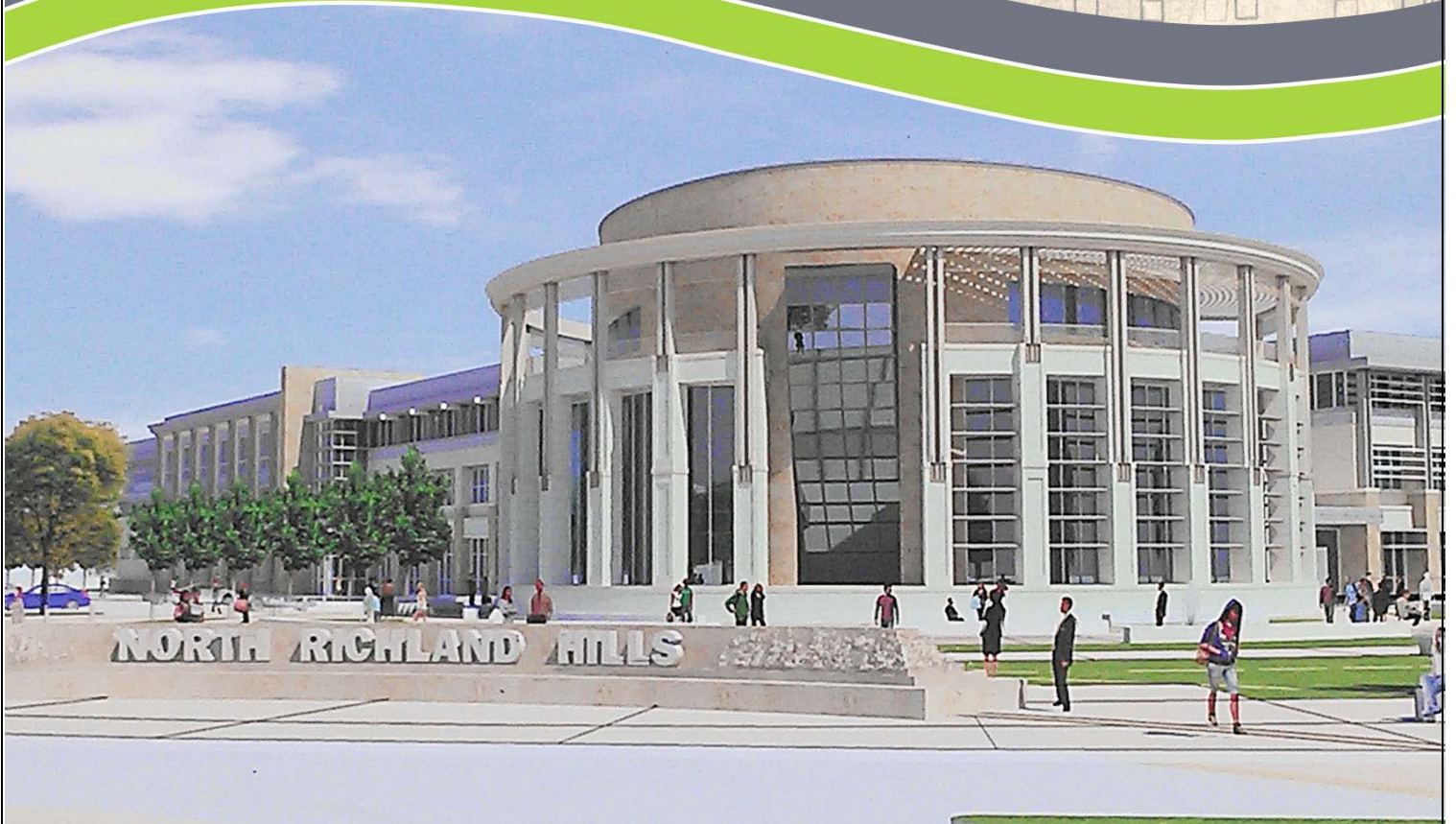


City of North Richland Hills, Texas



Quarterly Financial Report

Fiscal Year 2018-19

Created by: Jennipher Castellanos

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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, 2018 through December 31, 2018. 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 FY18-19. 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 FY17-18 Adopted Budget but due to timing of receipt will be paid for in the current fiscal year. Like in the prior fiscal year, capital transfers have been reflected as completed in Q1 and 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.

General Fund

The General Fund is overall performing within expectations for the first quarter with year to date revenue receipts at 41.3% and total expenditures at 25.1% of the FY18-19 Revised Budget. A brief summary of Q1 highlights contained within this report are provided below:

- Current property tax collections are trending ahead of the FY18 collection rate due to the timing of payments and the increase in property values. Staff currently anticipates collections to meet budget for the FY19.
- Sales tax collections are trending (1.7%) lower in Q1 of FY19 as compared to collections for the same period in FY18. The shortfall in Q1 was due to two one-time audit adjustments in the total amount of (\$121,350) resulting from two businesses that had been incorrectly paying sales tax to NRH in prior years. Precluding these audit adjustments sales tax would reflect as up 2.8% over prior year. Staff has contacted the Comptroller's Office and confirmed these accounts have been corrected going forward. Staff will be monitoring sales tax closely through the next quarter and will take appropriate steps to curtail expenses should an overall shortfall for the fiscal year be expected.

- Total Fines and Forfeitures are running approximately 6.6% ahead of the same period last fiscal year. The increase is primarily in Municipal Court Fines, which are driven by citations processed by the Municipal Court. To date there has been an increase in the first quarter from prior year in citations of 4.3%.
- Total Licenses & Permits are trending (7.8%) below the Q1 FY18 collection rate. New commercial permitting was the primary driver of this variance due to Q1 of the prior year reflecting a significant uptick from permitting for the Stone Creek Assisted Living Center.
- Charges for Services are trending ahead of FY18 collections by 14.3% with the majority of the impact resulting from Ambulance Fees. Ambulance Fees are 18.7% ahead of prior year due in large part to a higher number of ambulance runs. Ambulance runs are up by 8.7% over the same period in Q1.
- 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 24.1% and total expenditures at 26.5% of the FY18-19 Revised Budget. A brief summary of Q1 highlights contained within this report are provided below:

- Sales tax collections are trending (1.7%) lower in Q1 of FY19 as compared to collections for the same period in FY18. Like in the General Fund the shortfall in Q1 was due to two one-time audit adjustments resulting from two businesses that had been incorrectly paying sales tax to NRH in prior years. Staff has contacted the Comptroller's Office and confirmed these accounts have been corrected going forward. Staff will be monitoring sales tax closely through the next quarter and will take appropriate steps to curtail expenses should an overall shortfall for the fiscal year be expected.
- Expenditures for Reserves and Other Expenditures reflect above the straight-line target due to staff completing all capital project transfers for the FY18-19 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 27.6% and total expenditures at 22.6% of the FY18-19 Revised Budget. A brief summary of Q1 highlights contained within this report are provided below:

- Sales tax collections are trending (0.9%) lower in Q1 of FY19 as compared to collections for the same period in FY18. Like in the General Fund the shortfall in Q1 was due to two one-time audit adjustments resulting from two businesses that had been incorrectly paying sales tax to NRH in prior years. Staff has contacted the Comptroller's Office and confirmed these accounts have been corrected going forward. Staff will be monitoring sales tax closely through the next quarter and will take appropriate steps to curtail expenses should an overall shortfall for the fiscal year be expected.
- SRO Reimbursement is at 50% due to the receipt of one of two annual payments.
- Expenditures overall tracked within expectations.

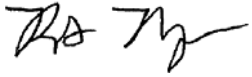
Utility Fund

The Utility Fund is overall performing within expectations for Q1 with year to date revenue receipts at 16.6% and total expenditures at 23.1% of the FY18-19 Revised Budget. A brief overview of highlights of activity for Q1 contained within this report are below:

- Water sales are trending (19%) behind prior year. This is due to a decline in billable water sales for Q1. Billable sales were down in large part because of impacts from the weather, with the region receiving approximately 9.48" more rainfall than the same period in the prior year.
- Sewer sales are trending 6.9% above prior year collections in large part due to the rate increase that took effect in November.
- 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,

A handwritten signature in black ink, appearing to read "Robert Myers".

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 41.3% and total expenditures at 25.1% of the FY18-19 Revised Budget. The General Fund includes a revision of \$185,284 for the annual encumbrance roll that reflects items included in the FY17-18 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 the majority of 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 \$13,175,885 or 76.3% of budget. Staff currently anticipates collections to reach budget estimates.

Sales Tax

Sales tax collections are trending (1.7%) lower in Q1 of FY19 as compared to collections for the same period in FY18. The shortfall in Q1 was due to two one-time audit adjustments in the total amount of (\$121,350) resulting from two businesses that had been incorrectly paying sales tax to NRH in prior years. Precluding these audit adjustments sales tax would reflect as up 2.8% over prior year. Staff has contacted the Comptroller's Office and confirmed these accounts have been corrected going forward. Staff will be monitoring sales tax closely through the next quarter and will take appropriate steps to curtail expenses should an overall shortfall for the fiscal year be expected.

Franchise Tax

Franchise Fees currently reflect receipts of \$58,624 or 1.4% 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 \$440,077 or 20.6% of budget and are ahead of prior year collections by 6.6%. The bulk of the increase is due to Municipal Court Fines, which are driven primarily by the number of citations written by the Police

Department and processed by the Municipal Court are up as compared to prior year by 4.3%.

Licenses & Permits

Revenue from licenses and permits totaled \$565,076 or 25.6% of the budget and is slightly behind prior year collections.

Building Permits totaled \$221,733 or 19.4% of projected collections and are behind prior year by (21.7%). Total permits issued to date were down slightly from Q1 by (2.7%) along with the value of permits issued. The primary driver of the variance from prior year collections was in new and add-on commercial permitting, which reflected no significant activity in Q1 for FY 19 as compared to the addition of the Stone Creek Assisted Living Center in Q1 for FY18.

Food Service Permits totaled \$123,661 or 76.8% of budget and are in-line with prior year receipts. 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 \$570,795 or 23.2% of budget. The bulk of collections in charges for service are from Ambulance Fees and garbage billing. Ambulance fees totaled \$448,523 or 26% of budget and are currently 18.7% ahead of prior year collections. Ambulance fee revenue is driven in part by the number of EMS transports, which were up by 8.7% from the same time period in the prior year.

Intergovernmental

Intergovernmental revenues totaled \$1,294,753 or 23.5% 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 \$557,567 or 22.2% of budget. This revenue accounts for participating entity payments for the communications and detention consolidation which is paid on 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 \$795,006 or 33.5% of budget. 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 \$255,605 or 93.4% of budget.

Other income totaled \$217,149 or 30.6% of budget and reflected as significantly ahead of prior year collections for Q1. This in large part was due to the addition of a planned monthly transfer from the Fleet Service Fund to the General Fund for fleet related debt.

Designated Funds - City Hall Debt to date reflects \$275,000 in the transfers to the General Fund. This fiscal year this transfer will be recognized on a 1/12 basis.

Appropriations of Fund Balance

Appropriations of fund balance totaled \$185,284 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

Total Expenditures for Q1 came in at \$12,186,155 or 25.1% of budget and tracked 15.5% ahead of prior year. Items of significant note included the following:

Legal expenses totaled to \$89,111 in Q1 and reflected as up 30% from prior year due to the Assistant City Attorney being filled in Q1 for the current fiscal year. Municipal Court and Economic Development totaled \$284,150 and \$64,366 respectively and both reflected down from prior year due to vacant positions in Q1. Parks & Recreation totaled \$537,463 and reflected as up from the prior fiscal year due to the timing of expenses for landscape and mowing activities. Fire expenses totaled \$3,146,896 in Q1 and exceeded prior year expenditures by 7.6% due to the timing of the payment for the annual radio infrastructure contract with the City of Fort Worth.

Reserves & Other Expenditures through December were \$1,200,610 or 76.5% of budget. Reserves and Other Expenditures are ahead of the straight-line target due the completion of the planned capital project transfers for the Loop 820 Redevelopment Project (ED1602), Neighborhood Initiative Program (ES0901), and the annual Sidewalk Rehabilitation and Replacement Project (SD1901).



CITY OF NORTH RICHLAND HILLS

MONTHLY FINANCIAL REPORT FOR DECEMBER 2018 GENERAL FUND (001)

	ADOPTED BUDGET	REVISED BUDGET	ACTUAL AS OF 12/2018	% REVISED BUDGET	PY ACTUAL AS OF 12/2017	% CHANGE CY VS. PY
Revenues						
Taxes	\$ 33,675,379	\$ 33,675,379	\$ 16,175,677	48.03%	\$ 12,233,443	32.23%
Fines & Forfeitures	2,137,226	2,137,226	440,077	20.59%	412,714	6.63%
Licenses & Permits	2,205,100	2,205,100	565,076	25.63%	613,098	-7.83%
Charges for Services	2,457,978	2,457,978	570,795	23.22%	499,524	14.27%
Intergovernmental	5,515,015	5,515,015	1,294,753	23.48%	1,275,214	1.53%
Miscellaneous	2,373,107	2,373,107	795,006	33.50%	355,948	123.35%
Total Revenues	\$ 48,363,805	\$ 48,363,805	\$ 19,841,384	41.03%	\$ 15,389,941	28.92%
Appropriation of Fund Balance	\$ -	\$ 185,284	\$ 185,284	100.00%	\$ 285,133	-35.02%
Total Resources	\$ 48,363,805	\$ 48,549,089	\$ 20,026,668	41.25%	\$ 15,675,074	27.76%
Expenditures						
City Council	\$ 133,893	\$ 141,383	\$ 33,904	23.98%	\$ 25,657	32.14%
City Manager	686,945	686,945	167,719	24.42%	161,937	3.57%
Communications	383,452	390,902	87,889	22.48%	80,510	9.17%
City Secretary	460,637	460,637	102,896	22.34%	95,574	7.66%
Legal	411,439	411,439	89,111	21.66%	68,617	29.87%
Human Resources	136,869	136,869	28,727	20.99%	28,210	1.83%
Finance	746,670	746,670	174,509	23.37%	167,422	4.23%
Budget & Research	417,313	417,313	83,528	20.02%	76,405	9.32%
Municipal Court	1,402,604	1,402,604	284,150	20.26%	330,812	-14.11%
Planning & Development	1,334,141	1,345,960	322,966	24.00%	303,642	6.36%
Economic Development	350,163	350,163	64,366	18.38%	78,494	-18.00%
Library	2,219,861	2,219,861	520,622	23.45%	538,219	-3.27%
Neighborhood Services	2,071,606	2,071,606	444,831	21.47%	423,242	5.10%
Public Works	3,340,412	3,350,412	782,949	23.37%	734,559	6.59%
Parks and Recreation	2,138,611	2,138,611	537,463	25.13%	472,595	13.73%
Police	15,014,364	15,119,574	3,574,354	23.64%	3,379,099	5.78%
Fire	13,621,936	13,657,638	3,146,896	23.04%	2,925,532	7.57%
Facilities/Construction Management	812,101	812,101	203,025	25.00%	203,025	0.00%
Non-Departmental	1,111,037	1,118,650	335,640	30.00%	349,572	-3.99%
Reserves & Other Expenditures	1,569,751	1,569,751	1,200,610	76.48%	106,375	1028.66%
Total Expenditures	\$ 48,363,805	\$ 48,549,089	\$ 12,186,155	25.10%	\$ 10,549,498	15.51%

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 24.1% and total expenditures at 26.5% of the FY18-19 Revised Budget. The Parks & Recreation Facilities Development Fund includes a revision of \$90,360 for the annual encumbrance roll that reflects items included in the FY17-18 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

Sales tax collections are trending (1.7%) lower in Q1 of FY19 as compared to collections for the same period in FY18. Like in the General Fund the shortfall in Q1 was due to two one-time audit adjustments resulting from two businesses that had been incorrectly paying sales tax to NRH in prior years. Staff has contacted the Comptroller's Office and confirmed these accounts have been corrected going forward. Staff will be monitoring sales tax closely through the next quarter and will take appropriate steps to curtail expenses should an overall shortfall for the fiscal year be expected.

NRH Centre revenues totaled \$655,675 or 20.4% of budget. Membership and drop-in pass revenue of \$276,751 trended ahead of prior year in large part due to timing issues for when Q1 revenues were received into the City's financial software in FY 2018. Grand Hall Rental revenue totaled \$116,047 and was up significantly from prior year due to an increase in number of facility bookings (74 vs. 67) and attendance through December (13,814 vs. 8,741).

Expenditures

Operating expenditures not associated with the NRH Centre totaled \$693,667 or 18.9% of budget. Parks Facilities Development Maintenance totaled \$221,577 or 25.7% of budget and reflected as slightly ahead of Q1 for the prior fiscal year due to payment for tree planting at Northfield Park which was a rollover encumbrance from the prior year. In addition Q1 reflects a funding shift of the Cultural Arts Program Coordinator position with the Promotional Fund that was a change included in the FY 2018-19 Adopted Budget. Maintenance &

Operations totaled \$357,256 or 16.4% of budget and was behind prior year expenditures in Q1 due to the timing of mowing and landscaping activities.

Expenditures for the NRH Centre totaled \$626,492 or roughly 20.9% and were overall in-line with expectations. A few items of note included Center Management totaling \$176,685 or 22.8% of budget and trending ahead of prior year for Q1 due to a vacancy of the NRH Centre Assistant Manager position in FY 18. Fitness totaled \$86,881 and reflected as down from prior year due to the timing of planned fitness equipment replacements. Aquatics totaled \$138,331 and reflected as up over Q1 of the prior fiscal year due to a staffing restructure that happened in Q2 of 2018 that added an Aquatic Supervisor position, which was included in the FY 18-19 Adopted Budget.

Reserves & Other Expenditures totaled \$1,076,805 or 45.2% of budget. The bulk of expenses in this category are for planned transfers for capital projects and will vary year to year based on identified needs in the capital budget.



CITY OF NORTH RICHLAND HILLS

MONTHLY FINANCIAL REPORT FOR DECEMBER 2018
PARKS AND RECREATION FUND (125 & 126)

	ADOPTED BUDGET	REVISED BUDGET	ACTUAL AS OF 12/2018	% REVISED BUDGET	PY ACTUAL AS OF 12/2017	% CHANGE CY VS. PY
Revenues						
Sales Tax	\$ 5,197,739	\$ 5,197,739	\$ 1,311,347	25.23%	\$ 1,334,427	-1.73%
Interest Income	40,600	40,600	19,609	48.30%	11,508	70.39%
Youth Assoc. Maintenance Fees	35,500	35,500	5,818	16.39%	2,383	144.15%
Tennis Center Revenue	365,300	365,300	73,211	20.04%	75,267	-2.73%
Transfer In - Aquatic Park Fund	-	-	-	0.00%	-	0.00%
Park Impact Fee	95,000	95,000	20,400	21.47%	23,112	-11.73%
Other Income	900	900	32	3.56%	458	-93.01%
NRH Centre	3,214,102	3,214,102	655,675	20.40%	515,640	27.16%
Total Revenues	\$ 8,949,141	\$ 8,949,141	\$ 2,086,092	23.31%	\$ 1,962,795	6.28%
Appropriation of Fund Balance	\$ -	\$ 90,360	\$ 90,360	100.00%	\$ 41,307	118.75%
Total Resources	\$ 8,949,141	\$ 9,039,501	\$ 2,176,452	24.08%	\$ 2,004,102	8.60%
Expenditures						
Parks Facilities Dev. Admin.	\$ 846,010	\$ 862,370	\$ 221,577	25.69%	\$ 184,668	19.99%
Maintenance & Operations	2,174,057	2,174,057	357,256	16.43%	387,274	-7.75%
Tennis Center Operations	627,412	627,412	114,834	18.30%	122,982	-6.63%
Operating Expenditures	\$ 3,647,479	\$ 3,663,839	\$ 693,667	18.93%	\$ 694,924	-0.18%
Center Management	\$ 776,077	\$ 776,077	\$ 176,685	22.77%	\$ 141,201	25.13%
Fitness	404,955	404,955	86,881	21.45%	110,579	-21.43%
Building Operations	218,334	218,334	49,044	22.46%	50,041	-1.99%
Aquatic	653,093	665,093	138,331	20.80%	114,099	21.24%
Recreation Sports	291,862	291,862	42,546	14.58%	50,746	-16.16%
Event Center	300,451	362,451	64,483	17.79%	82,988	-22.30%
Building Services	274,090	274,090	68,522	25.00%	73,538	-6.82%
NRH Center Expenditures	\$ 2,918,862	\$ 2,992,862	\$ 626,492	20.93%	\$ 623,192	0.53%
Reserves & Other Expenditures	\$ 2,382,800	\$ 2,382,800	\$ 1,076,805	45.19%	\$ 1,322,381	-18.57%
Total Expenditures	\$ 8,949,141	\$ 9,039,501	\$ 2,396,964	26.52%	\$ 2,640,497	-9.22%

Crime Control District

The Crime Control District Fund is overall performing within expectations for the first quarter with year to date revenue receipts at 27.6% and total expenditures at 22.6% of the FY18-19 Revised Budget. The Crime Control District Fund includes a revision of \$141,288 for the annual encumbrance roll that reflects items included in the FY17-18 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

Sales tax collections are trending (0.9%) lower in Q1 of FY19 as compared to collections for the same period in FY18. Like in the General Fund the shortfall in Q1 was due to two one-time audit adjustments resulting from two businesses that had been incorrectly paying sales tax to NRH in prior years. Staff has contacted the Comptroller's Office and confirmed these accounts have been corrected going forward. Staff will be monitoring sales tax closely through the next quarter and will take appropriate steps to curtail expenses should an overall shortfall for the fiscal year be expected.

SRO Reimbursements (BISD) totaled \$113,097 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 \$1,290,225, or 22.6% and were overall in-line with expectations. One item of note was in the Property / Evidence category which totaled \$14,150 and was ahead of prior year due to shifting the Property and Equipment Manager and Technical Services Officer positions from the General Fund into the Crime Control District fund as part of the FY 18-19 Adopted Budget.



CITY OF NORTH RICHLAND HILLS

MONTHLY FINANCIAL REPORT FOR DECEMBER 2018
CRIME CONTROL DISTRICT FUND (130)

	ADOPTED BUDGET	REVISED BUDGET	ACTUAL AS OF 12/2018	% REVISED BUDGET	PY ACTUAL AS OF 12/2017	% CHANGE CY VS. PY
Revenues						
Sales Tax	\$ 5,171,241	\$ 5,171,241	\$ 1,310,404	25.34%	\$ 1,322,551	-0.92%
Franchise Fees	96,127	96,127	-	0.00%	-	0.00%
Interest Income	2,465	2,465	3,562	144.50%	1,793	98.66%
SRO Reimbursement (BISD)	226,194	226,194	113,097	50.00%	109,648	3.15%
Other	55,086	55,086	4,266	7.74%	3,494	22.10%
Total Revenues	\$ 5,551,113	\$ 5,551,113	\$ 1,431,329	25.78%	\$ 1,437,486	-0.43%
Appropriation of Fund Balance	16,845	158,133	145,499	92.01%	-	100.00%
Total Resources	\$ 5,567,958	\$ 5,709,246	\$ 1,576,828	27.62%	\$ 1,437,486	9.69%
Expenditures						
Administration	\$ 9,500	\$ 9,500	\$ 1,095	11.53%	\$ 986	11.05%
Administrative Services	1,126,890	1,126,890	247,097	21.93%	245,291	0.74%
Investigations	491,527	499,123	122,029	24.45%	114,503	6.57%
Uniform Patrol	2,998,357	3,032,818	713,892	23.54%	722,916	-1.25%
Technical Services	556,876	556,876	137,066	24.61%	138,311	-0.90%
Property / Evidence	214,443	313,674	14,150	4.51%	5,000	183.00%
Operating Expenditures	\$ 5,397,593	\$ 5,538,881	\$ 1,235,329	22.30%	\$ 1,227,007	0.68%
Reserves & Other Expenditures	\$ 170,365	\$ 170,365	\$ 54,896	32.22%	\$ 53,812	2.01%
Total Expenditures	\$ 5,567,958	\$ 5,709,246	\$ 1,290,225	22.60%	\$ 1,280,819	0.73%

Utility Fund

The Utility Fund is overall performing within expectations for the first quarter with year to date revenue receipts at 16.6% and total expenditures at 23.1% of the FY18-19 Revised Budget. The Utility Fund includes a revision of \$129,210 for the annual encumbrance roll that reflects items included in the FY17-18 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 \$5,897,523 or 16.6% of budget. The largest revenue sources in this fund are collections for water and sewer sales. To date, total collections for water sales were \$3,219,071 or 14.2% of budget. Water Sales to date are trending (19%) behind prior year due to cooler, wetter weather with heavy rainfall in the DFW area in October 2018 (15.66"). Sewer Sales to date total \$2,285,145 or 19.9% of budget. Sewer sales are trending 6.9% above prior year collections due to the rate change that took effect in October and due to sewer volume sales to residents being based on a winter quarter average, which for Q1 is an average of December 2017 through February 2018 usage.

Appropriations of fund balance totaled \$163,231 or 30.4% of budget, with the majority of the appropriation of fund balance due to the annual encumbrance roll (\$129,210).

Expenses

Total expenses were \$8,196,296 or 23.1% of budget. Right of Way Maintenance expenditures totaled \$48,838 or 18% of budget and was behind prior year by (54.6%) due to FY 18 reflecting expenses for equipment and a vehicle purchase for the City's Right of Way Maintenance Crew.

North Richland Hills contracts with Fort Worth and TRA for the purchase of water and sewer treatment services. Water Service Expenses totaled \$3,037,260 or 19.3% of budget and reflects behind prior year due the Trinity River Authority (TRA) crediting the October and November billing cycles against the annual settle-up TRA anticipates paying the City this year. Sewer Service Expenses totaled \$2,054,789 or 26.9% of budget and reflected ahead of prior

year expenses in large part due an increase of flow into the sewer system and rate increases from Fort Worth and TRA.

Utility Billing / Customer Service totaled \$218,704 or 22% of budget and reflected as up over prior year expenses due to an uptick in credit card service fees from an increase in volume of customer usage.

Non-departmental expenses totaled \$66,463 or 21.5% of budget and is trailing behind prior year due to the timing of payments for the annual external audit that is conducted in September through January.

Reserves and Other Expenses totaled \$1,673,861 or 27.7% of budget due to completion of the transfer to the capital projects fund for the Telemetric Water Meter Annual Maintenance (UT1906) and the Utility Capital Projects Personnel (UC1901) projects.



CITY OF NORTH RICHLAND HILLS

MONTHLY FINANCIAL REPORT FOR DECEMBER 2018

UTILITY FUND (415)

	ADOPTED BUDGET	REVISED BUDGET	ACTUAL AS OF 12/2018	% REVISED BUDGET	PY ACTUAL AS OF 12/2017	% CHANGE CY VS. PY
Revenues						
Water Sales and Charges	\$ 22,622,906	\$ 22,622,906	\$ 3,219,071	14.23%	\$ 3,974,693	-19.01%
Sewer Sales and Charges	11,504,077	11,504,077	2,285,145	19.86%	2,137,064	6.93%
Miscellaneous Revenues	829,227	829,227	230,076	27.75%	200,748	14.61%
Total Operating Revenues	34,956,210	34,956,210	5,734,292	16.40%	6,312,505	-9.16%
Appropriation of Fund Balance	\$ 408,249	\$ 537,459	\$ 163,231	30.37%	\$ 89,843	81.68%
Total Resources	\$ 35,364,459	\$ 35,493,669	\$ 5,897,523	16.62%	\$ 6,402,348	-7.89%
Expenses						
Operating Expenses						
Administration	\$ 346,147	\$ 346,147	\$ 81,501	23.55%	\$ 78,550	3.76%
Development	914,673	928,420	218,232	23.51%	208,095	4.87%
Right of Way Maintenance	271,118	271,118	48,838	18.01%	107,499	-54.57%
Total Operating Expenses	1,531,938	1,545,685	348,571	22.55%	394,144	-11.56%
Water Service Expenses	\$ 15,600,626	\$ 15,708,276	\$ 3,037,260	19.34%	\$ 3,617,798	-16.05%
Sewer Service Expenses	7,629,225	7,629,425	2,054,789	26.93%	1,817,860	13.03%
Total Water and Sewer Expenses	\$ 23,229,851	\$ 23,337,701	\$ 5,092,049	21.82%	\$ 5,435,657	-6.32%
Finance and Utility Billing						
Meter Reading	\$ 532,122	\$ 532,122	\$ 128,216	24.10%	\$ 122,176	4.94%
Utility Billing / Customer Service	995,968	995,968	218,704	21.96%	198,301	10.29%
Utility Collection Services	246,057	246,057	59,275	24.09%	58,139	1.95%
Accounting Services	429,282	429,282	99,162	23.10%	95,260	4.10%
Budget & Research	229,883	229,883	54,263	23.60%	50,002	8.52%
Total Finance and Utility Billing Expenses	\$ 2,433,312	\$ 2,433,312	\$ 559,620	23.00%	\$ 523,878	6.82%
Building Services	1,822,929	1,822,929	455,732	25.00%	455,732	0.00%
Non-Departmental	302,286	309,899	66,463	21.45%	94,393	-29.59%
Total Building & Non-Departmental	\$ 4,558,527	\$ 4,566,140	\$ 1,081,815	23.69%	\$ 1,074,003	0.73%
Reserves & Other Expenses	\$ 6,044,143	\$ 6,044,143	\$ 1,673,861	27.69%	\$ 1,714,568	-2.37%
Total Expenses	\$ 35,364,459	\$ 35,493,669	\$ 8,196,296	23.09%	\$ 8,618,372	-4.90%

Self Insurance Fund

The Self Insurance Fund is overall performing within expectations for Q1 with year to date revenue receipts at 26.5% and total expenditures at 28.8% of the FY18-19 Revised Budget. The below analysis includes highlights and items of note for Q1.

Revenues

Revenues totaled \$3,992,988 or 26.5% for Q1. Allocations for health insurance and workers compensation are charged to City Departments on a monthly basis with 12 equal payments. Current collections are in line with expectations. Other revenue totaled \$429,997 or 75.1% 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 \$378,155 in expenditure reimbursements which is significantly higher than the prior year experience for the same time period.

Expenses

Expenses total \$4,331,208 or 28.8% of budget. The bulk of expenditures in this fund are from Health/Medical claims. Health/Medical claims for Q1 totaled \$3,615,242, which exceeds prior year claims (33.1%). In Q1 health/medical claims are trending higher than budget due to an increase in large claim expenses over prior year. Staff will continue to monitor claims closely through the coming periods and provide an update in the Q2 report.

Other Insurance totaled \$365,512 or 56.7% of budget and was higher than prior year largely due to an increase for property insurance included in the FY 18-19 Adopted Budget.



CITY OF NORTH RICHLAND HILLS

MONTHLY FINANCIAL REPORT FOR DECEMBER 2018 SELF INSURANCE FUND (515)

	ADOPTED BUDGET	REVISED BUDGET	ACTUAL AS OF 12/2018	% REVISED BUDGET	PY ACTUAL AS OF 12/2017	% CHANGE CY VS. PY
Revenues						
Allocations:						
Health / Medical City Contribution	\$ 9,892,973	\$ 9,892,973	\$ 2,468,895	24.96%	\$ 2,311,529	6.81%
Health / Medical Employee Contribution	2,634,129	2,634,129	604,535	22.95%	537,002	12.58%
Worker's Compensation	593,500	593,500	147,726	24.89%	-	100.00%
Administration Allocation	511,311	511,311	127,269	24.89%	278,274	-54.26%
Other Insurance	753,227	753,227	189,566	25.17%	175,300	8.14%
Total Allocations	\$ 14,385,140	\$ 14,385,140	\$ 3,537,991	24.59%	\$ 3,302,105	7.14%
Other:						
Interest Income	\$ 39,430	\$ 39,430	\$ 20,759	52.65%	\$ 12,737	62.98%
Other Income	133,500	133,500	31,083	23.28%	31,274	-0.61%
Expenditure Reimbursement	400,000	400,000	378,155	94.54%	7,230	5130.36%
Total Other Revenues	\$ 572,930	\$ 572,930	\$ 429,997	75.05%	\$ 51,241	739.17%
Appropriation of Fund Balance	\$ 100,000	\$ 100,000	\$ 25,000	25.00%	\$ -	100.00%
Total Resources	\$ 15,058,070	\$ 15,058,070	\$ 3,992,988	26.52%	\$ 3,353,346	19.07%
Expenses						
Health / Medical	\$ 12,526,510	\$ 12,526,510	\$ 3,615,242	28.86%	\$ 2,716,588	33.08%
Worker's Compensation	593,500	593,500	71,889	12.11%	98,554	-27.06%
Personnel Expenses	495,012	495,012	108,699	21.96%	100,605	8.05%
Other Insurance	644,228	644,228	365,512	56.74%	320,399	14.08%
Other Expenses	133,500	133,500	13,016	9.75%	9,159	42.11%
Life Insurance Premiums	109,000	109,000	17,770	16.30%	17,114	3.83%
Total Operating Expenses	\$ 14,501,750	\$ 14,501,750	\$ 4,192,128	28.91%	\$ 3,262,419	28.50%
Reserves & Other Expenses	\$ 556,320	\$ 556,320	\$ 139,080	25.00%	\$ -	100.00%
Total Expenses	\$ 15,058,070	\$ 15,058,070	\$ 4,331,208	28.76%	\$ 3,262,419	32.76%

Aquatic Park Fund

The Aquatic Park Fund is overall performing within expectations for the first quarter with year to date revenue receipts at 2.8% and total expenditures at 11.5% of the FY18-19 Revised Budget. The below analysis includes highlights and items of note for Q1 activity.

Revenues

Total Aquatic Park revenue was \$129,615 or 2.8% of budget. Revenues are trending slightly ahead of prior year collections in large part due to an uptick in admission revenue from early orders of season passes.

Expenses

Total expenses for the Aquatic Park Fund were \$523,915, or 11.5% of budget and were overall in-line with prior year expenses with no significant items of note.



CITY OF NORTH RICHLAND HILLS

MONTHLY FINANCIAL REPORT FOR DECEMBER 2018
AQUATIC PARK FUND (415)

	ADOPTED BUDGET	REVISED BUDGET	ACTUAL AS OF 12/2018	% REVISED BUDGET	PY ACTUAL AS OF 12/2017	% CHANGE CY VS. PY
Revenues						
Admissions:	\$ 3,295,000	\$ 3,295,000	\$ 121,509	3.69%	\$ 95,326	27.47%
Food and Beverage	870,700	870,700	4,125	0.47%	1,227	236.19%
Merchandise	154,000	154,000	15	0.01%	33	-54.55%
Rentals	185,000	185,000	(854)	-0.46%	-	-100.00%
Total Operating Revenues	\$ 4,504,700	\$ 4,504,700	\$ 124,795	2.77%	\$ 96,586	29.21%
Other Revenue:						
Interest Income	\$ 16,309	\$ 16,309	\$ 5,562	34.10%	\$ 3,859	44.13%
Other Income	47,500	47,500	(742)	-1.56%	903	-182.17%
Total Other Revenue	\$ 63,809	\$ 63,809	\$ 4,820	7.55%	\$ 4,762	1.22%
Appropriation of Fund Balance	\$ -	\$ -	\$ -	0.00%	\$ -	0.00%
Total Resources	\$ 4,568,509	\$ 4,568,509	\$ 129,615	2.84%	\$ 101,348	27.89%
Expenses						
General Services	\$ 847,256	\$ 847,256	\$ 126,377	14.92%	\$ 145,497	-13.14%
Parks & Public Grounds	77,990	77,990	7,235	9.28%	3,330	117.27%
Aquatics	551,721	551,721	19,820	3.59%	17,200	15.23%
Maintenance	491,366	491,366	82,725	16.84%	72,736	13.73%
Business Office	134,526	134,526	27,186	20.21%	26,809	1.41%
Marketing / Advertising	413,850	413,850	26,504	6.40%	27,542	-3.77%
Gift Shop	117,407	117,407	9,513	8.10%	11,133	-14.55%
Food	149,140	149,140	9,324	6.25%	6,453	44.49%
Ice Cream Shop	124,980	124,980	4,932	3.95%	4,682	5.34%
Group Sales	67,513	67,513	10,001	14.81%	9,655	3.58%
Admissions	127,027	127,027	13,760	10.83%	12,657	8.71%
Elements of Fun	9,634	9,634	122	1.27%	141	-13.48%
Birthday Parties	23,165	23,165	209	0.90%	831	-74.85%
Catering	34,036	34,036	661	1.94%	699	-5.44%
Funnel Cake	29,982	29,982	757	2.52%	260	191.15%
Rentals	12,133	12,133	2,363	19.48%	2,247	5.16%
Food Service Building	176,271	176,271	7,752	4.40%	9,875	-21.50%
Total Operating Expenses	\$ 3,387,997	\$ 3,387,997	\$ 348,676	10.29%	\$ 351,125	-0.70%
Reserves & Other Expenses	\$ 1,180,512	\$ 1,180,512	\$ 175,239	14.84%	\$ 155,737	12.52%
Total Expenses	\$ 4,568,509	\$ 4,568,509	\$ 523,915	11.47%	\$ 506,862	3.36%

Fleet Services Fund

The Fleet Services Fund is overall performing within expectations in Q1 with year to date revenue receipts at 32.4% and total expenditures at 32.2% of the FY18-19 Revised Budget. The Fleet Services Fund includes a revision of \$634,450 for the annual encumbrance roll that reflects items included in the FY17-18 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 \$1,691,431 or 32.4% of budget. The bulk of revenues in this fund are for charges for service to end user departments that are made on a monthly basis. Overall revenues trended in-line with expectations.

Expenditures

Expenses totaled \$1,682,811 or 32.2% of budget. Equipment Purchases, Fire Vehicles / Equipment, and Police Vehicles / Equipment are for the purchase of vehicles and make-ready costs approved in the adopted budget. The timing of expenses in these categories will vary year to year based the number of vehicles approved for replacement and when the City orders, receives and makes payment for these purchases.

Reserves & Other Expenses totaled \$747,572 or 64.1% of budget and reflects as up over prior year due to the completion of all transfers to the capital projects fund for various vehicle replacements including Crack Sealing Machine (FS1901), Senior Centre Vans (FS1905 & FS1906), Skid Steer Load Replacement (FS1907), Street Sweeper Replacement (FS1908), and Utility Tractor Replacements (FS1909 & FS1910).



CITY OF NORTH RICHLAND HILLS

MONTHLY FINANCIAL REPORT FOR DECEMBER 2018
FLEET SERVICES FUND (510)

	ADOPTED BUDGET	REVISED BUDGET	ACTUAL AS OF 12/2018	% REVISED BUDGET	PY ACTUAL AS OF 12/2017	% CHANGE CY VS. PY
Revenues						
Charges for Service						
General Fund	\$ 1,389,677	\$ 1,389,677	\$ 347,419	25.00%	\$ 242,048	43.53%
Utility Fund	1,967,647	1,967,647	491,912	25.00%	491,912	0.00%
Utility CIP / Utility Construction	288,678	288,678	72,170	25.00%	72,170	0.00%
Crime Control & Prevention District	170,426	170,426	42,607	25.00%	42,607	0.00%
Park & Recreation Development Fund	171,939	171,939	42,985	25.00%	35,985	19.45%
Other Funds	24,119	24,119	6,030	25.00%	10,070	-40.12%
Total Charges for Service	\$ 4,012,486	\$ 4,012,486	\$ 1,003,123	25.00%	\$ 894,792	12.11%
Other Revenues						
Interest Income	\$ 30,000	\$ 30,000	\$ 12,384	41.28%	\$ 7,449	66.25%
Sale of City Property	50,000	50,000	-	0.00%	-	0.00%
Other Income	3,300	3,300	180	5.45%	-	100.00%
Total Other Revenue	\$ 83,300	\$ 83,300	\$ 12,564	15.08%	\$ 7,449	68.67%
Appropriation of Fund Balance	\$ 495,527	\$ 1,129,977	\$ 675,744	59.80%	\$ 732,668	-7.77%
Total Resources	\$ 4,591,313	\$ 5,225,763	\$ 1,691,431	32.37%	\$ 1,634,909	3.46%
Expenses						
General Services	\$ 275,794	\$ 275,794	\$ 61,743	22.39%	\$ 69,857	-11.62%
Equipment Services Operations	1,620,090	1,620,090	315,344	19.46%	326,513	-3.42%
Fire Fleet Maintenance	329,307	345,774	29,587	8.56%	76,455	-61.30%
Equipment Purchases	425,875	565,348	172,053	30.43%	8,120	2018.88%
Fire Vehicles / Equipment	-	68,950	4,166	6.04%	35,798	-88.36%
Police Vehicles / Equipment	774,375	1,183,935	352,346	29.76%	74,043	375.87%
Total Operating Expenses	\$ 3,425,441	\$ 4,059,891	\$ 935,239	23.04%	\$ 590,786	58.30%
Reserves & Other Expenses	\$ 1,165,872	\$ 1,165,872	\$ 747,572	64.12%	\$ 196,106	281.21%
Total Expenses	\$ 4,591,313	\$ 5,225,763	\$ 1,682,811	32.20%	\$ 786,892	113.86%

Information Technology Fund

The Information Technology Fund is overall performing within expectations with year to date revenue receipts at 26.3% and total expenditures at 33.1% of the FY18-19 Revised Budget. The Information Technology Fund includes a revision of \$74,618 for the annual encumbrance roll that reflects items included in the FY17-18 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 \$976,520, which represented 26.3% of budget. The majority of revenues in this fund are from allocations charged to departments for telecom and computers on a monthly basis as a charge for service to cover operating costs. Overall, current collections are in line with expectations.

Expenses

Total expenses were \$1,231,076 or 33.1% of budget. Microcomputer expenses for Q1 were \$226,002 or 28% of budget and is an increase over prior year due to the timing of the annual payment for the Microsoft Enterprise Agreement.

Data Network expenses totaled \$198,682 or 22.9% of budget and reflected an uptick from prior year. The majority of the increase in this category is due to the timing of the annual payment for VMWare license maintenance renewal.

Expenses in the Public Safety division were \$394,177 or 53.4% 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 2018
INFORMATION TECHNOLOGY FUND (520)

	ADOPTED BUDGET	REVISED BUDGET	ACTUAL AS OF 12/2018	% REVISED BUDGET	PY ACTUAL AS OF 12/2017	% CHANGE CY VS. PY
Revenues						
Telecommunications						
Transfers from:						
General Fund	\$ 369,544	\$ 369,544	\$ 92,386	25.00%	\$ 92,805	-0.45%
Park Fund	37,493	37,493	9,373	25.00%	9,373	0.00%
Crime Control & Prevention District	32,472	32,472	8,118	25.00%	7,699	5.44%
Utility Fund	93,965	93,965	23,491	25.00%	23,491	0.00%
Other Funds	67,487	67,487	16,872	25.00%	16,872	0.00%
Total Telecom Transfers In	\$ 600,961	\$ 600,961	\$ 150,240	25.00%	\$ 150,240	0.00%
Computers						
Transfers from:						
General Fund	\$ 1,093,677	\$ 1,093,677	\$ 273,419	25.00%	\$ 274,556	-0.41%
Park Fund	118,506	118,506	29,627	25.00%	29,626	0.00%
Crime Control & Prevention District	199,175	199,175	49,794	25.00%	48,657	2.34%
Utility Fund	771,562	771,562	192,890	25.00%	192,890	0.00%
Other Funds	322,166	322,166	80,541	25.00%	80,541	0.00%
Total Computer Transfers In	\$ 2,505,086	\$ 2,505,086	\$ 626,271	25.00%	\$ 626,270	0.00%
Other Revenue						
Interest Income	\$ 17,000	\$ 17,000	\$ 7,917	46.57%	\$ 4,691	68.77%
Transmitter Lease	152,958	152,958	44,327	28.98%	27,927	58.72%
Other Income	9,037	9,037	-	0.00%	36	-100.00%
Transfer from General Fund	85,492	85,492	21,373	25.00%	-	100.00%
Transfer from Utility Fund Reserve	175,000	175,000	43,750	25.00%	43,750	0.00%
Total Other Revenue	\$ 439,487	\$ 439,487	\$ 117,367	26.71%	\$ 76,404	53.61%
Appropriation of Fund Balance	\$ 96,287	\$ 170,905	\$ 82,642	48.36%	\$ 7,969	937.04%
Total Resources	\$ 3,641,821	\$ 3,716,439	\$ 976,520	26.28%	\$ 860,883	13.43%
Expenses						
General Services	\$ 281,324	\$ 281,324	\$ 62,846	22.34%	\$ 65,339	-3.82%
Major Computer Systems	343,255	343,255	181,420	52.85%	208,237	-12.88%
Microcomputer Systems	781,059	805,845	226,002	28.05%	94,700	138.65%
Telecommunications	478,087	480,257	89,260	18.59%	83,029	7.50%
Data Network	856,422	867,902	198,682	22.89%	56,643	250.76%
GIS System	184,536	184,536	73,613	39.89%	57,588	27.83%
Public Safety	701,515	737,697	394,177	53.43%	342,894	14.96%
Total Operating Expenses	\$ 3,626,198	\$ 3,700,816	\$ 1,226,000	33.13%	\$ 908,430	34.96%
Reserves & Other Expenses	\$ 15,623	\$ 15,623	\$ 5,076	32.49%	\$ 2,447	107.44%
Total Expenses	\$ 3,641,821	\$ 3,716,439	\$ 1,231,076	33.13%	\$ 910,877	35.15%

Facilities Fund

The Facilities Fund is overall performing within expectations in Q1 with year to date revenue receipts at 25% and total expenditures at 24.9% of the FY18-19 Revised Budget. The below analysis includes highlights and items of note for Q1.

Revenues

Total revenue was \$746,207 or 25% of budget. There were no significant items of note in Q1.

Expenses

Expenses totaled \$744,519 or 24.9% of budget. The Transfer to Capital Budget category totaled \$212,000 or 100% of budget due to the completion of the transfer for the Roof Replacement (FC1902), Public Work Restroom Remodel (FC1904), and Replacement of HVAC System at Fire Station 1 and 4 (FC1903) projects. There were no other significant items of note in Q1.



CITY OF NORTH RICHLAND HILLS

MONTHLY FINANCIAL REPORT FOR DECEMBER 2018
FACILITIES & CONSTRUCTION MANAGEMENT FUND (505)

	ADOPTED BUDGET	REVISED BUDGET	ACTUAL AS OF 12/2018	% REVISED BUDGET	PY ACTUAL AS OF 12/2017	% CHANGE CY VS. PY
Revenues						
Charges for Services						
General Fund	\$ 812,101	\$ 812,101	\$ 203,025	25.00%	\$ 203,025	0.00%
Park & Recreation Development Fund	274,090	274,090	68,522	25.00%	73,538	-6.82%
Utility Fund	1,822,929	1,822,929	455,732	25.00%	455,732	0.00%
Total Charges for Services	\$ 2,909,120	\$ 2,909,120	\$ 727,279	25.00%	\$ 732,295	-0.68%
Other						0.00%
Interest Income	\$ 23,000	\$ 23,000	\$ 9,093	39.53%	\$ 5,168	75.95%
Rent from Rental Properties	39,600	39,600	8,700	21.97%	17,450	-50.14%
Other Income	-	-	-	0.00%	-	0.00%
Total Other Revenue	\$ 62,600	\$ 62,600	\$ 17,793	28.42%	\$ 22,618	-21.33%
Appropriation of Fund Balance						0.00%
Building Services Fund Reserves	\$ 13,620	\$ 13,620	\$ 1,135	8.33%	-	100.00%
Prior Year Encumbrances	-	-	-	0.00%	-	0.00%
Total Resources	\$ 2,985,340	\$ 2,985,340	\$ 746,207	25.00%	\$ 754,913	-1.15%
Expenditures						
General Services	\$ 356,927	\$ 356,927	\$ 61,579	17.25%	\$ 82,078	-24.98%
Building Services	2,359,714	2,359,714	465,838	19.74%	479,982	-2.95%
Rental Property Program	36,120	36,120	707	1.96%	1,853	-61.85%
Transfer to Capital Budget	212,000	212,000	212,000	100.00%	-	100.00%
Total Operating Expenditures	\$ 2,964,761	\$ 2,964,761	\$ 740,124	24.96%	\$ 563,913	31.25%
Reserves & Other Expenditures	\$ 20,579	\$ 20,579	\$ 4,395	21.36%	\$ 4,019	9.36%
Total Expenditures	\$ 2,985,340	\$ 2,985,340	\$ 744,519	24.94%	\$ 567,932	31.09%

Golf Course Fund

The Golf Course Fund is overall performing within expectations for October and November with year to date revenue receipts at 14.9% and total expenditures at 14.9% of the FY18-19 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 \$388,591 or 14.9% of budget. Overall revenues reflected as up slightly over prior fiscal year with the bulk of the increase in green fees. This increase in large part was due to an increase in tournament rounds over the prior fiscal year (1,656 vs. 705).

Expenses

Total expenses through November totaled \$371,365 or 14.9% of budget and overall trended in-line with prior year expenses with only a few items of note. Reserves & Other Expenses totaled to \$0 and reflected as significantly down from prior year due to a planned transfer to capital projects in FY 18 for the replacement of Pump House A. A few additional categories also reflect variances in large part due to the restructuring of accounts from Arcis into the City's financial system that first took effect in the second half of FY 18.



CITY OF NORTH RICHLAND HILLS

MONTHLY FINANCIAL REPORT FOR NOVEMBER 2018
GOLF COURSE FUND (417 & 418)

	ADOPTED BUDGET	REVISED BUDGET	ACTUAL AS OF 11/2018	% REVISED BUDGET	PY ACTUAL AS OF 11/2017	% CHANGE CY VS. PY
Rounds	50,000	50,000	6,599	13.20%	6,886	-4.17%
Revenues						
Green Fees	\$ 1,002,000	\$ 1,002,000	\$ 144,186	14.39%	\$ 128,598	12.12%
Pro Shop	413,500	413,500	65,593	15.86%	50,241	30.56%
Driving Range	75,000	75,000	10,225	13.63%	8,520	20.01%
Carts	391,000	391,000	62,090	15.88%	57,783	7.45%
Food & Beverage	681,500	681,500	103,261	15.15%	117,100	-11.82%
General & Administrative	-	-	-	0.00%	137	-100.00%
Other Revenue	38,454	38,454	3,236	8.42%	4,898	-33.93%
Total Resources	\$ 2,601,454	\$ 2,601,454	\$ 388,591	14.94%	\$ 367,277	5.80%
Expenses						
Pro Shop	\$ 166,710	\$ 166,710	\$ 18,340	11.00%	\$ 20,319	-9.74%
Pro Shop: COGS	143,000	143,000	20,288	14.19%	-	100.00%
Driving Range	18,200	18,200	4,259	23.40%	2,780	53.20%
Golf Carts	224,030	224,030	37,754	16.85%	42,439	-11.04%
Course Maintenance	632,200	632,200	116,783	18.47%	117,598	-0.69%
Food & Beverage	304,202	304,202	35,679	11.73%	91,755	-61.11%
Food & Beverage: COGS	206,064	206,064	32,810	15.92%	-	100.00%
Sales & Membership	56,764	56,764	-	0.00%	82	-100.00%
General & Administrative	287,755	287,755	71,143	24.72%	41,939	69.63%
Clubhouse	97,434	97,434	11,989	12.30%	23,196	-48.31%
Management Fees	144,714	144,714	22,320	15.42%	22,018	1.37%
Capital	154,000	154,000	-	0.00%	-	0.00%
Total Operating Expenses	\$ 2,435,073	\$ 2,435,073	\$ 371,365	15.25%	\$ 362,126	2.55%
Reserves & Other Expenses	\$ 166,381	\$ 62,743	\$ -	0.00%	\$ 100,001	-100.00%
Total Expenses	\$ 2,601,454	\$ 2,497,816	\$ 371,365	14.87%	\$ 462,127	-19.64%

Drainage Utility Fund

The Drainage Utility Fund is overall performing within expectations for the first quarter with year to date revenue receipts at 10.8% and total expenditures at 17.9% of the FY18-19 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 below analysis includes highlights and items of note for Q1 activity.

Revenues

Total revenues were \$178,440 or 10.8% of budget. Drainage Fees are in-line with prior year collections and are overall are performing as expected.

Expenditures

Total expenditures were \$295,454 or 17.9% of budget. Total expenditures include a planned transfer to the capital projects fund in the amount of \$230,000 for the Emerald Circle Drainage Project (DR1901) and Street Drainage Improvements Project (DR1902). There were no other significant items of note in expenditures.



CITY OF NORTH RICHLAND HILLS

MONTHLY FINANCIAL REPORT FOR DECEMBER 2018
DRAINAGE UTILITY FUND (120)

	ADOPTED BUDGET	REVISED BUDGET	ACTUAL AS OF 12/2018	% REVISED BUDGET	PY ACTUAL AS OF 12/2017	% CHANGE CY VS. PY
Revenues						
Drainage Fees	\$ 1,647,000	\$ 1,647,000	\$ 176,276	10.70%	\$ 173,795	1.43%
Interest Income	2,755	2,755	2,164	78.55%	850	154.59%
Total Revenues	\$ 1,649,755	\$ 1,649,755	\$ 178,440	10.82%	\$ 174,645	2.17%
Appropriation of Fund Balance	-	-	-	0.00%	-	0.00%
Total Resources	\$ 1,649,755	\$ 1,649,755	\$ 178,440	10.82%	\$ 174,645	2.17%
Expenditures						
Debt Service	\$ 261,139	\$ 261,139	\$ 65,285	25.00%	\$ 90,668	-28.00%
Transfer to Capital Project	230,000	230,000	230,000	100.00%	797,850	-71.17%
Other Expenditures	30,000	30,000	169	0.56%	228	-25.88%
Operating Expenditures	\$ 1,649,755	\$ 1,649,755	\$ 295,454	17.91%	\$ 888,746	-66.76%
Total Expenditures	\$ 1,649,755	\$ 1,649,755	\$ 295,454	17.91%	\$ 888,747	-66.76%

Traffic Safety Fund

The Traffic Safety Fund is overall performing within expectations for the first quarter with year to date revenue receipts at 27.3% and total expenditures at 7.4% of the FY18-19 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 below analysis includes highlights and items of note for Q1 activity.

Revenues

Total revenues were \$299,566 or 27.3% of budget. Gross Fine Revenues make up the bulk of total revenues with Q1 receipts at \$296,369. Gross Fine Revenues are driven by red light camera citations issued, which have seen an uptick in Q1 over the prior year.

Expenditures

Total operating expenditures were \$81,380 or 7.4% of budget. Contractor Payments totaled \$0 and reflected as down from prior year due to the timing on contractor payments through Q1. Staff anticipates payments to be caught up in Q2. Traffic Enforcement / Traffic Safety also totaled to \$0 through Q1 and reflected down from prior year due to the timing of the LED Signage replacements planned in the FY 18-19 Adopted budget.



CITY OF NORTH RICHLAND HILLS

MONTHLY FINANCIAL REPORT FOR DECEMBER 2018 TRAFFIC SAFETY FUND (150)

	ADOPTED BUDGET	REVISED BUDGET	ACTUAL AS OF 12/2018	% REVISED BUDGET	PY ACTUAL AS OF 12/2017	% CHANGE CY VS. PY
Revenues						
Gross Fine Revenues	\$ 1,088,115	\$ 1,088,115	\$ 296,369	27.24%	\$ 275,392	7.62%
Interest Income	7,900	7,900	3,197	40.47%	1,946	64.29%
Total Revenues	\$ 1,096,015	\$ 1,096,015	\$ 299,566	27.33%	\$ 277,338	8.01%
Appropriation of Fund Balance	-	-	-	0.00%	-	0.00%
Total Resources	\$ 1,096,015	\$ 1,096,015	\$ 299,566	27.33%	\$ 277,338	8.01%
Expenditures						
Contractor Payments	\$ 612,000	\$ 612,000	\$ -	0.00%	\$ 45,580	-100.00%
Program Administration	319,409	319,409	64,865	20.31%	69,819	-7.10%
Payment to State	78,353	78,353	-	0.00%	-	0.00%
Traffic Enforcement / Traffic Safety	23,000	23,000	-	0.00%	36,923	-100.00%
Pedestrian Safety	16,415	16,415	4,805	29.27%	4,282	12.21%
Operating Expenditures	\$ 1,049,177	\$ 1,049,177	\$ 69,670	6.64%	\$ 156,604	-55.51%
Reserves & Other Expenditures	\$ 46,838	\$ 46,838	\$ 11,710	25.00%	\$ -	100.00%
Total Expenditures	\$ 1,096,015	\$ 1,096,015	\$ 81,380	7.43%	\$ 156,604	-48.03%

Donations Fund

The Donations Fund is overall performing within expectations for the first quarter with year to date revenue receipts at 25.2% and total expenditures at 29.8% of the FY18-19 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 \$24,682 for the annual encumbrance roll that reflects items included in the FY17-18 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 \$16,022 or 26.6% of budget. Water Bill contributions are currently trending in-line with FY18 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 \$27,492 or 16.8% budget and is behind prior year. Q1 revenues in Other Income are driven by various revenue generating events such as Run Run Rudolph, Road Runner 5K, Lost Book Revenue, Women in Law Enforcement Conference and the Senior Center Travel Donations. Other income can fluctuate due to the timing of when some of these events are held and revenues are received.

Expenditures

Keep NRH Beautiful expenditures were \$96,420 or 29.8% of budget and are overall trending in-line with prior year. An item of note is in Parks – Special Events and Arts totaled \$66,006 or 49.1% of budget. Expenditures trended ahead of prior year due to an expense that was included as part of the encumbrance roll of \$20,377 for artwork at Northfield Park.



CITY OF NORTH RICHLAND HILLS

MONTHLY FINANCIAL REPORT FOR DECEMBER 2018
DONATIONS FUND (110)

	ADOPTED BUDGET	REVISED BUDGET	ACTUAL AS OF 12/2018	% REVISED BUDGET	PY ACTUAL AS OF 12/2017	% CHANGE CY VS. PY
Revenues						
Contributions						
NRH Water Bills	\$ 60,200	\$ 60,200	\$ 16,022	26.61%	\$ 16,052	-0.19%
Total NRH Water Bill Contributions	\$ 60,200	\$ 60,200	\$ 16,022	26.61%	\$ 16,052	-0.19%
Donations						
Spay / Neuter	\$ 8,500	\$ 8,500	\$ 3,776	44.42%	\$ 3,188	18.44%
Shelter Fund	8,400	8,400	11,232	133.71%	4,180	168.71%
Republic	15,000	15,000	-	0.00%	-	0.00%
Santa Cops	5,000	5,000	2,105	42.10%	5,000	-57.90%
Total Donations	\$ 36,900	\$ 36,900	\$ 17,113	46.38%	\$ 12,368	38.37%
Proceeds						
Library Book Sale	\$ 9,000	\$ 9,000	\$ 6,001	66.68%	\$ 5,630	6.59%
Total Library Book Sale Proceeds	\$ 9,000	\$ 9,000	\$ 6,001	66.68%	\$ 5,630	6.59%
Other Revenues						
Interest Income	\$ 3,614	\$ 3,614	\$ 2,380	65.86%	\$ 1,631	45.92%
Other Income	163,250	163,250	27,492	16.84%	61,629	-55.39%
Appropriation of Fund Balance						
Teen Court	400	400	100	25.00%	-	100.00%
Library	14,765	19,070	4,768	25.00%	-	100.00%
Neighborhood Services	8,873	8,873	2,218	25.00%	-	100.00%
Parks & Recreation	29,700	50,077	12,519	25.00%	875	1330.77%
Police	1,100	1,100	275	25.00%	-	100.00%
Total Other Revenues	\$ 221,702	\$ 246,384	\$ 49,752	20.19%	\$ 64,135	-22.43%
Total Resources	\$ 327,802	\$ 352,484	\$ 88,888	25.22%	\$ 98,185	-9.47%
Expenditures						
Library - Book Collection	\$ 68,865	\$ 73,170	\$ 14,029	19.17%	\$ 13,658	2.72%
Neighborhood Services						
Animal Services	19,810	19,810	-	0.00%	7,456	-100.00%
Keep NRH Beautiful	17,013	17,013	2,865	16.84%	6,264	-54.26%
Municipal Court - Teen Court	5,000	5,000	-	0.00%	-	0.00%
Parks - Special Events and Arts	114,000	134,377	66,006	49.12%	49,749	32.68%
Police Department	43,700	43,700	6,020	13.78%	5,561	8.25%
Transfer to General Fund	30,000	30,000	7,500	25.00%	7,500	0.00%
Total Expenditures	\$ 298,388	\$ 323,070	\$ 96,420	29.84%	\$ 90,188	6.91%

Gas Development Fund

The Gas Development Fund is overall performing within expectations for the first quarter with year to date revenue receipts at 179.7% and total expenditures at 25.7% of the FY18-19 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 \$949,453 or 179.7% 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 \$65,784 and \$880,000 in other income resulting from a settlement with Chesapeake.

Expenditures

Total expenditures were \$135,645, or 25.7% of budget. There were no items of significant note in expenditures for Q1.



CITY OF NORTH RICHLAND HILLS

MONTHLY FINANCIAL REPORT FOR DECEMBER 2018
GAS DEVELOPMENT FUND (145)

	ADOPTED BUDGET	REVISED BUDGET	ACTUAL AS OF 12/2018	% REVISED BUDGET	PY ACTUAL AS OF 12/2017	% CHANGE CY VS. PY
Revenues						
Royalties / Overrides	\$ 522,500	\$ 522,500	\$ 65,784	12.59%	\$ 122,489	-46.29%
Interest Income	5,800	5,800	3,669	63.26%	992	269.86%
Other Income	-	-	880,000	100.00%	-	100.00%
Total Revenues	\$ 528,300	\$ 528,300	\$ 949,453	179.72%	\$ 123,481	668.91%
Total Resources	\$ 528,300	\$ 528,300	\$ 949,453	179.72%	\$ 123,482	668.90%
Expenditures						
Transfer to Capital Projects	\$ -	\$ -	\$ -	0.00%	\$ 100,000	-100.00%
Contribution to Reserves	528,300	528,300	132,075	25.00%	-	100.00%
Other	-	-	3,570	100.00%	0	
Operating Expenditures	\$ 528,300	\$ 528,300	\$ 135,645	25.68%	\$ 100,000	35.64%
Total Expenditures	\$ 528,300	\$ 528,300	\$ 135,645	25.68%	\$ 100,001	35.64%

Promotional Fund

The Promotional Fund is overall performing within expectations for the first quarter with year to date revenue receipts at 0.8% and total expenditures at 17.1% of the FY18-19 Revised Budget.

Revenues

Total collections for occupancy taxes for Q1 totaled \$0. 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 Q1 occupancy tax payments are remitted to the City in January and will be reflected in the Q2 Financial Report.

Expenditures

Total expenditures were \$48,948, or 17.1% of revised budget. There were no significant items of note in expenditures for Q1.



CITY OF NORTH RICHLAND HILLS

MONTHLY FINANCIAL REPORT FOR DECEMBER 2018
PROMOTIONAL FUND (105)

	ADOPTED BUDGET	REVISED BUDGET	ACTUAL AS OF 12/2018	% REVISED BUDGET	PY ACTUAL AS OF 12/2017	% CHANGE CY VS. PY
Revenues						
Occupancy Taxes	\$ 280,000	\$ 280,000	\$ -	0.00%	\$ 18,388	-100.00%
Interest Income	5,500	5,500	2,348	42.69%	1,414	66.05%
Prior Year Encumbrances	-	-	-	0.00%	2,439	-100.00%
Total Resources	\$ 285,500	\$ 285,500	\$ 2,348	0.82%	\$ 22,241	-89.44%
Expenditures						
Economic Development	\$ 126,176	\$ 126,176	\$ 23,139	18.34%	\$ 23,150	-0.05%
Cultural & Leisure	135,159	135,159	19,833	14.67%	26,713	-25.76%
Non-Departmental	474	474	53	11.18%	45	17.78%
Contribution to Reserves	23,691	23,691	5,923	25.00%	-	100.00%
Total Expenditures	\$ 285,500	\$ 285,500	\$ 48,948	17.14%	\$ 49,908	-1.92%

Special Investigations Fund

The Special Investigations Fund is overall performing within expectations for the first quarter with year to date revenue receipts at 21.3% and total expenditures at 9.7% of the FY18-19 Revised Budget. Revenue for this fund is received from Federal and State forfeited funds and the Automated Fingerprint Identification System (AFIS) program. The below analysis includes highlights and items of note for Q1 activity.

Revenues

Total revenues through December were \$55,525 or 21.3% of budget. Forfeited funds accounts for the bulk of collections totaling to \$28,259. These revenues fluctuate year to year depending on seizures and the timing of cases involving court awards.

Expenditures

Total expenditures were \$25,300, or 9.7% of budget. There were no significant items of note in expenditures in Q1.



CITY OF NORTH RICHLAND HILLS

MONTHLY FINANCIAL REPORT FOR DECEMBER 2018
SPECIAL INVESTIGATIONS FUND (115)

	ADOPTED BUDGET	REVISED BUDGET	ACTUAL AS OF 12/2018	% REVISED BUDGET	PY ACTUAL AS OF 12/2017	% CHANGE CY VS. PY
Revenues						
Forfeited Funds	\$ 141,000	\$ 141,000	\$ 28,259	20.04%	\$ 51,994	-45.65%
AFIS Reimbursements	13,500	13,500	-	0.00%	5,250	-100.00%
Interest Income	2,304	2,304	1,136	49.31%	507	124.06%
Other	-	-	-	0.00%	57	-100.00%
Total Revenues	\$ 156,804	\$ 156,804	\$ 29,395	18.75%	\$ 57,808	-49.15%
Appropriation of Fund Balance	104,521	104,521	26,130	25.00%	-	100.00%
Total Resources	\$ 261,325	\$ 261,325	\$ 55,525	21.25%	\$ 57,808	-3.95%
Expenditures						
Federal Forefeited Funds	\$ 145,000	\$ 145,000	\$ 6,762	4.66%	\$ 15,090	-55.19%
State Forefeited Funds	105,000	105,000	18,538	17.66%	7,699	140.78%
Local Forefeited Funds	-	-	-	0.00%	-	0.00%
AFIS Maintenance & Equipment	4,300	4,300	-	0.00%	46,941	-100.00%
Operating Expenditures	\$ 261,325	\$ 261,325	\$ 25,300	9.68%	\$ 69,730	-63.72%
Total Expenditures	\$ 261,325	\$ 261,325	\$ 25,300	9.68%	\$ 69,731	-63.72%

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 FY18/19 Capital Budget.

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 construction is currently underway. A number of issues have arisen during construction including franchise utility conflicts and excessive moisture which extended the completion date for this project. At this time staff currently anticipates a completion date of May 2019. Below is a summary of financial activity for this project through Q1.

Phase	FY18-19 Budget	Encumbrance	Expense	Total Obligation	Remaining Balance
Professional Svc	\$107,000	\$0	\$97,817	\$97,817	\$9,183
Engineering/Design	672,493	0	572,606	572,606	99,887
Land/ROW	400,000	0	392,489	392,489	7,511
Construction	5,279,749	56,128	2,049,893	2,106,021	3,173,728
Other	899,989	0	0	0	899,989
Total	\$7,359,231	\$56,128	\$3,112,806	\$3,168,934	\$4,190,298

Smithfield Road (Davis Blvd to Mid-Cities Blvd) (ST1304)

This project consists of realigning a portion of Smithfield Road so that it connects directly to Bridge Street at Davis Blvd and reconstructing the existing section of Smithfield Road north to a point approximately 100 feet north of Mid-Cities Blvd. The improvements will consist of modifying the signal light at the Davis Blvd intersection. In addition, the new road will be constructed with concrete and include sidewalks and a drainage system.

As of December construction was substantially complete on this project with only minor issues left to resolve including irrigation and landscaping. Below is a summary of financial activity for this project through Q1.

Phase	FY18-19 Budget	Encumbrance	Expense	Total Obligation	Remaining Balance
Engineering/Design	\$264,575	\$17,117	\$247,458	\$264,575	\$0
Land/ROW	542,599	0	535,852	535,852	6,747
Construction	2,536,466	0	2,485,701	2,485,701	50,765
Total	\$3,343,640	\$17,117	\$3,269,011	\$3,286,128	57,512

Walker Branch Interceptor (UT1607)

This project consists of improvements to the sanitary sewer line which includes 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. Section two of the project will be replacing an 18 inch and 21 inch line with a 27 inch sewer line. To date this project is currently out to bid with bids due back early February. Below is a summary of financial activity for this project through Q1.

Phase	FY18-19 Budget	Encumbrance	Expense	Total Obligation	Remaining Balance
Engineering/Design	\$418,630	\$7,510	\$411,120	\$418,630	\$0
Construction	5,597,895	0	0	0	5,597,895
Total	\$6,016,525	\$7,510	\$411,120	\$418,630	\$5,597,895