RICHLAND HILLS

MONTHLY FINANCIAL REPORT FOR DECEMBER 2017 SPECIAL INVESTIGATIONS FUND (115)

	ADOPTED BUDGET	REVISED BUDGET	ACTUAL AS OF 12/2017	REMAINING BALANCE	% REVISED BUDGET	% TARGET 25.00%
Revenues						
Forfeited Funds	\$ 111,000	\$ 111,000	\$ 51,994	\$ 59,006	46.84%	25.00%
AFIS Reimbursements	26,250	26,250	5,250	21,000	20.00%	25.00%
Interest Income	2,034	2,034	507	1,527	24.93%	25.00%
Other	-	-	57	(57)	100.00%	25.00%
Total Revenues	\$ 139,284	\$ 139,284	\$ 57,808	\$ 81,476	41.50%	25.00%
Appropriation of Fund Balance	113,016	116,316	31,554	84,762	27.13%	25.00%
Total Resources	\$ 252,300	\$ 255,600	\$ 89,362	\$ 166,238	34.96%	25.00%
Expenditures						
Federal Forefeited Funds	\$ 100,000	\$ 103,300	\$ 15,090	\$ 88,210	14.61%	25.00%
State Forefeited Funds	100,000	100,000	7,699	92,301	7.70%	25.00%
Local Forefeited Funds	1,000	1,000	-	1,000	0.00%	25.00%
AFIS Maintenance & Equipment	51,300	51,300	46,941	4,359	91.50%	25.00%
Operating Expenditures	\$ 252,300	\$ 255,600	\$ 69,730	\$ 185,870	27.28%	25.00%
Total Expenditures	\$ 252,300	\$ 255,600	\$ 69,730	\$ 185,870	27.28%	25.00%

Drainage Utility Fund

The Drainage Utility Fund is overall performing within expectations for the first quarter with year to date revenue receipts at 21.3% and total expenditures at 74.7% of the FY17-18 Revised Budget. This fund accounts for the monthly fees charged to residents and businesses to pay for the cost of drainage improvements throughout the City. The fee is based on a residential and commercial unit usage of drainage infrastructure. The fee varies based on zoning category. The below analysis includes highlights and items of note for Q1 activity.

Revenues

Total revenues were \$253,997 or 21.3% of budget. Drainage Fees are up slightly from prior year collections, which have historically reflected 19% of total collections in Q1. Overall revenues are performing as expected.

Expenditures

Total expenditures were \$888,746 or 74.7% of budget. Total expenditures exceed the straight-line target due to the planned transfer to the capital projects fund in the amount of \$797,850 for the Walker Branch Channel Repair (DR1701).



CITY OF NORTH RICHLAND HILLS

MONTHLY FINANCIAL REPORT FOR DECEMBER 2017 DRAINAGE UTILITY FUND (120)

	ADOPTED BUDGET	REVISED BUDGET	ACTUAL AS OF 12/2017	REMAINING BALANCE	% REVISED BUDGET	% TARGET 25.00%
Revenues						
Drainage Fees	\$ 867,849	\$ 867,849	\$ 173,795	\$ 694,054	20.03%	25.00%
Interest Income	5,269	5,269	850	4,419	16.13%	25.00%
Total Revenues	\$ 873,118	\$ 873,118	\$ 174,645	\$ 698,473	20.00%	25.00%
Appropriation of Fund Balance	317,406	317,406	79,352	238,055	25.00%	25.00%
Total Resources	\$ 1,190,524	\$ 1,190,524	\$ 253,997	\$ 936,528	21.33%	25.00%
Expenditures						
Debt Service	\$ 362,674	\$ 362,674	\$ 90,668	\$ 272,006	25.00%	25.00%
Transfer to Capital Project	797,850	797,850	797,850	-	100.00%	25.00%
Other Expenditures	30,000	30,000	228	29,772	0.76%	25.00%
Operating Expenditures	\$ 1,190,524	\$ 1,190,524	\$ 888,746	\$ 301,778	74.65%	25.00%
Total Expenditures	\$ 1,190,524	\$ 1,190,524	\$ 888,746	\$ 301,778	74.65%	25.00%

Park & Recreation Facilities Dev. Fund

The Parks & Recreation Facilities Development Fund is overall performing within expectations for the first quarter with year to date revenue receipts at 22.4% and total expenditures at 27.8% of the FY17-18 Revised Budget. The below analysis includes highlights and items of note for Q1 activity.

Revenues

Sales tax collections October through December totaled \$1,334,227 which exceeds budget estimates for these periods by 0.67% or \$8,852. For the month of December due to lag time in receipt of the December sales tax, staff included an estimate for a portion of collections related to the remittance of Sales Tax from City related operations totaling \$3,241. The FY17-18 Adopted Budget for sales tax estimated 2% growth over actual collections in FY 16-17. Sales tax collections are overall in-line with budget estimates and staff currently anticipate to meet original budget projections.

NRH Centre revenues totaled \$515,625 or 16.3% of budget. Membership and drop-in pass revenue of \$187,073 trended behind target due to the lag time in entry of these revenues from the Active Net system at the NRH Centre into the City's financial system, which led to a bulk of December collections being recorded in January. Additionally, Q1 receipts historically made up approximately 20% of total collections with higher collection months typically starting later in Q2 through Q3. Based on a review of January collections staff anticipates the trend to level out in the Q2 report.

Expenditures

Operating expenditures not associated with the NRH Centre totaled \$694,924 or 19.6% of budget. Maintenance & Operations totaled \$387,274 or 17.9% of budget. Activities in this division were below the straight-line target due to Q1 being the operations offseason as the majority of major activities such as mowing begin to kick off during the spring and summer months of the fiscal year.

Expenditures for the NRH Centre totaled \$623,192 or roughly 20.5%. Center Management fell below the straight-line target totaling \$141,201 or 17.8% of budget. Center Management was down primarily due to the vacancy of the assistant manager position. In Q2 the savings from this position will be reflected

in a staffing restructure to transition the position to an Aquatic Supervisor in Aquatics. Aquatics reflected below the straight-line target totaling \$114,099 or 18.2% of budget. The bulk of this is due to the swimming pool maintenance included in the budget, which was planned to begin in January and has been decreased in scope as staff anticipate requesting additional funds in the FY18-19 budget process. Recreation Sports totaled \$50,746 or 14% of budget. This category fell below the straight-line target due to a bulk of the expenditures in this category being related to the summer camp program and sport related activities that kick off in Q3.

Reserves & Other Expenditures totaled \$1,180,900 or 48.7% of budget. The overage above the straight-line target is driven by the completion of all planned transfers to the capital projects fund for capital projects approved in the FY17-18 Adopted Budget.



CITY OF NORTH RICHLAND HILLS

MONTHLY FINANCIAL REPORT FOR DECEMBER 2017 PARK AND RECREATION FACILITIES DEVELOPMENT FUND (125 & 126)

	ADOPTED BUDGET	REVISED BUDGET	ACTUAL AS OF 12/2017	REMAINING BALANCE	% REVISED BUDGET	% TARGET 25.00%
Revenues						
Sales Tax	\$ 5,095,823	\$ 5,095,823	\$ 1,334,227	\$ 3,761,596	26.18%	25.00%
Interest Income	26,160	26,160	11,508	14,652	43.99%	25.00%
Youth Assoc. Maintenance Fees	44,500	44,500	2,383	42,117	5.36%	25.00%
Tennis Center Revenue	372,550	372,550	75,267	297,283	20.20%	25.00%
Transfer In - Aquatic Park Fund	87,869	87,869	21,967	65,902	25.00%	25.00%
Park Impact Fee	70,000	70,000	23,112	46,888	33.02%	25.00%
Other Income	500	500	458	42	91.60%	25.00%
NRH Centre	3,168,102	3,168,102	515,625	2,652,477	16.28%	25.00%
Total Revenues	\$ 8,865,504	\$ 8,865,504	\$ 1,984,547	\$ 6,880,957	22.39%	25.00%
Appropriation of Fund Balance	\$ 135,000	\$ 135,000	\$ 33,750	\$ 101,250	25.00%	25.00%
Total Resources	\$ 9,000,504	\$ 9,000,504	\$ 2,018,297	\$ 6,982,207	22.42%	25.00%
Expenditures						
Parks Facilities Dev. Admin.	\$ 764,159	\$ 764,758	\$ 184,668	\$ 580,090	24.15%	25.00%
Maintenance & Operations	2,155,009	2,159,279	387,274	1,772,005	17.94%	25.00%
Tennis Center Operations	616,486	617,545	122,982	494,563	19.91%	25.00%
Operating Expenditures	\$ 3,535,654	\$ 3,541,582	\$ 694,924	\$ 2,846,658	19.62%	25.00%
Center Management	\$ 792,553	\$ 792,906	\$ 141,201	\$ 651,705	17.81%	25.00%
Fitness	395,271	395,271	110,579	284,692	27.98%	25.00%
Building Operations	203,842	204,195	50,041	154,154	24.51%	25.00%
Aquatic	625,629	625,982	114,099	511,883	18.23%	25.00%
Recreation Sports	358,837	358,837	50,746	308,091	14.14%	25.00%
Event Center	362,838	363,191	82,988	280,203	22.85%	25.00%
Building Services	294,150	294,150	73,538	220,612	25.00%	25.00%
NRH Center Expenditures	\$ 3,033,120	\$ 3,034,532	\$ 623,192	\$ 2,411,340	20.54%	25.00%
Reserves & Other Expenditures	\$ 2,431,730	\$ 2,424,390	\$ 1,180,900	\$ 1,243,490	48.71%	25.00%
Total Expenditures	\$ 9,000,504	\$ 9,000,504	\$ 2,499,016	\$ 6,501,488	27.77%	25.00%

Crime Control District

The Crime Control District Fund is overall performing within expectations for the first quarter with year to date revenue receipts at 27.2% and total expenditures at 23.9% of the FY17-18 Revised Budget. The below analysis includes highlights and items of note for Q1 activity.

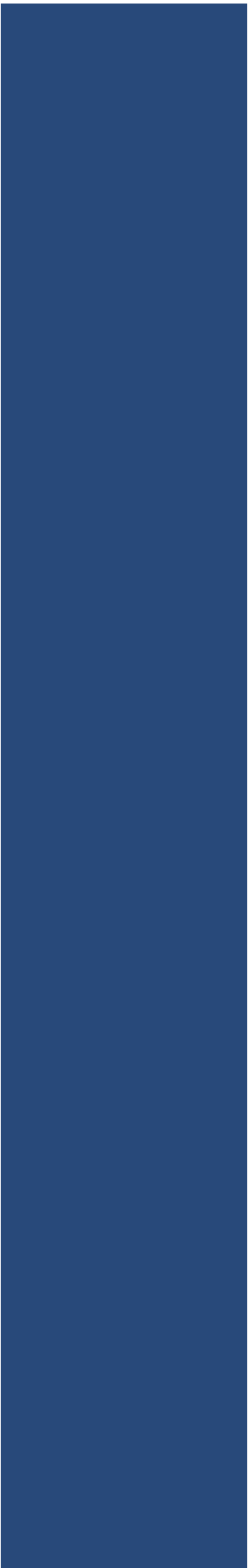
Revenues

Sales tax collections October through December totaled \$1,322,551 which exceeds budget estimates for these periods by 0.17% or \$2,262. The FY17-18 Adopted Budget for sales tax estimated 2% growth over actual collections in FY 16-17. Sales tax collections are overall in-line with budget estimates and staff currently anticipate to meet original budget projections.

SRO Reimbursements (BISD) totaled \$109,648 in Q1. Each year, BISD reimburses NRH for 50% of the School Resource Officers (SROs). This reimbursement is typically received in two installments; one in December and one in May.

Expenditures

Total expenditures were \$1,288,215, or 23.9%. There were no significant items of note.





CITY OF NORTH RICHLAND HILLS

MONTHLY FINANCIAL REPORT FOR DECEMBER 2017

CRIME CONTROL DISTRICT FUND (130)

	ADOPTED BUDGET	REVISED BUDGET	ACTUAL AS OF 12/2017	REMAINING BALANCE	% REVISED BUDGET	% TARGET 25.00%
Revenues						
Sales Tax	\$ 5,069,844	\$ 5,069,844	\$ 1,322,551	\$ 3,747,293	26.09%	25.00%
Franchise Fees	87,248	87,248	21,812	65,436	25.00%	25.00%
Interest Income	3,028	3,028	1,793	1,235	59.21%	25.00%
SRO Reimbursement (BISD)	210,918	210,918	109,648	101,270	51.99%	25.00%
Other	-	-	3,494	(3,494)	100.00%	25.00%
Sub-total	\$ 5,371,038	\$ 5,371,038	\$ 1,459,298	\$ 3,911,740	27.17%	25.00%
Appropriation of Fund Balance	9,557	9,557	2,389	7,168	25.00%	25.00%
Total Revenues	<u>\$ 5,380,595</u>	<u>\$ 5,380,595</u>	<u>\$ 1,461,687</u>	<u>\$ 3,918,908</u>	<u>27.17%</u>	<u>25.00%</u>
Expenditures						
Administration	\$ 9,500	\$ 9,500	\$ 986	\$ 8,514	10.38%	25.00%
Administrative Services	1,006,895	1,008,306	245,291	763,015	24.33%	25.00%
Investigations	510,117	510,117	114,503	395,614	22.45%	25.00%
Uniform Patrol	3,046,166	3,049,165	722,916	2,326,249	23.71%	25.00%
Technical Services	565,477	566,712	138,311	428,401	24.41%	25.00%
Property / Evidence	30,400	30,400	5,000	25,400	16.45%	25.00%
Operating Expenditures	\$ 5,168,555	\$ 5,174,200	\$ 1,227,007	\$ 3,947,193	23.71%	25.00%
Reserves & Other Expenditures	\$ 212,040	\$ 206,395	\$ 61,208	\$ 145,188	29.66%	25.00%
Total Expenditures	<u>\$ 5,380,595</u>	<u>\$ 5,380,595</u>	<u>\$ 1,288,215</u>	<u>\$ 4,092,381</u>	<u>23.94%</u>	<u>25.00%</u>

Gas Development Fund

The Gas Development Fund is overall performing within expectations for the first quarter with year to date revenue receipts at 39.5% and total expenditures at 49% of the FY17-18 Revised Budget. Revenue for the Gas Development Fund is generated from natural gas development. In June 2006, City Council adopted a resolution creating a conservative policy on the use of natural gas development revenues. The policy was established to avoid over-reliance on these revenues and to establish how the revenues would be used. Caution was taken in considering uses for gas revenues because it is difficult to predict well production and long term production normally means the production decreases over time. In general, the policy guidelines establish three areas for using the money: (1) to bridge the gap of sales tax revenue reductions, (2) to use “one-time” revenues for projects or non-recurring capital needs, and (3) to use the revenues for expanding the City’s economic base and for economic development. The below analysis includes highlights and items of note for Q1.

Revenues

Total revenues were \$123,481 or 39.5% of budget. The largest source of revenue in this fund is from royalties received for natural gas development. To date, the city has received royalties in the amount of \$122,489.

Expenditures

Total expenditures were \$153,168, or 49% of budget. Total expenditures exceeded the straight-line budget due to the planned transfer to the capital project fund in the amount of \$100,000 for the Business Improvement and Growth Program (ED0801).



CITY OF NORTH RICHLAND HILLS

MONTHLY FINANCIAL REPORT FOR DECEMBER 2017 GAS DEVELOPMENT FUND (145)

	ADOPTED BUDGET	REVISED BUDGET	ACTUAL AS OF 12/2017	REMAINING BALANCE	% REVISED BUDGET	% TARGET 25.00%
Revenues						
Royalties / Overrides	\$ 217,000	\$ 217,000	\$ 122,489	\$ 94,511	56.45%	25.00%
Interest Income	2,300	2,300	992	1,308	43.13%	25.00%
Other Income	93,373	93,373	-	93,373	0.00%	25.00%
Total Revenues	\$ 312,673	\$ 312,673	\$ 123,481	\$ 189,192	39.49%	25.00%
Total Resources	\$ 312,673	\$ 312,673	\$ 123,481	\$ 189,192	39.49%	25.00%
Expenditures						
Transfer to Capital Projects	\$ 100,000	\$ 100,000	\$ 100,000	\$ -	100.00%	25.00%
Contribution to Reserves	212,673	212,673	53,168	159,505	25.00%	25.00%
Operating Expenditures	\$ 312,673	\$ 312,673	\$ 153,168	\$ 159,505	48.99%	25.00%
Total Expenditures	\$ 312,673	\$ 312,673	\$ 153,168	\$ 159,505	48.99%	25.00%

Traffic Safety Fund

The Traffic Safety Fund is overall performing within expectations for the first quarter with year to date revenue receipts at 32.6% and total expenditures at 22.6% of the FY17-18 Revised Budget. Revenue for the Traffic Safety Fund is generated from Red light camera fines located at seven intersections in the City; Rufe Snow Dr., Davis Blvd. and the Loop 820 westbound access to Rufe Snow. In November 2006, City Council adopted a resolution creating a policy on the use of traffic safety fine revenues. State law as of September 1, 2007 required a fifty-fifty split with the state in red light camera fines; after the deduction of allowable expenditures. The Traffic Safety Fund includes a revision of \$76,510 for the annual encumbrance roll that reflects items included in the FY16-17 budget that will be received and paid for during the current fiscal year. The below analysis includes highlights and items of note for Q1 activity.

Revenues

Total revenues were \$353,848 or 32.6% of budget. Gross Fine Revenues make up the bulk of total revenues with Q1 receipts at \$275,392. Gross Fine Revenues are driven by red light camera citations issued. Citations issued were down slightly by (5%) in Q1 from the same time period last year. Appropriations of fund balance totaled \$76,510 for prior year encumbrances.

Expenditures

Total operating expenditures were \$244,829 or 22.6% of budget. Traffic Enforcement / Traffic Safety expenditures totaled \$36,923 or 37.3% of budget due to the purchase of traffic control devices approved in the FY16-17 Revised budget and included in the annual encumbrance roll.



CITY OF NORTH RICHLAND HILLS

MONTHLY FINANCIAL REPORT FOR DECEMBER 2017

TRAFFIC SAFETY FUND (150)

	ADOPTED BUDGET	REVISED BUDGET	ACTUAL AS OF 12/2017	REMAINING BALANCE	% REVISED BUDGET	% TARGET 25.00%
Revenues						
Gross Fine Revenues	\$ 1,002,236	\$ 1,002,236	\$ 275,392	\$ 726,844	27.48%	25.00%
Interest Income	5,780	5,780	1,946	3,834	33.67%	25.00%
Total Revenues	\$ 1,008,016	\$ 1,008,016	\$ 277,338	\$ 730,678	27.51%	25.00%
Appropriation of Fund Balance	-	76,510	76,510	-	100.00%	25.00%
Total Resources	\$ 1,008,016	\$ 1,084,526	\$ 353,848	\$ 730,678	32.63%	25.00%
Expenditures						
Contractor Payments	\$ 612,000	\$ 612,000	\$ 133,645	\$ 478,355	21.84%	25.00%
Program Administration	322,937	323,006	69,819	253,187	21.62%	25.00%
Payment to State	33,296	33,296	-	33,296	0.00%	25.00%
Traffic Enforcement / Traffic Safety	22,508	99,018	36,923	62,095	37.29%	25.00%
Pedestrian Safety	16,568	16,568	4,282	12,286	25.85%	25.00%
Operating Expenditures	\$ 1,007,309	\$ 1,083,888	\$ 244,669	\$ 839,219	22.57%	25.00%
Reserves & Other Expenditures	\$ 707	\$ 638	\$ 160	\$ 479	25.00%	25.00%
Total Expenditures	\$ 1,008,016	\$ 1,084,526	\$ 244,829	\$ 839,697	22.57%	25.00%

Utility Fund

The Utility Fund is overall performing within expectations for the first quarter with year to date revenue receipts at 19% and total expenditures at 22.4% of the FY17-18 Revised Budget. The Utility Fund includes a revision of \$89,843 for the annual encumbrance roll that reflects items included in the FY16-17 budget that will be received and paid for during the current fiscal year. The below analysis includes highlights and items of note for Q1 activity.

Revenues

Total operating revenue in the Utility Fund was \$6,573,405 or 19.1% of budget. The largest revenue sources in this fund are collections for water and sewer sales. To date, total collections for water sales were \$3,963,031 or 18.5% of budget. Water Sales to date are trending 14.8% ahead of prior year due to billable sales being up 5% from the same time period in FY17 and the rate increase that took effect in October, which increased the volumetric rate by \$0.29 per 1,000 gallons and the water pass through rate by \$0.33 per 1,000 gallons. collections as compared to the straight-line target were below target due the seasonal nature of water sales, which historically track around 19% of total collections for this time period.

Sewer Sales to date total \$2,128,441 or 18.9% of budget. Sewer sales are trending 7.6% above prior year collections for the same period in prior year. Like water sales, a pass through rate increase took effect in October, increasing the sewer pass through rate by \$0.25 per 1,000 gallons of sewer. Staff will continue to monitor the collection trend on water and sewer closely and provide updates in future quarterly reports.

Appropriations of fund balance totaled \$261,314 or 33.7% of budget. The overage from straight-line target is driven by \$89,843 in prior year encumbrances for items approved in the FY16-17 budget.

Expenses

Total expenses were \$7,716,713 or 22.4% of budget. Right of Way Maintenance expenditures totaled \$107,499 or 34.1% of budget. The bulk of expenses posted in Q1 were for equipment and a vehicle purchase for the City's

Right of Way Maintenance crew. These items were included as part of the annual encumbrance roll.

North Richland Hills contracts with Fort Worth and the Trinity River Authority (TRA) for the purchase of water. Between the two entities, the total charges were \$1,764,278, which trailed behind the straight-line target due to the lag time in receiving the December invoices from both entities.

North Richland Hills also contracts with Fort Worth and TRA for sewer treatment services. Between the two entities, the total charges were \$1,353,107, which also trailed behind the straight-line target due to the lag time in receiving the December invoice from Fort Worth.

Non-departmental expenses totaled \$94,393 or 33.4% of budget. The bulk of expenses were related to payments for the annual external audit that is conducted in September through January.

Reserves and Other Expenses totaled \$1,714,568 or 30.1% of budget due to the transfer to the capital projects fund being completed for the Telemetric Water Meter Annual Maintenance (UT1804) and CIP Personnel projects.



CITY OF NORTH RICHLAND HILLS

MONTHLY FINANCIAL REPORT FOR DECEMBER 2017

UTILITY FUND (415)

	ADOPTED BUDGET	REVISED BUDGET	ACTUAL AS OF 12/2017	REMAINING BALANCE	% REVISED BUDGET	% TARGET 25.00%
Revenues						
Water Sales and Charges	\$ 21,500,223	\$ 21,500,223	\$ 3,974,693	\$ 17,525,530	18.49%	25.00%
Sewer Sales and Charges	11,294,148	11,294,148	2,137,064	9,157,084	18.92%	25.00%
Miscellaneous Revenues	856,523	856,523	200,334	656,189	23.39%	25.00%
Total Operating Revenues	33,650,894	33,650,894	6,312,091	27,338,803	18.76%	25.00%
Appropriation of Fund Balance	\$ 685,883	\$ 775,726	\$ 261,314	\$ 514,412	33.69%	25.00%
Total Resources	\$ 34,336,777	\$ 34,426,620	\$ 6,573,405	\$ 27,853,215	19.09%	25.00%
Expenses						
Operating Expenses						
Administration	\$ 334,024	\$ 334,377	\$ 78,550	\$ 255,827	23.49%	25.00%
Development	896,822	897,784	208,095	689,689	23.18%	25.00%
Right of Way Maintenance	233,754	315,364	107,499	207,865	34.09%	25.00%
Total Operating Expenses	1,464,600	1,547,525	394,144	1,153,381	25.47%	25.00%
Water Service Expenses	\$ 15,276,852	\$ 15,288,570	\$ 2,851,344	\$ 12,437,226	18.65%	25.00%
Sewer Service Expenses	7,406,665	7,407,900	1,682,654	5,725,246	22.71%	25.00%
Total Water and Sewer Expenses	\$ 22,683,517	\$ 22,696,470	\$ 4,533,998	\$ 18,162,472	19.98%	25.00%
Finance and Utility Billing						
Meter Reading	\$ 519,638	\$ 520,344	\$ 122,176	\$ 398,168	23.48%	25.00%
Utility Billing / Customer Service	974,423	976,011	198,301	777,710	20.32%	25.00%
Utility Collection Services	240,027	240,027	58,139	181,888	24.22%	25.00%
Accounting Services	420,264	420,485	95,260	325,225	22.65%	25.00%
Budget & Research	227,555	227,731	50,002	177,729	21.96%	25.00%
Total Finance and Utility Billing Expenses	\$ 2,381,907	\$ 2,384,598	\$ 523,878	\$ 1,860,720	21.97%	25.00%
Building Services	1,822,929	1,822,929	455,732	1,367,197	25.00%	25.00%
Non-Departmental	291,069	282,343	94,393	187,950	33.43%	25.00%
Total Building & Non-Departmental	\$ 4,495,905	\$ 4,489,870	\$ 1,074,003	\$ 3,415,867	23.92%	25.00%
Reserves & Other Expenses	\$ 5,692,755	\$ 5,692,755	\$ 1,714,568	\$ 3,978,187	30.12%	25.00%
Total Expenses	\$ 34,336,777	\$ 34,426,620	\$ 7,716,713	\$ 26,709,907	22.41%	25.00%

Aquatic Park Fund

The Aquatic Park Fund is overall performing within expectations for the first quarter with year to date revenue receipts at 2.4% and total expenditures at 11.6% of the FY17-18 Revised Budget. The below analysis includes highlights and items of note for Q1 activity.

Revenues

Total Aquatic Park revenue was \$126,348 or 2.4%. Revenues are in-line with FY17 collections, but fell below the straight-line target due to the operations for the park currently being in its off-season.

Expenses

Total expenses for the Aquatic Park Fund were \$609,767, or 11.6% of budget. Expenses were also low compared to the straight-line target due to the aquatic park currently being in its off-season with operations set to resume in the spring. In Reserves & Other Expenses, the planned transfer to the capital projects fund was completed in the amount of \$100,000 for the General Facility Improvements (WP1801) project.



CITY OF NORTH RICHLAND HILLS

MONTHLY FINANCIAL REPORT FOR DECEMBER 2017 AQUATIC PARK FUND (415)

	ADOPTED BUDGET	REVISED BUDGET	ACTUAL AS OF 12/2017	REMAINING BALANCE	% REVISED BUDGET	% TARGET 25.00%
Revenues						
Admissions:	\$ 3,678,150	\$ 3,678,150	\$ 95,326	\$ 3,582,824	2.59%	25.00%
Food and Beverage	1,019,552	1,019,552	1,227	1,018,325	0.12%	25.00%
Merchandise	158,100	158,100	33	158,067	0.02%	25.00%
Rentals	249,787	249,787	-	249,787	0.00%	25.00%
Total Operating Revenues	\$ 5,105,589	\$ 5,105,589	\$ 96,586	\$ 5,009,003	1.89%	25.00%
Other Revenue:						
Interest Income	\$ 12,600	\$ 12,600	\$ 3,859	\$ 8,741	30.63%	25.00%
Other Income	50,250	50,250	903	49,347	1.80%	25.00%
Total Other Revenue	\$ 62,850	\$ 62,850	\$ 4,762	\$ 58,088	7.58%	25.00%
Appropriation of Fund Balance	\$ 100,000	\$ 100,000	\$ 25,000	\$ -	25.00%	25.00%
Total Resources	\$ 5,268,439	\$ 5,268,439	\$ 126,348	\$ 5,142,091	2.40%	25.00%
Expenses						
General Services	\$ 850,866	\$ 851,219	\$ 145,497	\$ 705,722	17.09%	25.00%
Parks & Public Grounds	99,673	99,708	3,330	24,000	3.34%	25.00%
Aquatics	597,314	597,420	17,200	580,220	2.88%	25.00%
Maintenance	556,267	556,832	72,736	484,096	13.06%	25.00%
Business Office	152,915	153,268	26,809	126,459	17.49%	25.00%
Marketing / Advertising	449,372	449,548	27,542	422,006	6.13%	25.00%
Gift Shop	125,087	125,175	11,133	114,042	8.89%	25.00%
Food	152,074	152,162	6,453	145,709	4.24%	25.00%
Ice Cream Shop	141,690	141,743	4,682	137,061	3.30%	25.00%
Group Sales	63,132	63,132	9,655	53,477	15.29%	25.00%
Admissions	144,619	144,795	12,657	132,138	8.74%	25.00%
Elements of Fun	9,634	9,634	141	9,493	1.46%	25.00%
Birthday Parties	25,165	25,165	831	24,334	3.30%	25.00%
Catering	34,036	34,036	77	33,959	0.23%	25.00%
Funnel Cake	35,056	35,056	260	34,796	0.74%	25.00%
Rentals	11,711	11,746	2,247	9,499	19.13%	25.00%
Food Service Building	179,087	179,175	9,875	169,300	5.51%	25.00%
Total Operating Expenses	\$ 3,627,698	\$ 3,629,814	\$ 351,125	\$ 3,278,689	9.67%	25.00%
Reserves & Other Expenses	\$ 1,640,741	\$ 1,638,625	\$ 258,642	\$ 1,379,984	15.78%	25.00%
Total Expenses	\$ 5,268,439	\$ 5,268,439	\$ 609,767	\$ 4,658,673	11.57%	25.00%

Golf Course Fund

The Golf Course Fund is overall performing within expectations for October and November with year to date revenue receipts at 14.3% and total expenditures at 18.1% of the FY17-18 Revised Budget. Golf Course figures are presented one month behind the reporting period due to the timing of when financial data is received. The below analysis includes highlights and items of note for October and November 2017.

Revenues

Revenues totaled \$367,277 or 14.26% of budget. There were no significant items of note.

Expenses

Total expenses through November totaled \$467,126 or 18.14% of budget. Capital totaled \$0 due to the purchase of four mowers and associated equipment planned for later in the fiscal year. Reserves & Other Expenses totaled \$100,000 due completion of the transfer to the capital projects fund for the capital project for Pump House A (PK1805).



CITY OF NORTH RICHLAND HILLS

MONTHLY FINANCIAL REPORT FOR NOVEMBER 2017

GOLF COURSE FUND (417 & 418)

	ADOPTED BUDGET	REVISED BUDGET	ACTUAL AS OF 11/2017	REMAINING BALANCE	% REVISED BUDGET	% TARGET 25.00%
Rounds	49,517	49,517	6,886	42,631	13.91%	16.67%
Revenues						
Green Fees	\$ 1,002,000	\$ 1,002,000	\$ 128,598	\$ 873,402	12.83%	16.67%
Pro Shop	392,000	392,000	50,241	341,759	12.82%	16.67%
Driving Range	85,000	85,000	8,520	76,480	10.02%	16.67%
Carts	391,000	391,000	57,783	333,217	14.78%	16.67%
Food & Beverage	690,000	690,000	117,100	572,900	16.97%	16.67%
General & Administrative	1,167	1,167	137	1,030	11.74%	16.67%
Other Revenue	13,904	13,904	4,898	9,006	35.23%	16.67%
Total Revenues	<u>\$ 2,575,071</u>	<u>\$ 2,575,071</u>	<u>\$ 367,277</u>	<u>\$ 2,207,794</u>	<u>14.26%</u>	<u>16.67%</u>
Expenses						
Pro Shop	\$ 165,461	\$ 165,461	\$ 20,319	\$ 145,142	12.28%	16.67%
Pro Shop: COGS	143,000	143,000	-	143,000	0.00%	16.67%
Driving Range	16,200	16,200	2,780	13,420	17.16%	16.67%
Golf Carts	222,224	222,224	42,439	179,785	19.10%	16.67%
Course Maintenance	626,700	626,700	117,598	509,102	18.76%	16.67%
Food & Beverage	280,952	280,952	91,755	189,197	32.66%	16.67%
Food & Beverage: COGS	215,660	215,660	-	215,660	0.00%	16.67%
Sales & Membership	56,764	56,764	82	56,682	0.14%	16.67%
General & Administrative	232,523	232,523	46,939	185,584	20.19%	16.67%
Clubhouse	120,544	120,544	23,196	97,348	19.24%	16.67%
Management Fees	113,434	113,434	22,018	91,416	19.41%	16.67%
Capital	217,641	217,641	-	217,641	0.00%	16.67%
Total Operating Expenses	<u>\$ 2,411,103</u>	<u>\$ 2,411,103</u>	<u>\$ 367,126</u>	<u>\$ 2,043,977</u>	<u>15.23%</u>	<u>16.67%</u>
Reserves & Other Expenses	<u>\$ 163,968</u>	<u>\$ 163,968</u>	<u>\$ 100,000</u>	<u>\$ 63,968</u>	<u>60.99%</u>	<u>16.67%</u>
Total Expenses	<u>\$ 2,575,071</u>	<u>\$ 2,575,071</u>	<u>\$ 467,126</u>	<u>\$ 2,107,945</u>	<u>18.14%</u>	<u>16.67%</u>

Facilities Fund

The Facilities Fund is overall performing within expectations in Q1 with year to date revenue receipts at 25% and total expenditures at 22.4% of the FY17-18 Revised Budget. The below analysis includes highlights and items of note for Q1.

Revenues

Total revenue was \$754,913 or 25% of budget. There were no significant items of note in Q1.

Expenses

Expenses totaled \$674,520 or 22.4% of budget. Transfer to Capital Budget totaled \$60,000 or 100% of budget due to the completion of the transfer for the Fire Maintenance Awning (FC1803) project. Expenses for the Rental Property Program totaled \$1,853 or 4% of budget due to there being no significant maintenance or repair costs in Q1 for City rental properties.



CITY OF NORTH RICHLAND HILLS

MONTHLY FINANCIAL REPORT FOR DECEMBER 2017 FACILITIES & CONSTRUCTION MANAGEMENT FUND (505)

	ADOPTED BUDGET	REVISED BUDGET	ACTUAL AS OF 12/2017	REMAINING BALANCE	% REVISED BUDGET	% TARGET 25.00%
Revenues						
Charges for Services						
General Fund	\$ 812,101	\$ 812,101	\$ 203,025	\$ 609,076	25.00%	25.00%
Park & Recreation Development Fund	294,150	294,150	73,538	220,612	25.00%	25.00%
Utility Fund	1,822,929	1,822,929	455,732	1,367,197	25.00%	25.00%
Total Charges for Services	\$ 2,929,180	\$ 2,929,180	\$ 732,295	\$ 2,196,885	25.00%	25.00%
Other						
Interest Income	\$ 13,102	\$ 13,102	\$ 5,168	\$ 7,934	39.44%	25.00%
Rent from Rental Properties	72,000	72,000	17,450	54,550	24.24%	25.00%
Total Other Revenue	\$ 85,102	\$ 85,102	\$ 22,618	\$ 62,484	26.58%	25.00%
Total Resources	\$ 3,014,282	\$ 3,014,282	\$ 754,913	\$ 2,259,369	25.04%	25.00%
Expenditures						
General Services	\$ 345,312	\$ 345,665	\$ 82,078	\$ 263,587	23.74%	25.00%
Building Services	2,357,416	2,358,827	479,982	1,878,845	20.35%	25.00%
Rental Property Program	46,120	46,120	1,853	44,267	4.02%	25.00%
Transfer to Capital Budget	60,000	60,000	60,000	-	100.00%	25.00%
Total Operating Expenditures	\$ 2,808,848	\$ 2,810,612	\$ 623,913	\$ 2,186,699	22.20%	25.00%
Reserves & Other Expenditures	\$ 205,434	\$ 203,670	\$ 50,607	\$ 292,826	24.85%	25.00%
Total Expenditures	\$ 3,014,282	\$ 3,014,282	\$ 674,520	\$ 2,479,525	22.38%	25.00%

Fleet Services Fund

The Fleet Services Fund is overall performing within expectations in Q1 with year to date revenue receipts at 37.3% and total expenditures at 19.6% of the FY17-18 Revised Budget. The Fleet Services Fund includes a revision of \$732,668 for the annual encumbrance roll that reflects items included in the FY16-17 budget that will be received and paid for during the current fiscal year. The below analysis includes highlights and items of note for Q1 activity.

Revenues

Total revenues were \$1,634,909 or 37.3% of budget. Overall revenues trended ahead of expectations due to an appropriation of fund balance in the amount of \$732,668 for the annual encumbrance roll which was for items that were approved by Council in the prior year, but will be received and paid for in the current fiscal year.

Sale of surplus property totaled \$0 due to no auctions having been held so far this fiscal year. Staff anticipate an auction will be held sometime later in Q2.

Expenditures

Expenses totaled \$858,329 or 19.6% of budget. Equipment Purchases totaled \$8,120 or 1.2% of budget. Equipment Purchase is budgeted for make-ready costs for vehicle purchases. Expenses for this category will be reflected closer to the receipt of vehicles as staff begin to purchase equipment and other needed items to prepare those vehicles for operational service.

Reserves & Other Expenses totaled \$267,543 or 54.1% of budget. The overage from the straight-line target is due to the completion of the planned transfers to the capital projects fund for the replacement of Backhoe Unit 479 (FS1802) and equipment costs for the replacement of Ambulance Unit 973 (FS1801).



CITY OF NORTH RICHLAND HILLS

MONTHLY FINANCIAL REPORT FOR DECEMBER 2017
FLEET SERVICES FUND (510)

	ADOPTED BUDGET	REVISED BUDGET	ACTUAL AS OF 12/2017	REMAINING BALANCE	% REVISED BUDGET	% TARGET 25.00%
Revenues						
Charges for Service						
General Fund	\$ 968,193	\$ 968,193	\$ 242,048	\$ 726,145	25.00%	25.00%
Utility Fund	1,967,647	1,967,647	491,912	1,475,735	25.00%	25.00%
Utility CIP / Utility Construction	288,678	288,678	72,170	216,508	25.00%	25.00%
Crime Control & Prevention District	170,426	170,426	42,607	127,819	25.00%	25.00%
Park & Recreation Development Fund	143,939	143,939	35,985	107,954	25.00%	25.00%
Other Funds	40,278	40,278	10,070	30,208	25.00%	25.00%
Total Charges for Service	\$ 3,579,161	\$ 3,579,161	\$ 894,792	\$ 2,684,369	25.00%	25.00%
Other Revenues						
Interest Income	\$ 17,608	\$ 17,608	\$ 7,449	\$ 10,159	42.30%	25.00%
Sale of City Property	50,000	50,000	-	50,000	0.00%	25.00%
Other Income	6,660	6,660	-	6,660	0.00%	25.00%
Total Other Revenue	\$ 74,268	\$ 74,268	\$ 7,449	\$ 66,819	10.03%	25.00%
Appropriation of Fund Balance	\$ -	\$ 732,668	\$ 732,668	\$ -	100.00%	25.00%
Total Resources	\$ 3,653,429	\$ 4,386,097	\$ 1,634,909	\$ 2,751,188	37.27%	25.00%
Expenses						
General Services	\$ 341,567	\$ 341,567	\$ 69,857	\$ 271,710	20.45%	25.00%
Equipment Services Operations	1,533,410	1,591,289	326,513	1,264,776	20.52%	25.00%
Fire Fleet Maintenance	300,146	319,593	76,455	243,138	23.92%	25.00%
Equipment Purchases	368,535	678,656	8,120	670,536	1.20%	25.00%
Fire Vehicles / Equipment	76,582	233,957	35,798	198,159	15.30%	25.00%
Police Vehicles / Equipment	537,118	726,376	74,043	652,333	10.19%	25.00%
Total Operating Expenses	\$ 3,157,358	\$ 3,891,438	\$ 590,786	\$ 3,300,652	15.18%	25.00%
Reserves & Other Expenses	\$ 496,071	\$ 494,659	\$ 267,543	\$ 227,116	54.09%	25.00%
Total Expenses	\$ 3,653,429	\$ 4,386,097	\$ 858,329	\$ 3,527,768	19.57%	25.00%

Self Insurance Fund

The Self Insurance Fund is overall performing within expectations for Q1 with year to date revenue receipts at 24.3% and total expenditures at 23.7% of the FY17-18 Revised Budget. The below analysis includes highlights and items of note for Q1.

Revenues

Revenues totaled \$3,379,213 or 24.3% for Q1. Allocations for health insurance and workers compensation are charged to City Departments on a 1/12 basis with 12 equal monthly payments. Current collections are in line with expectations. Other revenue totaled \$52,108 or 9.8% of budget. The bulk of budgeted revenue in Other revenue is related to expenditure reimbursements from the City's Stop Loss Insurance that is paid for individual health/medical claims submitted above \$175,000. In Q1 the City received \$8,097 in expenditure reimbursements.

Expenses

Expenses total 3,297,086 or 23.7% of budget. The bulk of expenditures in this fund are from Health/Medical claims. Health/Medical claims for Q1 totaled \$2,716,588, which falls below the straight-line target. In Q1 health/medical claims have normalized and to date high claims have not been an issue as in prior years. Staff will continue to monitor claims closely through the coming periods and provide an update in the Q2 report.

Other Insurance totaled \$320,399 or 54.3% of budget. The overage from the straight-line target is attributed to the annual bill for property insurance being paid during Q1.



CITY OF NORTH RICHLAND HILLS

MONTHLY FINANCIAL REPORT FOR DECEMBER 2017
SELF INSURANCE FUND (515)

	ADOPTED BUDGET	REVISED BUDGET	ACTUAL AS OF 12/2017	REMAINING BALANCE	% REVISED BUDGET	% TARGET 25.00%
Revenues						
Allocations:						
Health / Medical	\$ 11,475,781	\$ 11,475,781	\$ 2,848,531	\$ 8,627,250	24.82%	25.00%
Worker's Compensation	592,520	592,520	149,210	443,310	25.18%	25.00%
Administration Allocation	512,517	512,517	129,064	383,453	25.18%	25.00%
Other Insurance	696,798	696,798	175,300	521,498	25.16%	25.00%
Total Allocations	\$ 13,277,616	\$ 13,277,616	\$ 3,302,105	\$ 9,975,511	24.87%	25.00%
Other:						
Interest Income	\$ 36,604	\$ 36,604	\$ 12,737	\$ 23,867	34.80%	25.00%
Other Income	95,800	95,800	31,274	64,526	32.65%	25.00%
Expenditure Reimbursement	400,000	400,000	8,097	391,903	2.02%	25.00%
Total Other Revenues	\$ 532,404	\$ 532,404	\$ 52,108	\$ 480,296	9.79%	25.00%
Appropriation of Fund Balance	\$ 100,000	\$ 100,000	\$ 25,000	\$ -	25.00%	25.00%
Total Resources	\$ 13,910,020	\$ 13,910,020	\$ 3,379,213	\$ 10,530,807	24.29%	25.00%
Expenses						
Health / Medical	\$ 11,870,884	\$ 11,870,884	\$ 2,716,588	\$ 9,154,296	22.88%	25.00%
Worker's Compensation	592,520	592,520	98,554	493,966	16.63%	25.00%
Personnel Expenses	515,347	515,347	100,605	414,742	19.52%	25.00%
Other Insurance	589,799	589,799	320,399	269,400	54.32%	25.00%
Other Expenses	95,800	95,800	9,159	86,641	9.56%	25.00%
Life Insurance Premiums	107,000	107,000	17,114	89,886	15.99%	25.00%
Total Operating Expenses	\$ 13,771,350	\$ 13,771,350	\$ 3,262,419	\$ 10,508,931	23.69%	25.00%
Reserves & Other Expenses	\$ 138,670	\$ 138,670	\$ 34,668	\$ 104,003	25.00%	25.00%
Total Expenses	\$ 13,910,020	\$ 13,910,020	\$ 3,297,086	\$ 10,612,934	23.70%	25.00%

Information Technology Fund

The Information Technology Fund is overall performing within expectations with year to date revenue receipts at 25% and total expenditures at 26.2% of the FY17-18 Revised Budget. The Information Technology Fund includes a revision of \$7,969 for the annual encumbrance roll that reflects items included in the FY16-17 budget that will be received and paid for during the current fiscal year. The below analysis includes highlights and items of note for Q1.

Revenues

Total revenue was \$881,564, which represented 25% of budget. The allocations charged to departments for telephones and computers are charged on a 1/12 basis with 12 equal payments. Current collections are in line with expectations.

Expenses

Total expenses were \$927,518 or 26.3% of budget. Expenses for Major Computers totaled \$208,237 or 52.3% of budget primarily due to the annual payment for the City's Financial software being expensed.

Microcomputer expenses for Q1 were \$94,700 or 12% of budget. A bulk of the expenses in this budget are for the replacement of computers and related hardware. Replacement computer orders are currently planned for later in the fiscal year.

Data Network expenses through December totaled \$56,643 or 7.1% of budget. A significant portion in this budget is allocated towards annual maintenance costs for network hardware, with the majority of these items having payment dates later in the fiscal year.

GIS System expenses totaled \$57,588 or 30.6% of budget. The primary driver for Q1 expenses exceeding the target budget is due to the annual software maintenance payments for the ESRI and Cartegraph systems being expensed in Q1.

Expenses in the Public Safety division were \$342,894 or 64.9% of budget. The bulk of the expenses in this budget are for the annual hardware/software maintenance for the CAD/RMS software public safety system that was paid in Q1.



CITY OF NORTH RICHLAND HILLS

MONTHLY FINANCIAL REPORT FOR DECEMBER 2017 INFORMATION TECHNOLOGY FUND (520)

	ADOPTED BUDGET	REVISED BUDGET	ACTUAL AS OF 12/2017	REMAINING BALANCE	% REVISED BUDGET	% TARGET 25.00%
Revenues						
Telecommunications						
Transfers from:						
General Fund	\$ 371,220	\$ 371,220	\$ 92,805	\$ 278,415	25.00%	25.00%
Park Fund	37,493	37,493	9,373	28,120	25.00%	25.00%
Crime Control & Prevention District	30,256	30,256	7,699	22,557	25.45%	25.00%
Utility Fund	93,965	93,965	23,491	70,474	25.00%	25.00%
Other Funds	67,487	67,487	16,872	50,615	25.00%	25.00%
Total Telecom Transfers In	\$ 600,421	\$ 600,421	\$ 150,240	\$ 450,181	25.02%	25.00%
Computers						
Transfers from:						
General Fund	\$ 1,096,395	\$ 1,096,395	\$ 274,556	\$ 821,839	25.04%	25.00%
Park Fund	118,506	118,506	29,626	88,880	25.00%	25.00%
Crime Control & Prevention District	193,427	193,427	48,657	144,770	25.16%	25.00%
Utility Fund	771,562	771,562	192,890	578,672	25.00%	25.00%
Other Funds	322,166	322,166	80,541	241,625	25.00%	25.00%
Total Computer Transfers In	\$ 2,502,056	\$ 2,502,056	\$ 626,270	\$ 1,875,786	25.03%	25.00%
Other Revenue						
Interest Income	\$ 12,322	\$ 12,322	\$ 4,691	\$ 7,631	38.07%	25.00%
Transmitter Lease	152,958	152,958	27,927	125,031	18.26%	25.00%
Other Income	-	-	36	(36)	100.00%	25.00%
Transfer from General Fund	82,725	82,725	20,681	62,044	25.00%	25.00%
Transfer from Utility Fund Reserve	175,000	175,000	43,750	131,250	25.00%	25.00%
Total Other Revenue	\$ 423,005	\$ 423,005	\$ 97,085	\$ 325,920	22.95%	25.00%
Appropriation of Fund Balance	\$ -	\$ 7,969	\$ 7,969	\$ -	100.00%	25.00%
Total Resources	\$ 3,525,482	\$ 3,533,451	\$ 881,564	\$ 2,651,887	24.95%	25.00%
Expenses						
General Services	\$ 270,868	\$ 270,868	\$ 65,339	\$ 205,529	24.12%	25.00%
Major Computer Systems	397,658	398,011	208,237	189,774	52.32%	25.00%
Microcomputer Systems	788,657	790,378	94,700	695,678	11.98%	25.00%
Telecommunications	485,886	486,062	83,029	403,033	17.08%	25.00%
Data Network	775,032	794,672	56,643	738,029	7.13%	25.00%
GIS System	181,162	188,116	57,588	130,528	30.61%	25.00%
Public Safety	530,875	528,456	342,894	185,562	64.89%	25.00%
Total Operating Expenses	\$ 3,430,138	\$ 3,456,563	\$ 908,430	\$ 2,548,133	26.28%	25.00%
Reserves & Other Expenses	\$ 95,344	\$ 76,888	\$ 19,088	\$ 57,800	24.83%	25.00%
Total Expenses	\$ 3,525,482	\$ 3,533,451	\$ 927,518	\$ 2,605,933	26.25%	25.00%

CIP Project Status Update

The Capital Improvement Program represents the City's plan for capital investment within the community and provides a framework for identifying capital requirements, scheduling projects, and identifying future fiscal year impacts. The Capital Improvement Program is reviewed annually during the budget process to identify new and upcoming needs in the community and to reflect changes in priorities. This report is a status update for some of the more significant projects included in the FY17/18 Capital Budget.

Northfield Park Renovation (PK1603)

This project involves the redevelopment of the existing Northfield community park through the design and construction of new amenities. As of the end of December construction activities continue as the demolition, rough grading, and underground utilities are substantially complete. Foundation work on the restroom building is underway. Preparation of the subgrade for the new parking lot and entry drive has been completed. Staff currently anticipates construction to be substantially complete by September 2018. Below is a summary of Q1 financial activity for this project.

Phase	FY17-18 Budget	Encumbrance	Expense	Total Obligation	Remaining Balance
Engineering/Design	\$435,638	\$166,609	\$269,029	\$435,638	\$0
Construction	5,681,021	5,271,368	344,058	5,615,426	65,595
Total	\$6,116,659	\$5,437,977	\$613,087	\$6,051,064	\$65,595

Main Filtration Replacement (WP1802)

This project is for the replacement of the two main filters that are responsible for filtering the water in the Endless River, Wave Pool, Stream and both slide tower complexes located by the Endless River. As of the end of December the project is moving swiftly forward with The old filtration system having been removed from the facility. The three new Defender filters are in place and Sunbelt is working on installing the piping to connect them to the water park pools. The three new motors/pumps for the Defender filters have been ordered and will be installed once they arrive on site. New drainage for the filtration system has been installed and tested. Staff currently anticipates the project to be substantially complete by June 2018. Below is a summary of Q1 financial activity for this project.

Phase	FY17-18 Budget	Encumbrance	Expense	Total Obligation	Remaining Balance
Construction	\$600,000	\$591,487	\$0	\$591,487	\$8,513
Total	\$600,000	\$591,487	\$0	\$591,487	\$8,513

Davis Blvd/Mid Cities Blvd Intersection (ST0401)

This project consists of intersection improvements at the Davis Blvd and Mid-Cities Blvd Intersection. The improvements include adding additional right and left turn lanes, signalization improvements, and all necessary water and sewer main adjustments. To date The City owned utility relocation and ROW acquisition portions of the project are complete and intersection improvements have begun. Construction has been on hold due to Oncor utility relocations. Once Oncor's utilities have been removed, construction will continue. It is anticipated that construction will take 11 months. Below is a summary of Q1 financial activity for this project.

Phase	FY17-18 Budget	Encumbrance	Expense	Total Obligation	Remaining Balance
Professional Svc	\$107,000	\$0	\$97,817	\$97,817	\$9,183
Engineering/Design	582,000	0	550,533	550,533	31,467
Land/ROW	400,000	0	391,691	391,691	8,309
Construction	4,713,755	56,128	1,918,595	1,974,723	2,739,032
Other	899,989	0	0	0	899,989
Total	\$6,702,744	\$56,128	\$2,958,636	\$3,014,764	\$3,687,980

Rufe Snow Drive & Glenview Drive Intersection Impr. (ST1201)

This project consists of improvements to the intersection of Rufe Snow Dr. and Glenview Dr. Glenview Dr. will be widened to provide dedicated left turn lanes for the eastbound and westbound leg of the intersection and realign the southbound segment of Rufe Snow Dr. to shift the dedicated right turn lane adjacent to the other travel lanes. Additionally, aesthetic improvements will be installed which include a public art exhibit at the northwest corner of the intersection, landscaping features, burying power lines at the immediate intersection and brick pavers at crosswalks. To date the project is in the construction phase and nearing completion. The Glenview / Rufe Snow intersection will be complete with full

signal operation and lanes open in early February. The signal at Chapel Park and Glenview will be installed the week of January 29th, and is anticipated to be complete by the second week in February. Below is a summary of Q1 financial activity for this project.

Phase	FY17-18 Budget	Encumbrance	Expense	Total Obligation	Remaining Balance
Engineering/Design	\$500,000	\$5,300	\$125,282	\$130,582	\$369,418
Land/ROW	300,000	0	159,349	159,349	140,651
Construction	1,385,000	861,117	7,557	868,674	516,326
Total	\$2,185,000	\$866,417	\$292,188	\$1,158,605	\$1,026,395

Walker Branch Interceptor Project (UT1607)

The Walker Branch Interceptor Project will consist of sanitary sewer improvements. Section one of the project will consist of increasing the sizes of the lines from 6-inch, 8-inch, and 10-inch to 8-inch, 12-inch and a 15-inch respectively from Smithfield Road along Main Street to the Walker Creek and Mid-Cities Boulevard confluence. To date design is anticipated to be complete with the project going to bid in February. Construction is anticipated to last approximately 9 months. Below is a summary of Q1 financial activity for this project.

Phase	FY17-18 Budget	Encumbrance	Expense	Total Obligation	Remaining Balance
Engineering/Design	\$416,525	\$54,629	\$361,896	\$416,525	\$0
Construction	4,400,000	0	0	0	4,400,000
Total	\$4,816,525	\$54,629	\$361,896	\$416,525	\$4,400,000