

City of North Richland Hills, Texas



Quarterly Financial Report

Fiscal Year 2018-19

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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 March 31, 2019. 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 second quarter (Q2) for FY18-19. A brief summary of this report highlighting the City's major operating funds is provided later in this section.

The Q2 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 second quarter with year to date revenue receipts at 67.3% and total expenditures at 47.4% of the FY18-19 Revised Budget. A brief summary of Q2 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 (0.8%) lower through Q2 of FY19 as compared to collections for the same period in FY18. The shortfall through Q2 is primarily attributed to impacts from audit adjustments and the subsequent loss of monthly collections due to the correction of these businesses locations. Based on the current trend staff anticipates that there will be a shortfall in total sales tax collections for FY 2018-19. Staff will continue to monitor sales tax collections closely and have identified areas of potential savings that could be used to offset the anticipated loss.

- Total Fines and Forfeitures are running approximately 1.5% ahead of the same period last fiscal year. The increase is primarily in Municipal Court Fines, which are driven by the number of citations issued by the Police Department and processed by the Municipal Court. To date there has been an increase in the number of citations of 1.2% through Q2.
- Total Licenses & Permits are trending (15.1%) below the Q2 FY18 collection rate. New commercial and multi-family permitting were the primary drivers of this variance due to Q1 and Q2 of the prior year reflecting permitting for the Stone Creek Assisted Living Center and Phase III of the Dolce apartments. In reviewing April collections staff has already seen a significant improvement in this trend with permitting for the “26 at City Point” apartments.
- Charges for Services are trending ahead of FY18 collections by 5.2% with the majority of the impact resulting from Ambulance Fees. Ambulance Fees are 5% ahead of prior year due in part to a higher number of ambulance runs. Ambulance runs are up by 1.6% over the same period last fiscal year.
- Intergovernmental and Miscellaneous are both trending behind FY18 collections by (4.6%) and (7.3%) respectively, due to the timing of the receipt of Q2 payments for consolidated services and the planned decrease in the drawdown of designated reserves for City Hall.
- Expenditures overall tracked within expectations.

Park & Recreation Facilities Development Fund

The Park & Recreation Facilities Development Fund is overall performing within expectations for the second quarter with year to date revenue receipts at 50.1% and total expenditures at 46.5% of the FY18-19 Revised Budget. A brief summary of Q2 highlights contained within this report are provided below:

- Sales tax collections are trending (0.8%) lower through Q2 of FY19 as compared to collections for the same period in FY18. Like in the General Fund, the shortfall in Q2 was due to two one-time audit adjustments and the subsequent loss of monthly sales tax collections

from these two businesses that was reported in the prior year. Staff will continue to monitor sales tax collections closely over the coming months and are working to identify areas of potential savings that can be utilized to offset the loss.

- NRH Centre Revenues are trending up 10.2% over prior year due to increases in collections for memberships / drop in passes, recreation sports, and grand hall rental.
- Expenditures overall tracked within expectations.

Crime Control District Fund

The Crime Control District Fund is overall performing within expectations for Q2 with year to date revenue receipts at 51.4% and total expenditures at 46.6% of the FY18-19 Revised Budget. A brief summary of Q2 highlights contained within this report are provided below:

- Sales tax collections are trending (0.21%) lower in Q2 of FY19 as compared to collections for the same period in FY18. Like in the General Fund, the shortfall in Q2 was due to two one-time audit adjustments and the subsequent loss of monthly sales tax collections from the these two businesses that was reported in the prior year. Staff will continue to monitor sales tax collections closely over the coming months and are working to identify areas of potential savings that can be utilized to offset the loss.
- Expenditures overall tracked within expectations.

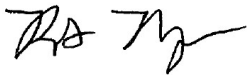
Utility Fund

The Utility Fund is overall performing within expectations for Q2 with year to date revenue receipts at 41.1% and total expenditures at 47.3% of the FY18-19 Revised Budget. A brief overview of highlights of activity for Q2 contained within this report are below:

- Water sales are trending (11.9%) behind prior year. This is due to a decline in billable water sales through Q2. Billable sales were down through Q2, in large part because of the impacts from weather experienced in Q1.
- Sewer sales are trending 2.4% above prior year collections 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,



Robert Myers
Budget & Research Director

General Fund

The General Fund is overall performing within expectations for the second quarter with year to date revenue receipts at 67.3% and total expenditures at 47.4% 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 Q2.

Revenues

Property Tax

The city receives the majority of property tax revenue between October and February. Current General Fund Property tax collections through March were \$16,334,456 or 94.5% of budget. Staff currently anticipates collections to reach budget estimates.

Sales Tax

Sales tax collections are trending (0.8%) lower through Q2 of FY19 as compared to collections for the same period in FY18. The shortfall through Q2 is primarily attributed to impacts from audit adjustments and the subsequent loss of monthly collections due to the correction of these businesses locations. The first one-time audit adjustment was in the amount of (\$33,754) (GF) resulting from a business that had been incorrectly paying sales tax to NRH in prior years. The second large audit adjustment was in the amount of \$77,995.59 (GF), which through an agreement with the Comptroller was smoothed out over a 24-month period for a monthly impact of (-\$3,249.81) totaling to (-29,248.29) (GF) in FY 2018/19. This audit adjustment resulted from a business that had relocated to Fort Worth in 2017 and had continued to remit sales tax to the City. In addition to the audit adjustments, the correction of the remittance locations of these businesses lowers the monthly sales tax collections as compared to the prior year. Based on the current trend staff anticipates that there will be a shortfall in total sales tax collections for FY 2018-19. Staff will continue to monitor sales tax collections closely and have identified areas of potential savings that can be used to offset this loss.

Franchise Tax

Franchise Fees currently reflect receipts of \$3,186,346 or 78.4% of budget and are trending 5.6% ahead of prior year. Through March, the City has received the full franchise payment for electricity and gas, Q1 payments for cable and telephone, and six monthly payments for waste disposal. The driver of the current trend is due to electrical and gas performing ahead of budget, coming in

at 101.4% and 115.3% respectively. Collections for both of these franchise fees will vary year to year based on market demand.

Fines & Forfeitures

Fines & Forfeitures total \$930,703 or 43.6% of budget and are ahead of prior year collections by 1.5%. The bulk of the increase is due to an increase in Municipal Court Fines, which are driven primarily by the number of citations written by the Police Department and processed by the Municipal Court. Through March citations reflected as up 1.2% from prior year.

Licenses & Permits

Revenue from licenses and permits totaled \$1,092,904 or 49.6% of the budget and are trending (15.1%) behind prior year collections.

Building Permits totaled \$407,457 or 35.7% of budgeted collections and are behind prior year by (26.8%). Total permits issued to date were down slightly through Q2 by (1.2%) along with the value of permits issued. The primary driver of the variance from prior year collections was in New Commercial and Multi-family permitting which reflected permitting for the Stone Creek Assisted Living Center and Phase III of the Dolce apartments in the prior fiscal year. In looking at April 2019 Building Permits have seen a significant increase above prior year collections with the recent permitting of "26 at City Point" Apartments.

Gas Well Inspections reflected no collections through Q2 and are behind prior year collections due to the timing of billing for inspections. Staff anticipates Q3 to reflect the collection for this item.

Charges for Service

Charges for Service totaled \$1,123,758 or 45.7% of budget. The bulk of collections in charges for service are from Ambulance Fees and garbage billing. Ambulance fees totaled \$828,040 or 47.9% of budget and are currently 5% ahead of prior year collections. Ambulance fee revenue is driven in part by the number of EMS transports, which were up by 1.6% from the same time period in the prior year.

Intergovernmental

Intergovernmental revenues totaled \$2,567,648 or 46.6% of budget. Intergovernmental revenues include indirect costs paid to the General Fund by the City's other funds and reimbursements from the shared service cities for 911 dispatch and detention services. 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 \$1,093,277 or 43.6% 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 \$1,374,646 or 57.9% 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 through Q2 totaled \$255,605 or 93.4% of budget.

Other income totaled \$411,253 or 58% of budget and reflected as significantly ahead of prior year collections for Q2. 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 \$550,000 in the transfers to the General Fund. This transfer is 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 due to timing will be received and paid for in the current fiscal year.

Expenditures

General Government

Total Expenditures for Q2 came in at \$22,989,724 or 47.4% of budget and tracked 6.3% ahead of prior year. Items of significant note included the following:

City Secretary totaled \$218,404 or 47.4% of budget and tracked 14.4% ahead of prior year due to payment for the 2019 election and Q1 of the prior year reflecting a vacancy of the Records Clerk position. Legal totaled \$176,083 or 42.8% of budget and reflected as up 19.8% ahead of prior year due to Q1 of the prior year reflecting a vacancy of the Assistant City Attorney position. Public Works totaled \$1,514,111 or 45.7% of budget and reflected up 9.3% above prior year due to the planned increase in vehicle allocation payments and timing of expenses for street, drainage and traffic materials and supplies.

Reserves & Other Expenditures through March were \$1,320,188 or 84.1% of budget. Reserves and Other Expenditures are ahead of the straight-line target and prior year due to 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 MARCH 2019 GENERAL FUND (001)

	ADOPTED BUDGET	REVISED BUDGET	ACTUAL AS OF 03/2019	% REVISED BUDGET	PY ACTUAL AS OF 03/2018	% CHANGE CY VS. PY
Revenues						
Taxes	\$ 33,675,379	\$ 33,675,379	\$ 25,415,488	75.47%	\$ 24,208,031	4.99%
Fines & Forfeitures	2,137,226	2,137,226	930,703	43.55%	917,391	1.45%
Licenses & Permits	2,205,100	2,205,100	1,092,904	49.56%	1,286,626	-15.06%
Charges for Services	2,457,978	2,457,978	1,123,758	45.72%	1,068,163	5.20%
Intergovernmental	5,515,015	5,515,015	2,567,648	46.56%	2,691,035	-4.59%
Miscellaneous	2,373,107	2,373,107	1,374,646	57.93%	1,482,898	-7.30%
Total Revenues	\$ 48,363,805	\$ 48,363,805	\$ 32,505,147	67.21%	\$ 31,654,144	2.69%
Appropriation of Fund Balance	\$ -	\$ 185,284	\$ 185,284	100.00%	\$ 285,133	-35.02%
Total Resources	\$ 48,363,805	\$ 48,549,089	\$ 32,690,431	67.33%	\$ 31,939,277	2.35%
Expenditures						
City Council	\$ 133,893	\$ 141,383	\$ 71,657	50.68%	\$ 52,345	36.89%
City Manager	686,945	687,474	341,796	49.72%	318,789	7.22%
Communications	383,452	391,254	172,565	44.11%	161,004	7.18%
City Secretary	460,637	460,813	218,404	47.40%	190,971	14.37%
Legal	411,439	411,615	176,083	42.78%	147,002	19.78%
Human Resources	136,869	137,116	66,357	48.39%	78,061	-14.99%
Finance	746,670	748,568	347,612	46.44%	321,977	7.96%
Budget & Research	417,313	417,312	269,480	64.58%	257,718	4.56%
Municipal Court	1,402,604	1,361,559	577,848	42.44%	623,160	-7.27%
Planning & Development	1,334,141	1,348,280	632,190	46.89%	593,158	6.58%
Economic Development	350,163	332,148	129,610	39.02%	153,515	-15.57%
Library	2,219,861	2,222,683	1,028,254	46.26%	1,034,028	-0.56%
Neighborhood Services	2,071,606	2,054,924	894,932	43.55%	880,447	1.65%
Public Works	3,340,412	3,313,804	1,514,111	45.69%	1,385,122	9.31%
Parks and Recreation	2,138,611	2,140,823	1,047,279	48.92%	977,572	7.13%
Police	15,014,364	15,068,475	7,001,732	46.47%	6,662,367	5.09%
Fire	13,621,936	13,640,792	6,205,466	45.49%	6,096,412	1.79%
Facilities/Construction Management	812,101	812,101	406,050	50.00%	406,050	0.00%
Non-Departmental	1,111,037	1,288,214	568,110	44.10%	550,119	3.27%
Reserves & Other Expenditures	1,569,751	1,569,751	1,320,188	84.10%	734,257	79.80%
Total Expenditures	\$ 48,363,805	\$ 48,549,089	\$ 22,989,724	47.35%	\$ 21,624,074	6.32%

Park & Recreation Facilities Dev. Fund

The Parks & Recreation Facilities Development Fund is overall performing within expectations for the second quarter with year to date revenue receipts at 50.1% and total expenditures at 46.5% 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 Q2 activity.

Revenues

Sales tax collections are trending (0.8%) lower through Q2 of FY19 as compared to collections for the same period in FY18. Like in the General Fund the shortfall in Q2 was due to two one-time audit adjustments and the subsequent loss of monthly sales tax collections from these two businesses that was reported in the prior year. Staff will continue to monitor sales tax collections closely over the coming months and are working to identify areas of potential savings that can be utilized to offset the loss.

NRH Centre revenues totaled \$1,626,968 or 50.6% of budget. Membership and drop-in pass revenue of \$684,135 trended ahead of prior year 4.2%. Grand Hall Rental revenue totaled \$227,925 and was up significantly from prior year due to an increase in the number of facility bookings (148 vs. 119) and attendance through March (27,780 vs. 18,857). Recreation / Sports revenues also saw an uptick with the bulk of the increase from Summer Camp NRH and Youth Programs due to higher enrollment (100 per week vs. 85 per week).

Other Income totaled \$21,378 and reflected up significantly from budget and prior year due to the receipt of the first insurance payment for the storm damages at Cross Timbers Park.

Expenditures

Operating expenditures not associated with the NRH Centre totaled \$1,388,085 or 36.9% of budget. Parks Facilities Development Maintenance totaled \$425,526 or 49.3% of budget and reflected as slightly ahead of Q2 for the prior fiscal year due to payment for tree planting at Northfield Park which was a rollover encumbrance from the prior year and the planned funding shift of the Cultural

Arts Program Coordinator position with the Promotional Fund. Maintenance & Operations totaled \$724,697 or 31.9% of budget and reflected down from prior year expenditures through Q2 due to the timing of mowing and landscaping activities.

Expenditures for the NRH Centre totaled \$1,367,191 or roughly 45.7% and trended 6.4% ahead of prior year. A few Items of note included Center Management totaling \$357,830 or 46.1% of budget and trending ahead of prior year for Q2 due to a vacancy of the NRH Centre Assistant Manager position in FY 18. Building Operations totaled \$124,205 and reflected up from prior year due to expenses for the gym-refinishing project. Aquatics totaled \$299,254 and reflected as up over Q2 of the prior fiscal year due to a staffing restructure that happened in Q2 of 2019 that added an Aquatic Supervisor position, which was included in the FY 18-19 Adopted Budget. Event Center expenses totaled \$170,427 and reflected as up from prior year by 13.8% due primarily to the planned purchase of replacement ballroom chairs included as part of the annual encumbrance roll.

Reserves & Other Expenditures totaled \$1,448,112 or 63.5% 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 MARCH 2019 PARKS AND RECREATION FUND (125 & 126)

	ADOPTED BUDGET	REVISED BUDGET	ACTUAL AS OF 03/2019	% REVISED BUDGET	PY ACTUAL AS OF 03/2018	% CHANGE CY VS. PY
Revenues						
Sales Tax	\$ 5,197,739	\$ 5,197,739	\$ 2,531,478	48.70%	\$ 2,551,973	-0.80%
Interest Income	40,600	40,600	37,578	92.56%	23,420	60.45%
Youth Assoc. Maintenance Fees	35,500	35,500	18,001	50.71%	18,878	-4.65%
Tennis Center Revenue	365,300	365,300	159,788	43.74%	150,559	6.13%
Transfer In - Aquatic Park Fund	-	-	-	0.00%	43,934	-100.00%
Park Impact Fee	95,000	95,000	43,200	45.47%	49,512	-12.75%
Other Income	900	900	21,378	2375.33%	517	4035.01%
NRH Centre	3,214,102	3,214,102	1,626,968	50.62%	1,476,153	10.22%
Total Revenues	\$ 8,949,141	\$ 8,949,141	\$ 4,438,391	49.60%	\$ 4,314,946	2.86%
Appropriation of Fund Balance	\$ -	\$ 90,360	\$ 90,360	100.00%	\$ 41,307	118.75%
Total Resources	\$ 8,949,141	\$ 9,039,501	\$ 4,528,751	50.10%	\$ 4,356,253	3.96%
Expenditures						
Parks Facilities Dev. Admin.	\$ 846,010	\$ 863,076	\$ 425,526	49.30%	\$ 364,387	16.78%
Maintenance & Operations	2,174,057	2,271,235	724,697	31.91%	794,865	-8.83%
Tennis Center Operations	627,412	628,470	237,862	37.85%	244,087	-2.55%
Operating Expenditures	\$ 3,647,479	\$ 3,762,781	\$ 1,388,085	36.89%	\$ 1,403,339	-1.09%
Center Management	\$ 776,077	\$ 776,959	\$ 357,830	46.06%	\$ 291,623	22.70%
Fitness	404,955	404,955	187,276	46.25%	204,782	-8.55%
Building Operations	218,334	219,040	124,205	56.70%	106,290	16.85%
Aquatic	653,093	665,445	299,254	44.97%	278,326	7.52%
Recreation Sports	291,862	291,862	91,154	31.23%	106,797	-14.65%
Event Center	300,451	362,451	170,427	47.02%	149,705	13.84%
Building Services	274,090	274,090	137,045	50.00%	147,075	-6.82%
NRH Center Expenditures	\$ 2,918,862	\$ 2,994,802	\$ 1,367,191	45.65%	\$ 1,284,598	6.43%
Reserves & Other Expenditures	\$ 2,382,800	\$ 2,281,918	\$ 1,448,112	63.46%	\$ 1,593,932	-9.15%
Total Expenditures	\$ 8,949,141	\$ 9,039,501	\$ 4,203,388	46.50%	\$ 4,281,869	-1.83%

Crime Control District

The Crime Control District Fund is overall performing within expectations for the second quarter with year to date revenue receipts at 51.4% and total expenditures at 46.6% 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 Q2 activity.

Revenues

Sales tax collections are trending (0.21%) lower in Q2 of FY19 as compared to collections for the same period in FY18. Like in the General Fund, the shortfall in Q2 was due to two one-time audit adjustments and the subsequent loss of monthly sales tax collections from these two businesses that was reported in the prior year. Staff will continue to monitor sales tax collections closely over the coming months and are working to identify areas of potential savings that can be utilized to offset the loss.

Franchise Fees totaled \$110,793 or 115.3% of budget and reflected up from prior year. Like in the General Fund, collections for the Gas Franchise Fee will vary year to year based on market demand.

Other income totaled \$27,870 and reflected an increase over prior year for the first year of reimbursements from the partner cities for the Victim's Assistance Program that was included in the FY 18-19 Adopted Budget.

Expenditures

Total expenditures were \$2,662,673, or 46.6% and were overall in-line with expectations. One item of note was in the Property / Evidence category which totaled \$172,904 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. Additionally, there is a major computer software/hardware upgrade totaling \$99,231 that was included as part of the annual encumbrance roll.



CITY OF NORTH RICHLAND HILLS

MONTHLY FINANCIAL REPORT FOR MARCH 2019 CRIME CONTROL DISTRICT FUND (130)

	ADOPTED BUDGET	REVISED BUDGET	ACTUAL AS OF 03/2019	% REVISED BUDGET	PY ACTUAL AS OF 03/2018	% CHANGE CY VS. PY
Revenues						
Sales Tax	\$ 5,171,241	\$ 5,171,241	\$ 2,527,295	48.87%	\$ 2,532,713	-0.21%
Franchise Fees	96,127	96,127	110,793	115.26%	96,127	15.26%
Interest Income	2,465	2,465	7,714	312.94%	4,080	89.07%
SRO Reimbursement (BISD)	226,194	226,194	113,097	50.00%	109,648	3.15%
Other	55,086	55,086	27,870	50.59%	11,531	141.70%
Total Revenues	\$ 5,551,113	\$ 5,551,113	\$ 2,786,769	50.20%	\$ 2,754,099	1.19%
Appropriation of Fund Balance	16,845	158,133	149,711	94.67%	-	100.00%
Total Resources	\$ 5,567,958	\$ 5,709,246	\$ 2,936,480	51.43%	\$ 2,754,099	6.62%
Expenditures						
Administration	\$ 9,500	\$ 9,500	\$ 1,520	16.00%	\$ 3,461	-56.08%
Administrative Services	1,126,890	1,128,467	521,906	46.25%	467,084	11.74%
Investigations	491,527	499,066	217,348	43.55%	236,077	-7.93%
Uniform Patrol	2,998,357	3,033,524	1,404,933	46.31%	1,400,884	0.29%
Technical Services	556,876	557,757	264,582	47.44%	266,930	-0.88%
Property / Evidence	214,443	311,734	172,904	55.47%	7,564	2185.88%
Operating Expenditures	\$ 5,397,593	\$ 5,540,048	\$ 2,583,193	46.63%	\$ 2,382,000	8.45%
Reserves & Other Expenditures	\$ 170,365	\$ 169,198	\$ 79,480	46.97%	\$ 85,005	-6.50%
Total Expenditures	\$ 5,567,958	\$ 5,709,246	\$ 2,662,673	46.64%	\$ 2,467,005	7.93%

Utility Fund

The Utility Fund is overall performing within expectations for the second quarter with year to date revenue receipts at 41.1% and total expenditures at 47.3% 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 Q2 activity.

Revenues

Total operating revenue in the Utility Fund was \$14,600,112 or 41.1% of budget. The largest revenue sources in this fund are collections for water and sewer sales. To date, total collections for water sales were \$7,946,628 or 35.1% of budget. Water Sales to date are trending (11.9%) behind prior year due in large part to the heavy rainfall experienced in Q1. Sewer Sales to date total \$5,779,328 or 50.2% of budget and are trending 2.4% above prior year collections due to the rate change that took effect in November.

Miscellaneous Revenues totaled \$540,821 or 65.2% of budget and reflected up 22.4% from prior year primarily due to receipt of the annual settle-up payment from the Joint Use Reimbursement from Watauga for their share of the financial costs of operation of the booster pump station at 5105 Western Center Boulevard. In addition to the increase from the annual settle-up, this year's monthly allocation payments are also significantly larger due to a higher estimated volume of water flow through the pump station.

Expenses

Total expenses were \$16,798,051 or 47.3% of budget. Right of Way Maintenance expenditures totaled \$83,303 or 30.7% of budget and were behind prior year by (38.4%) 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 \$6,167,666 or 39.3% of budget and reflects behind prior year due to lower purchase volumes and a credit from the Trinity River Authority (TRA) on the October and November billing cycles against the annual settle-up TRA

anticipates paying the City this year. Sewer Service Expenses totaled \$3,956,879 or 51.9% 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 \$452,634 or 45.4% of budget and reflected as up over prior year expenses due to an uptick in credit card service fees from an increase in customers usage of credit cards.

Reserves and Other Expenses totaled \$3,805,452 or 63% 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 as well as the debt service payment requirement being higher than in prior year.



CITY OF NORTH RICHLAND HILLS

MONTHLY FINANCIAL REPORT FOR MARCH 2019

UTILITY FUND (405)

	ADOPTED BUDGET	REVISED BUDGET	ACTUAL AS OF 03/2019	% REVISED BUDGET	PY ACTUAL AS OF 03/2018	% CHANGE CY VS. PY
Revenues						
Water Sales and Charges	\$ 22,622,906	\$ 22,622,906	\$ 7,946,628	35.13%	\$ 9,018,817	-11.89%
Sewer Sales and Charges	11,504,077	11,504,077	5,779,328	50.24%	5,641,451	2.44%
Miscellaneous Revenues	829,227	829,227	540,821	65.22%	442,006	22.36%
Total Operating Revenues	34,956,210	34,956,210	14,266,777	40.81%	15,102,274	-5.53%
Appropriation of Fund Balance	\$ 408,249	\$ 537,459	\$ 333,335	62.02%	\$ 432,785	-22.98%
Total Resources	\$ 35,364,459	\$ 35,493,669	\$ 14,600,112	41.13%	\$ 15,535,059	-6.02%
Expenses						
Operating Expenses						
Administration	\$ 346,147	\$ 346,322	\$ 160,901	46.46%	\$ 156,035	3.12%
Development	914,673	929,860	446,303	48.00%	423,050	5.50%
Right of Way Maintenance	271,118	271,118	83,303	30.73%	135,314	-38.44%
Total Operating Expenses	1,531,938	1,547,300	690,507	44.63%	714,399	-3.34%
Water Service Expenses	\$ 15,600,626	\$ 15,711,802	\$ 6,167,666	39.25%	\$ 6,870,098	-10.22%
Sewer Service Expenses	7,629,225	7,630,483	3,956,879	51.86%	3,793,571	4.30%
Total Water and Sewer Expenses	\$ 23,229,851	\$ 23,342,285	\$ 10,124,545	43.37%	\$ 10,663,669	-5.06%
Finance and Utility Billing						
Meter Reading	\$ 532,122	\$ 533,180	\$ 255,290	47.88%	\$ 244,893	4.25%
Utility Billing / Customer Service	995,968	997,026	452,634	45.40%	416,107	8.78%
Utility Collection Services	246,057	245,792	115,297	46.91%	115,973	-0.58%
Accounting Services	429,282	429,768	197,598	45.98%	185,418	6.57%
Budget & Research	229,883	229,882	109,333	47.56%	102,912	6.24%
Total Finance and Utility Billing Expenses	\$ 2,433,312	\$ 2,435,648	\$ 1,130,152	46.40%	\$ 1,065,303	6.09%
Building Services	1,822,929	1,822,929	911,465	50.00%	911,465	0.00%
Non-Departmental	302,286	301,364	135,930	45.10%	144,281	-5.79%
Total Building & Non-Departmental	\$ 4,558,527	\$ 4,559,941	\$ 2,177,547	47.75%	\$ 2,121,049	2.66%
Reserves & Other Expenses	\$ 6,044,143	\$ 6,044,143	\$ 3,805,452	62.96%	\$ 3,601,407	5.67%
Total Expenses	\$ 35,364,459	\$ 35,493,669	\$ 16,798,051	47.33%	\$ 17,100,524	-1.77%

Self Insurance Fund

The Self Insurance Fund is overall performing within expectations for Q2 with year to date revenue receipts at 51.5% and total expenditures at 46.7% of the FY18-19 Revised Budget. The below analysis includes highlights and items of note for Q2.

Revenues

Revenues totaled \$7,755,372 or 51.5% through Q2. 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 Revenues totaled \$572,552 or 99.9% of budget. The bulk of budgeted revenue in Other Revenues is related to expenditure reimbursements from the City's Stop Loss Insurance that is paid for individual health/medical claims submitted above \$175,000. Through Q2, the City received \$458,547 in expenditure reimbursements, which is significantly higher than the prior year experience for the same period.

Expenses

Expenses total \$7,025,429 or 46.7% of budget. The bulk of expenditures in this fund are from Health/Medical claims. Health/Medical claims for Q2 are under budget but are trending slightly higher when compared to expenses in prior year through the same period. At this time, expenses are moving at a steady pace and staff believe will fall within or near budget expectations by the end of this fiscal year. Staff will continue to monitor expenses in this category and provide updates as needed in a future report.

Other Insurance totaled \$369,371 or 57.3% 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 MARCH 2019 SELF INSURANCE FUND (515)

	ADOPTED BUDGET	REVISED BUDGET	ACTUAL AS OF 03/2019	% REVISED BUDGET	PY ACTUAL AS OF 03/2018	% CHANGE CY VS. PY
Revenues						
Allocations:						
Health / Medical City Contribution	\$ 9,892,973	\$ 9,892,973	\$ 4,943,195	49.97%	\$ 4,616,371	7.08%
Health / Medical Employee Contribution	2,634,129	2,634,129	1,259,432	47.81%	1,157,564	8.80%
Worker's Compensation	593,500	593,500	296,750	50.00%	293,232	1.20%
Administration Allocation	511,311	511,311	254,231	49.72%	263,317	-3.45%
Other Insurance	753,227	753,227	379,212	50.34%	350,685	8.13%
Total Allocations	\$ 14,385,140	\$ 14,385,140	\$ 7,132,820	49.58%	\$ 6,681,168	6.76%
Other:						
Interest Income	\$ 39,430	\$ 39,430	\$ 38,429	97.46%	\$ 26,227	46.52%
Other Income	133,500	133,500	75,576	56.61%	67,578	11.84%
Expenditure Reimbursement	400,000	400,000	458,547	114.64%	9,235	4865.32%
Total Other Revenues	\$ 572,930	\$ 572,930	\$ 572,552	99.93%	\$ 103,040	455.66%
Appropriation of Fund Balance	\$ 100,000	\$ 100,000	\$ 50,000	50.00%	\$ 50,000	0.00%
Total Resources	\$ 15,058,070	\$ 15,058,070	\$ 7,755,372	51.50%	\$ 6,834,208	13.48%
Expenses						
Health / Medical	\$ 12,526,510	\$ 12,526,510	\$ 5,924,383	47.29%	\$ 5,447,861	8.75%
Worker's Compensation	593,500	593,500	127,727	21.52%	182,980	-30.20%
Personnel Expenses	495,012	495,012	217,687	43.98%	216,003	0.78%
Other Insurance	644,228	644,228	369,371	57.34%	327,647	12.73%
Other Expenses	133,500	133,500	58,876	44.10%	49,422	19.13%
Life Insurance Premiums	109,000	109,000	49,225	45.16%	43,367	13.51%
Total Operating Expenses	\$ 14,501,750	\$ 14,501,750	\$ 6,747,269	46.53%	\$ 6,267,280	7.66%
Reserves & Other Expenses	\$ 556,320	\$ 556,320	\$ 278,160	50.00%	\$ 221,603	25.52%
Total Expenses	\$ 15,058,070	\$ 15,058,070	\$ 7,025,429	46.66%	\$ 6,488,883	8.27%

Aquatic Park Fund

The Aquatic Park Fund is overall performing within expectations for the second quarter with year to date revenue receipts at 4.6% and total expenditures at 38% of the FY18-19 Revised Budget. The below analysis includes highlights and items of note for Q2 activity.

Revenues

Total Aquatic Park revenue was \$209,695 or 4.6% 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 \$1,735,182, or 38% of budget and were overall in-line with expectations. One item of note was in Maintenance expenses that totaled \$207,061 or 42.1% of budget and reflected up 40.9% over prior year due to the timing of when replacement specialty items were purchased (water slide tube replacements, etc...).





CITY OF NORTH RICHLAND HILLS

MONTHLY FINANCIAL REPORT FOR MARCH 2019 AQUATIC PARK FUND (415)

	ADOPTED BUDGET	REVISED BUDGET	ACTUAL AS OF 03/2019	% REVISED BUDGET	PY ACTUAL AS OF 03/2018	% CHANGE CY VS. PY
Revenues						
Admissions:	\$ 3,295,000	\$ 3,295,000	\$ 197,678	6.00%	\$ 196,224	0.74%
Food and Beverage	870,700	870,700	4,129	0.47%	1,227	236.51%
Merchandise	154,000	154,000	23	0.01%	53	-56.60%
Rentals	185,000	185,000	(854)	-0.46%	75	-1238.67%
Total Operating Revenues	\$ 4,504,700	\$ 4,504,700	\$ 200,976	4.46%	\$ 197,580	1.72%
Other Revenue:						
Interest Income	\$ 16,309	\$ 16,309	\$ 9,558	58.61%	\$ 7,285	31.20%
Other Income	47,500	47,500	(839)	-1.77%	1,561	-153.75%
Total Other Revenue	\$ 63,809	\$ 63,809	\$ 8,719	13.66%	\$ 8,846	-1.44%
Appropriation of Fund Balance	\$ -	\$ -	\$ -	0.00%	\$ -	0.00%
Total Resources	\$ 4,568,509	\$ 4,568,509	\$ 209,695	4.59%	\$ 206,426	1.58%
Expenses						
General Services	\$ 847,256	\$ 847,608	\$ 239,996	28.31%	\$ 263,400	-8.89%
Parks & Public Grounds	77,990	77,893	11,140	14.30%	8,089	37.72%
Aquatics	551,721	551,429	70,523	12.79%	36,469	93.38%
Maintenance	491,366	491,666	207,061	42.11%	147,006	40.85%
Business Office	134,526	134,878	52,264	38.75%	51,214	2.05%
Marketing / Advertising	413,850	414,114	60,450	14.60%	60,508	-0.10%
Gift Shop	117,407	117,495	17,859	15.20%	36,444	-51.00%
Food	149,140	149,228	20,324	13.62%	17,247	17.84%
Ice Cream Shop	124,980	125,033	9,937	7.95%	10,684	-6.99%
Group Sales	67,513	67,601	23,541	34.82%	19,360	21.60%
Admissions	127,027	127,203	26,856	21.11%	25,041	7.25%
Elements of Fun	9,634	9,634	375	3.89%	282	32.98%
Birthday Parties	23,165	23,165	2,324	10.03%	1,039	123.68%
Catering	34,036	34,036	2,533	7.44%	1,564	61.96%
Funnel Cake	29,982	29,982	991	3.31%	1,457	-31.98%
Rentals	12,133	12,168	4,939	40.59%	4,393	12.43%
Food Service Building	176,271	176,359	13,394	7.59%	18,282	-26.74%
Total Operating Expenses	\$ 3,387,997	\$ 3,389,492	\$ 761,975	22.48%	\$ 701,160	8.67%
Reserves & Other Expenses	\$ 1,180,512	\$ 1,179,017	\$ 973,207	82.54%	\$ 1,063,649	-8.50%
Total Expenses	\$ 4,568,509	\$ 4,568,509	\$ 1,735,182	37.98%	\$ 1,764,809	-1.68%

Fleet Services Fund

The Fleet Services Fund is overall performing within expectations in Q2 with year to date revenue receipts at 55.7% and total expenditures at 46.9% 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 Q2 activity.

Revenues

Total revenues were \$2,909,512 or 55.7% 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 \$2,449,624 or 46.9% 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 \$886,143 or 76% 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). In addition, there was an increase due to the change in accounting for Fleet debt as included in the FY 18-19 Adopted Budget.



CITY OF NORTH RICHLAND HILLS

MONTHLY FINANCIAL REPORT FOR MARCH 2019 FLEET SERVICES FUND (510)

	ADOPTED BUDGET	REVISED BUDGET	ACTUAL AS OF 03/2019	% REVISED BUDGET	PY ACTUAL AS OF 03/2018	% CHANGE CY VS. PY
Revenues						
Charges for Service						
General Fund	\$ 1,389,677	\$ 1,389,677	\$ 694,839	50.00%	\$ 484,096	43.53%
Utility Fund	1,967,647	1,967,647	983,823	50.00%	983,824	0.00%
Utility CIP / Utility Construction	288,678	288,678	144,339	50.00%	144,339	0.00%
Crime Control & Prevention District	170,426	170,426	85,213	50.00%	85,213	0.00%
Park & Recreation Development Fund	171,939	171,939	85,970	50.00%	71,970	19.45%
Other Funds	24,119	24,119	12,060	50.00%	20,140	-40.12%
Total Charges for Service	\$ 4,012,486	\$ 4,012,486	\$ 2,006,244	50.00%	\$ 1,789,582	12.11%
Other Revenues						
Interest Income	\$ 30,000	\$ 30,000	\$ 20,874	69.58%	\$ 15,752	32.52%
Sale of City Property	50,000	50,000	-	0.00%	-	0.00%
Other Income	3,300	3,300	180	5.45%	50,492	-99.64%
Total Other Revenue	\$ 83,300	\$ 83,300	\$ 21,054	25.27%	\$ 66,244	-68.22%
Appropriation of Fund Balance	\$ 495,527	\$ 1,129,977	\$ 882,214	78.07%	\$ 732,668	20.41%
Total Resources	\$ 4,591,313	\$ 5,225,763	\$ 2,909,512	55.68%	\$ 2,588,494	12.40%
Expenses						
General Services	\$ 275,794	\$ 275,794	\$ 127,346	46.17%	\$ 95,698	33.07%
Equipment Services Operations	1,620,090	1,620,796	685,532	42.30%	702,327	-2.39%
Fire Fleet Maintenance	329,307	344,627	79,275	23.00%	147,522	-46.26%
Equipment Purchases	425,875	565,348	283,149	50.08%	39,460	617.56%
Fire Vehicles / Equipment	-	68,950	4,166	6.04%	108,096	-96.15%
Police Vehicles / Equipment	774,375	1,183,935	384,013	32.44%	210,552	82.38%
Total Operating Expenses	\$ 3,425,441	\$ 4,059,450	\$ 1,563,481	38.51%	\$ 1,303,655	19.93%
Reserves & Other Expenses	\$ 1,165,872	\$ 1,166,313	\$ 886,143	75.98%	\$ 315,779	180.62%
Total Expenses	\$ 4,591,313	\$ 5,225,763	\$ 2,449,624	46.88%	\$ 1,619,434	51.26%

Information Technology Fund

The Information Technology Fund is overall performing within expectations with year to date revenue receipts at 51.2% and total expenditures at 54.9% 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 Q2.

Revenues

Total revenue was \$1,902,508, which represented 51.2% 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 \$2,041,937 or 54.9% of budget. Data Network expenses totaled \$553,876 or 63.8% of budget and reflected an uptick from prior year. The majority of the increase in this category is due to the timing of the payment for annual software maintenance for tele-works and the addition of maintenance expense for VMWARE as included in the FY 18/19 Adopted Budget.

Expenses in the Public Safety division were \$487,480 or 66% of budget and reflected as an increase from the prior year primarily due to the inclusion of an upgrade to the telestaff software for Police included in the FY 18/19 Adopted Budget.



CITY OF NORTH RICHLAND HILLS

MONTHLY FINANCIAL REPORT FOR MARCH 2019 INFORMATION TECHNOLOGY FUND (520)

	ADOPTED BUDGET	REVISED BUDGET	ACTUAL AS OF 03/2019	% REVISED BUDGET	PY ACTUAL AS OF 03/2018	% CHANGE CY VS. PY
Revenues						
Telecommunications						
Transfers from:						
General Fund	\$ 369,544	\$ 369,544	\$ 184,772	50.00%	\$ 185,609	-0.45%
Park Fund	37,493	37,493	18,747	50.00%	18,746	0.01%
Crime Control & Prevention District	32,472	32,472	16,236	50.00%	15,398	5.44%
Utility Fund	93,965	93,965	46,983	50.00%	46,982	0.00%
Other Funds	67,487	67,487	33,744	50.00%	33,742	0.01%
Total Telecom Transfers In	\$ 600,961	\$ 600,961	\$ 300,482	50.00%	\$ 300,477	0.00%
Computers						
Transfers from:						
General Fund	\$ 1,093,677	\$ 1,093,677	\$ 546,839	50.00%	\$ 549,112	-0.41%
Park Fund	118,506	118,506	59,253	50.00%	59,253	0.00%
Crime Control & Prevention District	199,175	199,175	99,588	50.00%	97,313	2.34%
Utility Fund	771,562	771,562	385,781	50.00%	385,781	0.00%
Other Funds	322,166	322,166	161,083	50.00%	161,082	0.00%
Total Computer Transfers In	\$ 2,505,086	\$ 2,505,086	\$ 1,252,544	50.00%	\$ 1,252,541	0.00%
Other Revenue						
Interest Income	\$ 17,000	\$ 17,000	\$ 13,517	79.51%	\$ 9,507	42.18%
Transmitter Lease	152,958	152,958	82,956	54.23%	73,759	12.47%
Other Income	9,037	9,037	1	0.01%	36	-97.22%
Transfer from General Fund	85,492	85,492	42,746	50.00%	41,363	3.34%
Transfer from Utility Fund Reserve	175,000	175,000	87,500	50.00%	87,500	0.00%
Total Other Revenue	\$ 439,487	\$ 439,487	\$ 226,720	51.59%	\$ 212,165	6.86%
Appropriation of Fund Balance	\$ 96,287	\$ 170,905	\$ 122,762	71.83%	\$ 7,969	1440.49%
Total Resources	\$ 3,641,821	\$ 3,716,439	\$ 1,902,508	51.19%	\$ 1,773,152	7.30%
Expenses						
General Services	\$ 281,324	\$ 281,324	\$ 116,408	41.38%	\$ 125,284	-7.08%
Major Computer Systems	343,255	343,607	216,760	63.08%	245,828	-11.82%
Microcomputer Systems	781,059	806,551	362,071	44.89%	375,472	-3.57%
Telecommunications	478,087	480,257	179,237	37.32%	221,505	-19.08%
Data Network	856,422	868,254	553,876	63.79%	384,473	44.06%
GIS System	184,536	184,536	118,454	64.19%	102,542	15.52%
Public Safety	701,515	738,403	487,480	66.02%	412,490	18.18%
Total Operating Expenses	\$ 3,626,198	\$ 3,702,932	\$ 2,034,286	54.94%	\$ 1,867,594	8.93%
Reserves & Other Expenses	\$ 15,623	\$ 13,507	\$ 7,651	56.64%	\$ 32,500	-76.46%
Total Expenses	\$ 3,641,821	\$ 3,716,439	\$ 2,041,937	54.94%	\$ 1,900,094	7.47%

Facilities Fund

The Facilities Fund is overall performing within expectations in Q2 with year to date revenue receipts at 50.2% and total expenditures at 40.3% of the FY18-19 Revised Budget. The below analysis includes highlights and items of note for Q2.

Revenues

Total revenue was \$1,497,800 or 50.2% of budget. There were no significant items of note in Q2.

Expenses

Expenses totaled \$1,202,880 or 40.3% 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 Q2.



CITY OF NORTH RICHLAND HILLS

MONTHLY FINANCIAL REPORT FOR MARCH 2019 FACILITIES & CONSTRUCTION MANAGEMENT FUND (505)

	ADOPTED BUDGET	REVISED BUDGET	ACTUAL AS OF 03/2019	% REVISED BUDGET	PY ACTUAL AS OF 03/2018	% CHANGE CY VS. PY
Revenues						
Charges for Services						
General Fund	\$ 812,101	\$ 812,101	\$ 406,050	50.00%	\$ 406,050	0.00%
Park & Recreation Development Fund	274,090	274,090	137,045	50.00%	147,075	-6.82%
Utility Fund	1,822,929	1,822,929	911,465	50.00%	911,465	0.00%
Total Charges for Services	\$ 2,909,120	\$ 2,909,120	\$ 1,454,560	50.00%	\$ 1,464,590	-0.68%
Other						0.00%
Interest Income	\$ 23,000	\$ 23,000	\$ 16,630	72.30%	\$ 11,050	50.50%
Rent from Rental Properties	39,600	39,600	19,800	50.00%	36,091	-45.14%
Other Income	-	-	-	0.00%	-	0.00%
Total Other Revenue	\$ 62,600	\$ 62,600	\$ 36,430	58.19%	\$ 47,141	-22.72%
Appropriation of Fund Balance						0.00%
Building Services Fund Reserves	\$ 13,620	\$ 13,620	\$ 6,810	50.00%	\$ -	100.00%
Prior Year Encumbrances	-	-	-	0.00%	-	0.00%
Total Resources	\$ 2,985,340	\$ 2,985,340	\$ 1,497,800	50.17%	\$ 1,511,732	-0.92%
Expenditures						
General Services	\$ 356,927	\$ 355,780	\$ 121,692	34.20%	\$ 160,958	-24.40%
Building Services	2,359,714	2,359,273	858,946	36.41%	933,391	-7.98%
Rental Property Program	36,120	36,120	1,452	4.02%	5,713	-74.58%
Transfer to Capital Budget	212,000	212,000	212,000	100.00%	60,000	253.33%
Total Operating Expenditures	\$ 2,964,761	\$ 2,963,173	\$ 1,194,090	40.30%	\$ 1,160,062	2.93%
Reserves & Other Expenditures	\$ 20,579	\$ 22,167	\$ 8,790	39.65%	\$ 79,923	-89.00%
Total Expenditures	\$ 2,985,340	\$ 2,985,340	\$ 1,202,880	40.29%	\$ 1,239,985	-2.99%

Golf Course Fund

The Golf Course Fund is overall performing within expectations through February with year to date revenue receipts at 29.6% and total expenditures at 32.5% 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 through February 2019.

Revenues

Revenues totaled \$770,155 or 29.6% of budget. Overall revenues reflected as up 19% over prior fiscal year with the bulk of the increase in green fees and pro shop. This increase in large part was due to an increase in overall rounds played over the prior fiscal year (12,897 vs. 11,943) in addition to an increase in tournament rounds (1,851 vs. 901).

Expenses

Total expenses through February totaled \$844,166 or 32.5% of budget and overall trended in-line with prior year expenses with only a few items of note. Reserves & Other Expenses totaled to \$56,510 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 FEBRUARY 2019
GOLF COURSE FUND (417 & 418)

	ADOPTED BUDGET	REVISED BUDGET	ACTUAL AS OF 2/2019	% REVISED BUDGET	PY ACTUAL AS OF 2/2018	% CHANGE CY VS. PY
Rounds	50,000	50,000	12,897	25.79%	11,943	7.99%
Revenues						
Green Fees	\$ 1,002,000	\$ 1,002,000	\$ 261,822	26.13%	\$ 216,762	20.79%
Pro Shop	413,500	413,500	145,457	35.18%	100,571	44.63%
Driving Range	75,000	75,000	18,621	24.83%	13,492	38.02%
Carts	391,000	391,000	113,082	28.92%	98,101	15.27%
Food & Beverage	681,500	681,500	217,907	31.97%	202,603	7.55%
General & Administrative	-	-	-	0.00%	168	-100.00%
Other Revenue	38,454	38,454	13,266	34.50%	15,425	-14.00%
Total Resources	\$ 2,601,454	\$ 2,601,454	\$ 770,155	29.60%	\$ 647,122	19.01%
Expenses						
Pro Shop	\$ 166,710	\$ 166,710	\$ 43,547	26.12%	\$ 38,263	13.81%
Pro Shop: COGS	143,000	143,000	43,636	30.51%	-	100.00%
Driving Range	18,200	18,200	4,259	23.40%	3,540	20.31%
Golf Carts	224,030	224,030	91,785	40.97%	98,469	-6.79%
Course Maintenance	632,200	632,200	234,857	37.15%	259,353	-9.45%
Food & Beverage	304,202	304,202	82,308	27.06%	191,344	-56.98%
Food & Beverage: COGS	206,064	206,064	65,478	31.78%	-	100.00%
Sales & Membership	56,764	56,764	-	0.00%	280	-100.00%
General & Administrative	287,755	287,755	143,994	50.04%	128,700	11.88%
Clubhouse	97,434	97,434	30,584	31.39%	45,462	-32.73%
Management Fees	144,714	144,714	47,208	32.62%	42,821	10.24%
Capital	154,000	154,000	-	0.00%	-	0.00%
Total Operating Expenses	\$ 2,435,073	\$ 2,435,073	\$ 787,656	32.35%	\$ 808,232	-2.55%
Reserves & Other Expenses	\$ 166,381	\$ 166,381	\$ 56,510	33.96%	\$ 157,395	-64.10%
Total Expenses	\$ 2,601,454	\$ 2,601,454	\$ 844,166	32.45%	\$ 965,627	-12.58%

Drainage Utility Fund

The Drainage Utility Fund is overall performing within expectations for the second quarter with year to date revenue receipts at 24.7% and total expenditures at 56.8% 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 Q2 activity.

Revenues

Total revenues were \$407,298 or 24.7% of budget. Drainage Fees are in-line with prior year collections.

Expenditures

Total expenditures were \$936,975 or 56.8% 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). The contribution to reserves totaled \$564,308 or 50% of budget. There were no other significant items of note in expenditures.



CITY OF NORTH RICHLAND HILLS

MONTHLY FINANCIAL REPORT FOR MARCH 2019 DRAINAGE UTILITY FUND (120)

	ADOPTED BUDGET	REVISED BUDGET	ACTUAL AS OF 03/2019	% REVISED BUDGET	PY ACTUAL AS OF 03/2018	% CHANGE CY VS. PY
Revenues						
Drainage Fees	\$ 1,647,000	\$ 1,647,000	\$ 403,471	24.50%	\$ 397,506	1.50%
Interest Income	2,755	2,755	3,827	138.91%	1,463	161.59%
Total Revenues	\$ 1,649,755	\$ 1,649,755	\$ 407,298	24.69%	\$ 398,969	2.09%
Appropriation of Fund Balance	-	-	-	0.00%	-	0.00%
Total Resources	\$ 1,649,755	\$ 1,649,755	\$ 407,298	24.69%	\$ 398,969	2.09%
Expenditures						
Debt Service	\$ 261,139	\$ 261,139	\$ 130,569	50.00%	\$ 181,337	-28.00%
Transfer to Capital Project	230,000	230,000	230,000	100.00%	797,850	-71.17%
Other Expenditures	30,000	30,000	12,098	40.33%	9,720	24.47%
Operating Expenditures	\$ 521,139	\$ 521,139	\$ 372,667	71.51%	\$ 988,907	-62.32%
Contribution to Reserves	1,128,616	1,128,616	564,308	50.00%	1	100%
Total Expenditures	\$ 1,649,755	\$ 1,649,755	\$ 936,975	56.79%	\$ 988,909	-5.25%

Traffic Safety Fund

The Traffic Safety Fund is overall performing within expectations for the second quarter with year to date revenue receipts at 57% and total expenditures at 34.8% 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 Q2 activity.

Revenues

Total revenues were \$625,034 or 57% of budget. Gross Fine Revenues make up the bulk of total revenues with Q2 receipts at \$618,790. Gross Fine Revenues are driven by red light camera citations issued, which have seen an uptick in Q2 over the prior year.

Expenditures

Total operating expenditures were \$381,514 or 34.8% of budget. Traffic Enforcement / Traffic Safety totaled to \$0 through Q2 and reflected down from prior year due to the timing of the LED Signage replacements planned in the FY 18-19 Adopted budget and due to a vehicle purchase that was made in Q2 of the prior fiscal year.



CITY OF NORTH RICHLAND HILLS

MONTHLY FINANCIAL REPORT FOR MARCH 2019 TRAFFIC SAFETY FUND (150)

	ADOPTED BUDGET	REVISED BUDGET	ACTUAL AS OF 03/2019	% REVISED BUDGET	PY ACTUAL AS OF 03/2018	% CHANGE CY VS. PY
Revenues						
Gross Fine Revenues	\$ 1,088,115	\$ 1,088,115	\$ 618,790	56.87%	\$ 508,022	21.80%
Interest Income	7,900	7,900	6,244	79.04%	3,995	56.30%
Total Revenues	\$ 1,096,015	\$ 1,096,015	\$ 625,034	57.03%	\$ 512,018	22.07%
Appropriation of Fund Balance	-	-	-	0.00%	-	0.00%
Total Resources	\$ 1,096,015	\$ 1,096,015	\$ 625,034	57.03%	\$ 512,018	22.07%
Expenditures						
Contractor Payments	\$ 612,000	\$ 612,000	\$ 209,910	34.30%	\$ 210,925	-0.48%
Program Administration	319,409	319,409	139,410	43.65%	137,982	1.03%
Payment to State	78,353	78,353	-	0.00%	-	0.00%
Traffic Enforcement / Traffic Safety	23,000	23,000	-	0.00%	76,510	-100.00%
Pedestrian Safety	16,415	16,415	8,775	53.46%	8,540	2.75%
Operating Expenditures	\$ 1,049,177	\$ 1,049,177	\$ 358,095	34.13%	\$ 433,958	-17.48%
Reserves & Other Expenditures	\$ 46,838	\$ 46,838	\$ 23,419	50.00%	\$ 319	7241.38%
Total Expenditures	\$ 1,096,015	\$ 1,096,015	\$ 381,514	34.81%	\$ 434,277	-12.15%

Donations Fund

The Donations Fund is overall performing within expectations for the second quarter with year to date revenue receipts at 50.6% and total expenditures at 44.5% 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 Q2 activity.

Revenues

Water Bill contributions totaled \$31,507 or 52.3% of budget. Water Bill contributions are currently trending in-line with FY18 collections. In Donations, Republic totaled \$15,000 in Q2 due to timing of the annual Republic donation payment. In Other Revenues, Other Income totaled \$59,520 or 36.5% budget and is behind prior year. 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. The majority of the decrease from prior year is due to the change in accounting for the Women in Law Enforcement Conference.

Expenditures

Total expenditures were \$143,903 or 44.5% of budget and are overall trending in-line with prior year. There were no significant items of note.



CITY OF NORTH RICHLAND HILLS

MONTHLY FINANCIAL REPORT FOR MARCH 2019 DONATIONS FUND (110)

	ADOPTED BUDGET	REVISED BUDGET	ACTUAL AS OF 03/2019	% REVISED BUDGET	PY ACTUAL AS OF 03/2018	% CHANGE CY VS. PY
Revenues						
Contributions						
NRH Water Bills	\$ 60,200	\$ 60,200	\$ 31,507	52.34%	\$ 31,154	1.13%
Total NRH Water Bill Contributions	\$ 60,200	\$ 60,200	\$ 31,507	52.34%	\$ 31,154	1.13%
Donations						
Spay / Neuter	\$ 8,500	\$ 8,500	\$ 4,604	54.16%	\$ 5,997	-23.23%
Shelter Fund	8,400	8,400	15,257	181.63%	5,804	162.87%
Republic	15,000	15,000	15,000	100.00%	-	100.00%
Santa Cops	5,000	5,000	2,105	42.10%	5,547	-62.05%
Total Donations	\$ 36,900	\$ 36,900	\$ 36,966	100.18%	\$ 17,348	113.09%
Proceeds						
Library Book Sale	\$ 9,000	\$ 9,000	\$ 6,302	70.02%	\$ 6,581	-4.24%
Total Library Book Sale Proceeds	\$ 9,000	\$ 9,000	\$ 6,302	70.02%	\$ 6,581	-4.24%
Other Revenues						
Interest Income	\$ 3,614	\$ 3,614	\$ 4,225	116.91%	\$ 3,315	27.45%
Other Income	163,250	163,250	59,520	36.46%	88,325	-32.61%
Appropriation of Fund Balance						
Teen Court	400	400	200	50.00%	200	0.00%
Library	14,765	19,070	9,535	50.00%	11,160	-14.56%
Neighborhood Services	8,873	8,873	4,437	50.00%	36,915	-87.98%
Parks & Recreation	29,700	50,077	25,039	50.00%	33,014	-24.16%
Police	1,100	1,100	550	50.00%	200	175.00%
Total Other Revenues	\$ 221,702	\$ 246,384	\$ 103,505	42.01%	\$ 173,129	-40.21%
Total Resources	\$ 327,802	\$ 352,484	\$ 178,280	50.58%	\$ 228,212	-21.88%
Expenditures						
Library - Book Collection	\$ 68,865	\$ 73,170	\$ 28,755	39.30%	\$ 20,889	37.66%
Neighborhood Services						
Animal Services	19,810	19,810	3,630	18.32%	10,945	-66.83%
Keep NRH Beautiful	17,013	17,013	4,169	24.50%	8,629	-51.69%
Municipal Court - Teen Court	5,000	5,000	-	0.00%	-	0.00%
Parks - Special Events and Arts	114,000	134,377	82,421	61.34%	70,175	17.45%
Police Department	43,700	43,700	9,928	22.72%	9,121	8.85%
Transfer to General Fund	30,000	30,000	15,000	50.00%	18,450	-18.70%
Total Expenditures	\$ 298,388	\$ 323,070	\$ 143,903	44.54%	\$ 138,209	4.12%

Gas Development Fund

The Gas Development Fund is overall performing within expectations for the second quarter with year to date revenue receipts at 219.7% and total expenditures at 50.7% 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 Q2.

Revenues

Total revenues were \$1,160,768 or 219.7% 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 \$271,498 and \$880,000 in other income resulting from a settlement with Chesapeake.

Expenditures

Total expenditures were \$267,720, or 50.7% of budget. There were no items of significant note in expenditures for Q2.



CITY OF NORTH RICHLAND HILLS

MONTHLY FINANCIAL REPORT FOR MARCH 2019
GAS DEVELOPMENT FUND (145)

	ADOPTED BUDGET	REVISED BUDGET	ACTUAL AS OF 03/2019	% REVISED BUDGET	PY ACTUAL AS OF 03/2018	% CHANGE CY VS. PY
Revenues						
Royalties / Overrides	\$ 522,500	\$ 522,500	\$ 271,498	51.96%	\$ 270,755	0.27%
Interest Income	5,800	5,800	9,270	159.83%	2,524	267.27%
Other Income	-	-	880,000	100.00%	-	100.00%
Total Revenues	\$ 528,300	\$ 528,300	\$ 1,160,768	219.72%	\$ 273,279	324.76%
Total Resources	\$ 528,300	\$ 528,300	\$ 1,160,768	219.72%	\$ 273,281	324.75%
Expenditures						
Transfer to Capital Projects	\$ -	\$ -	\$ -	0.00%	\$ 100,000	-100.00%
Contribution to Reserves	528,300	528,300	264,150	50.00%	199,150	32.64%
Other	-	-	3,570	100.00%	1	
Operating Expenditures	\$ 528,300	\$ 528,300	\$ 267,720	50.68%	\$ 299,151	-10.51%
Total Expenditures	\$ 528,300	\$ 528,300	\$ 267,720	50.68%	\$ 299,153	-10.51%

Promotional Fund

The Promotional Fund is overall performing within expectations for the second quarter with year to date revenue receipts at 24.5% and total expenditures at 42.9% of the FY18-19 Revised Budget.

Revenues

Total collections for occupancy taxes for Q2 totaled \$70,074. 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.

Expenditures

Total expenditures were \$122,465, or 42.9% of revised budget. There were no significant items of note in expenditures for Q2.



CITY OF NORTH RICHLAND HILLS

MONTHLY FINANCIAL REPORT FOR MARCH 2019 PROMOTIONAL FUND (105)

	ADOPTED BUDGET	REVISED BUDGET	ACTUAL AS OF 03/2019	% REVISED BUDGET	PY ACTUAL AS OF 03/2018	% CHANGE CY VS. PY
Revenues						
Occupancy Taxes	\$ 280,000	\$ 280,000	\$ 65,735	23.48%	\$ 69,045	-4.79%
Interest Income	5,500	5,500	4,339	78.89%	2,966	46.29%
Prior Year Encumbrances	-	-	-	0.00%	2,439	-100.00%
Total Resources	\$ 285,500	\$ 285,500	\$ 70,074	24.54%	\$ 74,450	-5.88%
Expenditures						
Economic Development	\$ 126,176	\$ 126,264	\$ 64,698	51.24%	\$ 61,586	5.05%
Cultural & Leisure	135,159	135,159	45,816	33.90%	58,629	-21.85%
Non-Departmental	474	386	105	27.20%	89	17.98%
Contribution to Reserves	23,691	23,691	11,846	50.00%	13,810	-14.22%
Total Expenditures	\$ 285,500	\$ 285,500	\$ 122,465	42.89%	\$ 134,114	-8.69%

Special Investigations Fund

The Special Investigations Fund is overall performing within expectations for the second quarter with year to date revenue receipts at 40% and total expenditures at 11.5% 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 Q2 activity.

Revenues

Total revenues through March were \$104,580 or 40% of budget. Forfeited funds accounts for the bulk of collections totaling to \$50,220. These revenues fluctuate year to year depending on seizures and the timing of cases involving court awards.

Expenditures

Total expenditures were \$30,093, or 11.5% of budget. There were no significant items of note in expenditures in Q2.



CITY OF NORTH RICHLAND HILLS

MONTHLY FINANCIAL REPORT FOR MARCH 2019 SPECIAL INVESTIGATIONS FUND (115)

	ADOPTED BUDGET	REVISED BUDGET	ACTUAL AS OF 03/2019	% REVISED BUDGET	PY ACTUAL AS OF 03/2018	% CHANGE CY VS. PY
Revenues						
Forfeited Funds	\$ 141,000	\$ 141,000	\$ 50,220	35.62%	\$ 64,357	-21.97%
AFIS Reimbursements	13,500	13,500	-	0.00%	5,250	-100.00%
Interest Income	2,304	2,304	2,098	91.06%	1,029	103.89%
Other	-	-	1	100.00%	57	-98.25%
Total Revenues	\$ 156,804	\$ 156,804	\$ 52,319	33.37%	\$ 70,693	-25.99%
Appropriation of Fund Balance	104,521	104,521	52,261	50.00%	63,130	-17.22%
Total Resources	\$ 261,325	\$ 261,325	\$ 104,580	40.02%	\$ 133,823	-21.85%
Expenditures						
Federal Forefeited Funds	\$ 145,000	\$ 145,000	\$ 9,819	6.77%	\$ 12,585	-21.98%
State Forefeited Funds	105,000	105,000	20,274	19.31%	16,502	22.86%
AFIS Maintenance & Equipment	4,300	4,300	-	0.00%	5,912	-100.00%
Lease Contributions	7,025	7,025	-	0.00%	1	-
Operating Expenditures	\$ 261,325	\$ 261,325	\$ 30,093	11.52%	\$ 35,000	-14.02%
Total Expenditures	\$ 261,325	\$ 261,325	\$ 30,093	11.52%	\$ 35,000	-14.02%

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 in the final stages and is expected to be complete in June 2019. TxDOT's project closeout process may require that the project stay open for several months after the work is complete to accommodate their auditing/paperwork. Below is a summary of financial activity for this project through Q2.

Phase	FY18-19 Budget	Encum.	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	0	2,049,893	2,049,893	\$3,229,856
Other	899,989	0	0	0	\$899,989
Total	\$7,359,231	\$0	\$3,112,805	\$3,112,805	\$4,246,426

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 the

construction bid for this project was recently awarded and construction is slated to begin in June 2019 with a 9-month duration with an anticipated completion date of April 2020.

Phase	FY18-19 Budget	Encum.	Expense	Total Obligation	Remaining Balance
Engineering/Design	\$418,630	\$5,830	\$406,970	\$412,800	\$5,830
Construction	5,597,895	3,362,390	0	3,362,390	2,235,505
Total	\$6,016,525	\$3,368,220	\$406,970	\$3,775,190	\$2,241,335