



STAFF REPORT  
FINANCIAL STATEMENTS UPDATE  
November 7, 2016

**Topic: FY 2017 Monthly Financial Statement Update**

From: Bobby Fitts, Finance Director  
Prepared by: Bobby Fitts, Finance Director  
Approved by: Joseph M. Moore II, PE, Town Manager

**Executive Summary:**

The attached financials are for Board of Commissioners review only. See discussion below for details on statements.

**Background:**

The attached financials are a summary of revenues and expenditures to date. These are provided to keep the Board informed, on a monthly basis, of how revenues and expenditures are trending throughout the year.

**Information:**

These financial statements are through October 24, 2016. We have now received all twelve months of sales tax and all four quarterly distributions of utilities sales for FY 2016. These revenues for FY 2017 will start being received in October (sales tax) and December (utilities sales). As usual, the majority of property taxes will be received later in the year (November – December) as well. See notes below for analysis on those and other revenues.

For FY 2017, close to 4 months in to the new year, the Town spent \$2.72 million (24%) of its General Fund amended budget of \$11,324,655. This is comparable to last year's year-to-date expenditures, which were \$2.47 million (29%) of budget. It is still too early in the year to discuss trends in expenditures as some capital projects have not been completed yet. It is also too early to discuss some revenue trends such as sales tax and utility sales tax but some other revenues are discussed below. The revenue and expenditure statements are included for your review.

A few highlights to date include:

**Sales tax**

- Sales taxes collected in July 2016 were received and were 5.8% (\$4,607) less than the distribution received for the same period in FY 2016.
- Article 39 receipts, proceeds returned to the county of origin, were 6.7% (\$2,432) less in July than the distribution received for the same period in FY 2016. (Ref. attached Sales Tax Collections spreadsheet).

**Utilities Sales Tax (Sales tax on natural gas, electricity, telecommunication services and video programming)**

- The first distribution for FY 2017 will be received in mid-December.



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**Property Tax**

- Total current year property tax collections for FY 2017 are approximately \$609,000. This is 11.5% of budgeted revenues (\$5,315,000).
- This is 64% more than what was collected to date in FY 2016 (\$369,724).
- The majority of current year property tax collections are received from November – January.

**Permits & Zoning**

- Permit and zoning fees collected in FY 2017 are \$16,698.
- This is 25% of budgeted revenues (\$65,000) for the year.
- It is about 57% less than what was collected to date in FY 2016 (\$39,337).

**Transportation Impact Fees**

- Transportation Impact fees collected for FY 2017 total \$8,306.
- This is 33% of budgeted revenues (\$25,000) for the year.
- It is 45% less than what was collected to date in FY 2016 (\$15,117).
- The unaudited balance to date of Transportation Impact fees is \$51,628.

**Policy Analysis: N/A**

**Financial Analysis: N/A**

**Staff Recommendation:**

No staff recommendation or Board action is necessary. These are informational only.

**Attachments:**

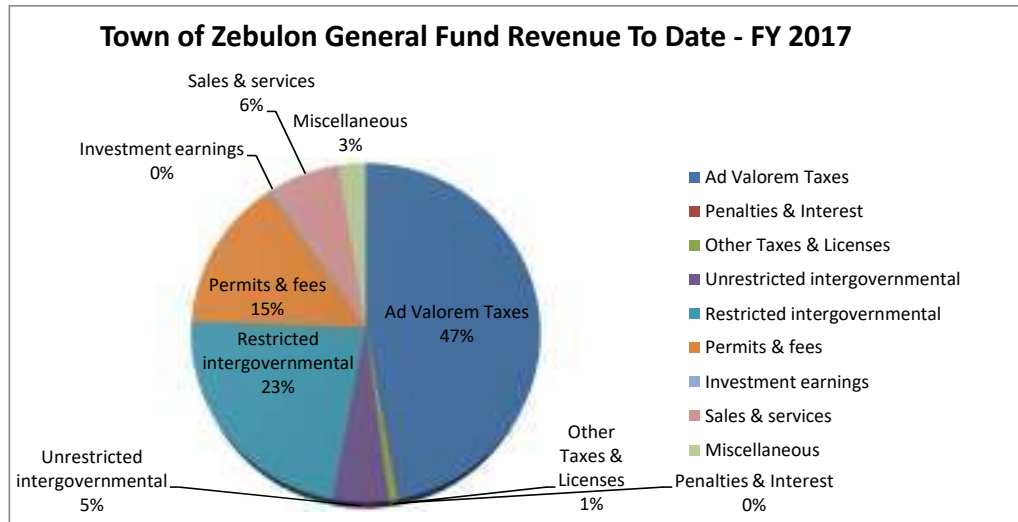
1. General Fund Fiscal Year 2017 Expenditure Statement and Revenue Statement (as of October 24, 2016)
2. Sales Tax – FY 2017



TOWN OF ZEBULON  
 Revenue Statement:2016 - 2017  
 for Accounting Period 6/30/2017  
 GENERAL FUND

As of 10/24/2016

| <u>Revenue Categories</u>                | <u>Estimated Revenue</u> | <u>Revenue YTD</u> | <u>% Collected</u> |
|--|--------------------------|--------------------|--------------------|
| Ad Valorem Taxes                         | \$5,356,500              | \$661,054          | 12.3%              |
| Penalties & Interest                     | \$12,500                 | \$1,772            | 14.2%              |
| Other Taxes & Licenses                   | \$33,000                 | \$11,026           | 33.4%              |
| Unrestricted intergovernmental           | \$1,628,000              | \$71,040           | 4.4%               |
| Restricted intergovernmental             | \$1,805,020              | \$317,903          | 17.6%              |
| Permits & fees                           | \$335,000                | \$210,340          | 62.8%              |
| Investment earnings                      | \$10,000                 | \$6,616            | 66.2%              |
| Sales & services                         | \$554,700                | \$90,208           | 16.3%              |
| Miscellaneous                            | \$196,000                | \$36,404           | 18.6%              |
| Other Financing Sources (Lease Purchase) | \$259,500                | \$259,500          | 100.0%             |
| Fund Balance Appropriated                | \$1,134,435              | \$0                | 0.0%               |
| <b>Total Revenues</b>                    | <b>\$11,324,655</b>      | <b>\$1,665,864</b> | <b>14.7%</b>       |





TOWN OF ZEBULON  
 Expenditure Statement:2016 - 2017  
 for Accounting Period 6/30/2017  
 GENERAL FUND

As of 10/24/2016

| <u>Dept #</u> | <u>Department</u>         | <u>Approp Amount</u> | <u>Expenditure YTD</u> | <u>% Exp.</u> |
|---------------|---------------------------|----------------------|------------------------|---------------|
| 410           | GOVERNING BODY            | \$277,400            | \$91,629               | 33.0%         |
| 420           | FINANCE                   | \$410,650            | \$85,065               | 20.7%         |
| 430           | ADMINISTRATION            | \$434,700            | \$103,528              | 23.8%         |
| 450           | CONTRACTED SERVICES       | \$14,000             | \$2,693                | 19.2%         |
| 470           | STADIUM                   | \$94,500             | \$17,847               | 18.9%         |
| 490           | PLANNING AND ZONING       | \$462,950            | \$94,429               | 20.4%         |
| 500           | BUILDINGS & GROUNDS       | \$1,222,700          | \$358,090              | 29.3%         |
| 510           | POLICE                    | \$2,041,425          | \$609,285              | 29.8%         |
| 530           | FIRE                      | \$1,244,300          | \$433,128              | 34.8%         |
| 560           | STREETS AND HIGHWAYS      | \$2,391,565          | \$183,512              | 7.7%          |
| 570           | POWELL BILL               | \$125,000            | (\$1,532)              | -1.2%         |
| 580           | SANITATION                | \$1,245,120          | \$364,981              | 29.3%         |
| 590           | STORMWATER                | \$308,050            | \$90,056               | 29.2%         |
| 620           | PARKS & RECREATION        | \$898,495            | \$244,813              | 27.2%         |
| 690           | SPECIAL PROJECTS          | \$153,800            | \$39,995               | 26.0%         |
|               | <b>Total Expenditures</b> | <b>\$11,324,655</b>  | <b>\$2,717,518</b>     | <b>24.0%</b>  |

**Sales Tax**

**FY 2017**

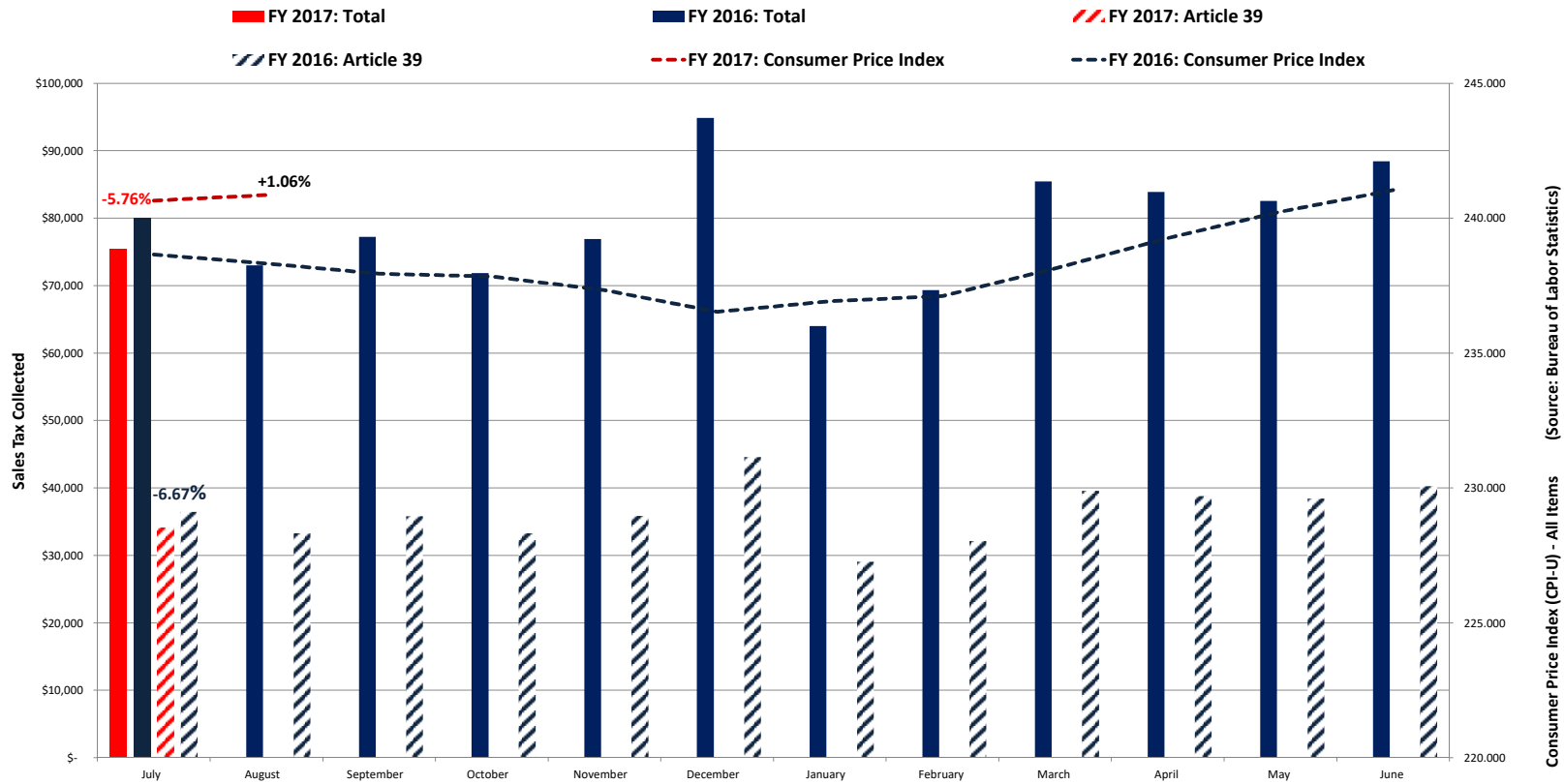
| Month        | Article 39 (1) * | Article 40 (1/2) | Article 42 (1/2) | Article 44 (1/2) | City Hold Harmless | FY 16 Totals     | Prior Year (FY 2016) | % Inc (Dec) from Prior Yr |
|--------------|------------------|------------------|------------------|------------------|--------------------|------------------|----------------------|---------------------------|
| July         | \$ 34,032        | \$ 13,729        | \$ 16,935        | \$ (44)          | \$ 10,707          | \$ 75,359        | \$ 79,966            | -5.8%                     |
| August       |                  |                  |                  |                  |                    | 0                | 73,018               | -100.0%                   |
| September    |                  |                  |                  |                  |                    | 0                | 77,225               | -100.0%                   |
| October      |                  |                  |                  |                  |                    | 0                | 71,829               | -100.0%                   |
| November     |                  |                  |                  |                  |                    | 0                | 76,904               | -100.0%                   |
| December     |                  |                  |                  |                  |                    | 0                | 94,836               | -100.0%                   |
| January      |                  |                  |                  |                  |                    | 0                | 63,979               | -100.0%                   |
| February     |                  |                  |                  |                  |                    | 0                | 69,330               | -100.0%                   |
| March        |                  |                  |                  |                  |                    | 0                | 85,422               | -100.0%                   |
| April        |                  |                  |                  |                  |                    | 0                | 83,877               | -100.0%                   |
| May          |                  |                  |                  |                  |                    | 0                | 82,551               | -100.0%                   |
| June         |                  |                  |                  |                  |                    | 0                | <u>88,447</u>        | -100.0%                   |
| <b>Total</b> | <b>\$ 34,032</b> | <b>\$ 13,729</b> | <b>\$ 16,935</b> | <b>\$ (44)</b>   | <b>\$ 10,707</b>   | <b>\$ 75,359</b> | <b>\$ 79,966</b>     | <b>-5.8%</b>              |

**FY 2016**

| Month        | Article 39 (1) *  | Article 40 (1/2)  | Article 42 (1/2)  | Article 44 (1/2) | City Hold Harmless | FY 16 Totals      | Prior Year (FY 2015) | % Inc (Dec) from Prior Yr |
|--------------|-------------------|-------------------|-------------------|------------------|--------------------|-------------------|----------------------|---------------------------|
| July         | \$ 36,464         | \$ 14,420         | \$ 18,110         | \$ -             | \$ 10,972          | \$ 79,966         | \$ 73,369            | 9.0%                      |
| August       | 33,291            | 13,324            | 16,555            | 2                | 9,846              | 73,018            | 74,208               | -1.6%                     |
| September    | 35,822            | 13,649            | 17,815            | 0                | 9,939              | 77,225            | 70,265               | 9.9%                      |
| October      | 33,314            | 12,771            | 16,570            | 5                | 9,169              | 71,829            | 74,890               | -4.1%                     |
| November     | 35,888            | 13,511            | 17,804            | 35               | 9,666              | 76,904            | 70,722               | 8.7%                      |
| December     | 44,581            | 16,435            | 22,168            | (44)             | 11,696             | 94,836            | 87,958               | 7.8%                      |
| January      | 29,059            | 11,799            | 14,430            | 8                | 8,683              | 63,979            | 69,260               | -7.6%                     |
| February     | 32,154            | 12,383            | 15,971            | 3                | 8,819              | 69,330            | 64,799               | 7.0%                      |
| March        | 39,599            | 14,979            | 19,772            | 25               | 11,046             | 85,422            | 62,695               | 36.2%                     |
| April        | 38,827            | 14,861            | 19,296            | (1)              | 10,894             | 83,877            | 75,658               | 10.9%                     |
| May          | 38,457            | 14,518            | 19,071            | 9                | 10,496             | 82,551            | 78,273               | 5.5%                      |
| June         | <u>40,281</u>     | <u>15,754</u>     | <u>20,029</u>     | <u>82</u>        | <u>12,302</u>      | <u>88,447</u>     | <u>83,393</u>        | 6.1%                      |
| <b>Total</b> | <b>\$ 437,737</b> | <b>\$ 168,403</b> | <b>\$ 217,590</b> | <b>\$ 125</b>    | <b>\$ 123,528</b>  | <b>\$ 947,384</b> | <b>\$ 885,490</b>    | <b>7.0%</b>               |

\* Net proceeds of the Article 39 tax are returned to the county of origin.

# Monthly Summary of Sales Tax Collected



(Source: Bureau of Labor Statistics)  
Consumer Price Index (CPI-U) - All Items