



## **MEMORANDUM**

To: **Mayor and City Council**

From: **Warren Hutmacher, City Manager**

By: **Warren Hutmacher, City Manager, and Brittany Marmol, Controller**

Date: **October 22, 2018**

Agenda: **Financial Report for the Year to Date through September 30, 2018**

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### **Management Analysis from City Manager:**

National economic conditions continue unpredictable with retaliation efforts related to tariffs and trade agreements as well as uncertainty regarding the upcoming midterm elections.

Sales tax collections for TSPLOST are still below projections, however Fulton County has reset and lowered expectations for the tax through a study with Georgia State University. I still believe it is too early to draw conclusions as TSPLOST collections are still in the early stages of the five-year collection period.

Spending was under budget and revenue was ahead of projections.



**Analysis from the Finance Director:**

Revenues at the end of September are 25% below expectation. This will not be the final revenue amount for FY18. There are several revenues for the fiscal year that are received later in the month of October or November. Some examples of this are the insurance premium tax and September local option sales tax. The insurance premium tax is received as one payment and is budgeted at \$4.8M. The September local option sales tax, if in line with the year's average, would be \$1.7M. Fulton County has billed property tax and we are beginning to receive property taxes for FY18. The bulk of these payments will be received next week and into November.

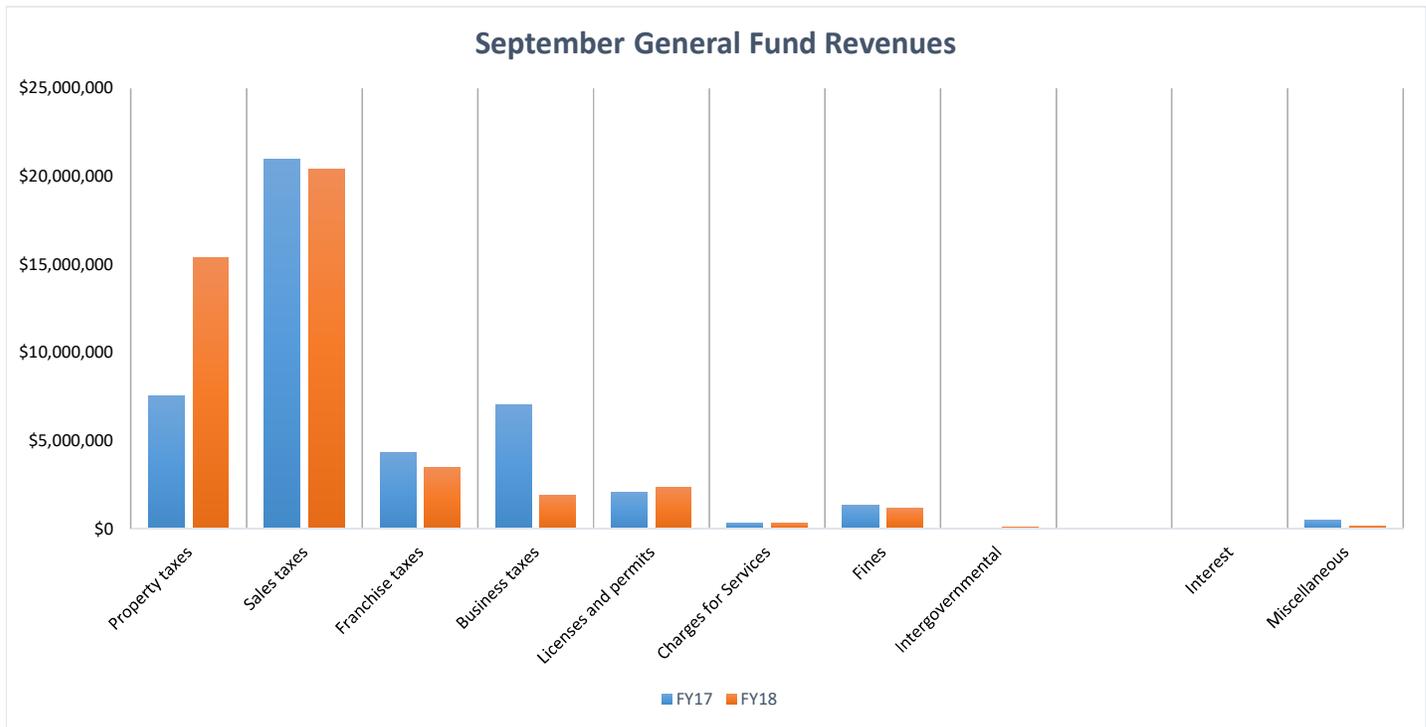
The expenditures for September are 10.2% below expected spending levels. It is expected that this number will decrease as departments are still submitting invoices for goods or services provided prior to the end of the fiscal year. These invoices will continue to be processed throughout the month of October to ensure that the city correctly accounts for expenditures. Once all invoices have been processed, Finance will prepare and end of the year budget adjustment for departments that have exceeded budgeted amounts. Additionally, the encumbrances that will need to roll forward from FY18 to FY19 will be presented.

The cash flow projection shows an ending September balance of \$11.9M, this includes the \$2.3M returned to the general fund from the closeout of capital projects last month. TSPLOST receipts for August and September were 8% and 10% below expectation.

The capital projects listing is included to provide a summary of the current active projects for the city. The listing includes all capital projects as well as projects related to TSPLOST and the Parks Bond.

**City of Johns Creek**  
**Unaudited Financials @ 9/30/18**  
**GENERAL FUND**

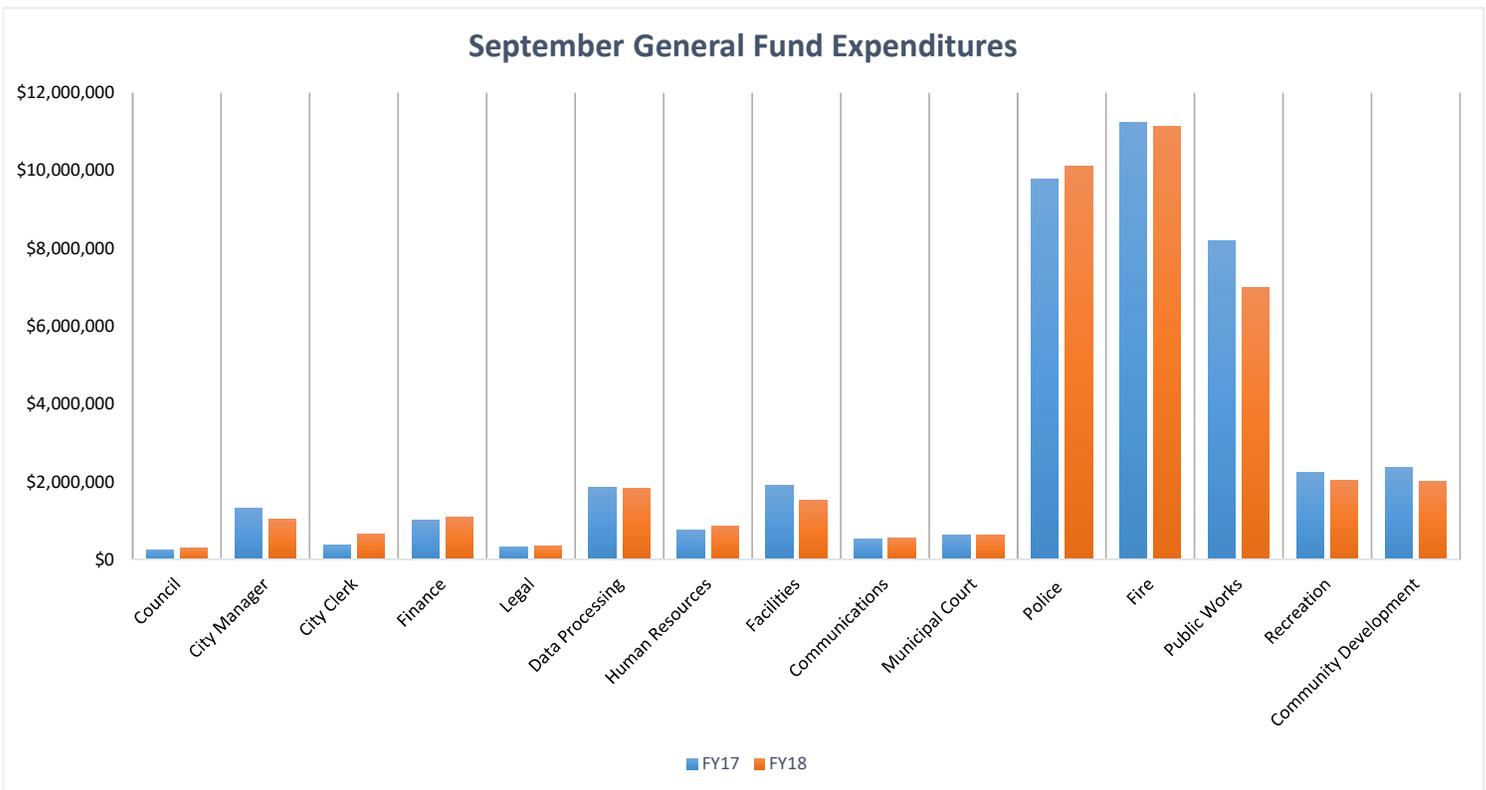
REVENUES	% Overall Budget	FY 2018 Budget	YTD	Prior YTD	Variance	YTD % Change	Expected % Change	Over / Short
Property Taxes	33.6%	18,675,000	1,821,424	7,517,627	(5,696,203)	-75.8%	416.1%	-491.8%
Sales Taxes	37.4%	20,800,000	20,417,768	20,967,919	(550,152)	-2.6%	-0.8%	-1.8%
Franchise Taxes	7.3%	4,050,000	3,479,545	4,339,068	(859,522)	-19.8%	-6.3%	-13.5%
Business Taxes	12.1%	6,700,000	1,902,943	7,015,161	(5,112,218)	-72.9%	-4.5%	-68.4%
Licenses and Permits	4.1%	2,305,000	2,374,004	2,069,251	304,753	14.7%	11.4%	3.3%
Charges for Services	0.5%	263,500	307,683	316,967	(9,284)	-2.9%	-16.2%	13.3%
Fines	2.3%	1,300,000	1,148,943	1,355,245	(206,302)	-15.2%	-4.1%	-11.1%
Intergovernmental	0.4%	197,590	82,108	22,460	59,648	265.6%	874.1%	-608.5%
Contributions	0.1%	48,560	36,600	1,500	35,100	-	3137.3%	0.0%
Interest	0.1%	45,000	49,138	44,176	4,963	11.2%	1.9%	9.4%
Miscellaneous	0.6%	325,960	143,821	501,294	(357,473)	-71.3%	-63.1%	-8.2%
Other Financing Sources	1.6%	861,661	132,482	24,002,073	-	-	-	-
<b>Total Revenues*</b>	<b>100%</b>	<b>55,572,271</b>	<b>31,896,459</b>	<b>68,152,740</b>	<b>(12,386,690)</b>	<b>-28.1%</b>	<b>-3.1%</b>	<b>-25.0%</b>



\* Total Revenues comparisons to prior years have been adjusted to remove the effects of other financing sources and property taxes.

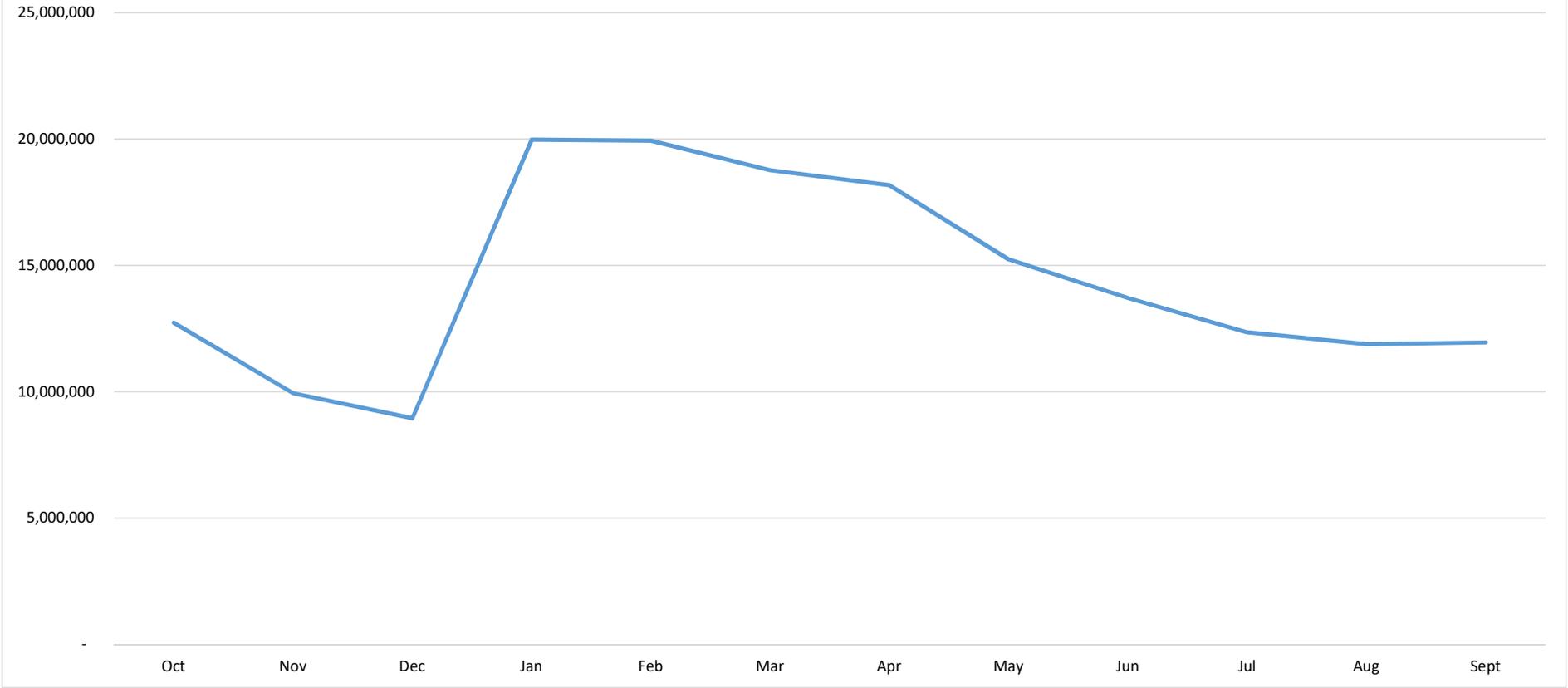
**City of Johns Creek**  
**Unaudited Financials @ 9/30/18**  
**GENERAL FUND**

EXPENDITURES	% Overall Budget	FY 2018 Budget	YTD	Prior YTD	Variance	YTD % Change	Expected % Change	Over / Short
Council	0.7%	375,698	\$302,596	\$259,640	\$42,956	16.5%	44.2%	-27.7%
City Manager	2.2%	1,194,808	\$1,035,125	\$1,329,513	(\$294,388)	-22.1%	-14.7%	-7.5%
City Clerk	1.3%	713,417	\$655,860	\$381,036	\$274,824	72.1%	87.6%	-15.5%
Finance	2.3%	1,268,606	\$1,097,319	\$1,027,083	\$70,236	6.8%	23.9%	-17.1%
Legal	0.8%	450,000	\$358,178	\$345,680	\$12,498	-	30.2%	-
Information Technology	3.7%	2,025,455	\$1,836,151	\$1,870,214	(\$34,063)	-1.8%	8.3%	-10.2%
Human Resources	1.8%	975,031	\$864,931	\$776,772	\$88,159	11.3%	26.3%	-15.0%
Facilities	2.7%	1,462,144	\$1,522,831	\$1,901,088	(\$378,257)	-19.9%	-23.0%	3.1%
Communications	1.1%	590,811	\$565,050	\$539,614	\$25,436	4.7%	9.8%	-5.1%
Court	1.3%	717,852	\$646,100	\$632,610	\$13,490	2.1%	13.6%	-11.5%
Police	20.1%	11,032,811	\$10,102,338	\$9,787,011	\$315,327	3.2%	13.1%	-9.9%
Fire	20.3%	11,156,757	\$11,127,085	\$11,229,021	(\$101,936)	-0.9%	-0.4%	-0.5%
Public Works	13.3%	7,284,391	\$6,992,444	\$8,207,553	(\$1,215,109)	-14.8%	-10.8%	-4.0%
Recreation & Parks	4.3%	2,349,813	\$2,052,886	\$2,245,730	(\$192,844)	-8.6%	4.8%	-13.4%
Community Development	4.4%	2,429,337	\$2,016,979	\$2,367,384	(\$350,405)	-14.8%	0.3%	-15.1%
Other Financing Uses	19.9%	10,918,157	\$10,889,747	\$42,789,430	-	-	-	-
Unallocated	0.0%	-	-	-	-	-	-	-
<b>Total Expenditures*</b>	<b>100.2%</b>	<b>\$54,945,088</b>	<b>\$52,065,620</b>	<b>\$85,689,379</b>	<b>(\$1,724,076)</b>	<b>-4.0%</b>	<b>6.2%</b>	<b>-10.2%</b>



\*The Other Financing Uses has been removed from the total variance analysis to account for the variance in timing for transfers.

### Estimated General Fund Cash Balances



	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept
Starting	8,884,462	12,738,932	9,937,498	8,951,058	19,978,930	19,935,565	18,767,393	18,174,466	15,238,228	13,713,218	12,351,054	11,882,093
Receipts	8,115,897	495,547	3,256,997	14,767,144	4,678,910	3,466,639	4,315,389	1,333,761	2,519,002	2,780,271	4,823,844	1,886,011
Payments	(3,351,580)	(2,387,135)	(3,333,590)	(2,829,426)	(3,812,428)	(3,724,965)	(3,998,469)	(3,360,153)	(3,134,166)	(3,232,589)	(4,382,959)	(909,846)
Transfers	(909,846)	(909,846)	(909,846)	(909,846)	(909,846)	(909,846)	(909,846)	(909,846)	(909,846)	(909,846)	(909,846)	(909,846)
Ending	12,738,932	9,937,498	8,951,058	19,978,930	19,935,565	18,767,393	18,174,466	15,238,228	13,713,218	12,351,054	11,882,093	11,948,411

Department	Project Number	Fund	Project Description	Year	Revised Budget	Prior Expenditures	YTD Expenditures	Encumbrances	Available Budget
Community Development	CD1844	350	Replace Code Compl Vehicle	2018	28,000	-	-	(25,498.00)	2,502.00
Fire Department	FD1806	301	Truck Outfit for SCBA	2018	23,850	-	(5,930.00)	(12,995.00)	4,925.00
Fire Department	FD1808	301	Replace Tablet Mounts	2018	11,340	-	(4,233.00)	-	7,107.00
Fire Department	FD1810	301	FS 64 Construction Documents	2018	250,000	-	(14,800.75)	-	235,199.25
Fire Department	FD1813	350	Replace 2 Chevy Silverado 4x4	2018	149,309	-	(149,309.24)	-	-
Fire Department	FD1814	350	Replace Fire Engine	2018	660,550	-	(28,020.80)	(632,529.54)	-
Finance	FN1802	301	New ERP System	2018	250,000	-	-	-	250,000.00
Information Technology	IT1726	301	FD Mobile Software	2017	30,000	-	-	-	30,000.00
Information Technology	IT1817	301	Granicus - Agenda Management	2018	10,420	-	(8,487.78)	-	1,932.22
Information Technology	IT1819	301	Granicus - Meeting Efficiency	2018	8,800	-	-	-	8,800.00
Information Technology	IT1821	301	Granicus - Votecast	2018	6,600	-	-	-	6,600.00
Information Technology	IT1822	301	Granicus - Boards	2018	6,000	-	-	-	6,000.00
Public Works	P1308X	301	Medlock Bridge Corr Study	2013	111,360	(52,000.00)	(19,409.77)	(35,590.23)	4,360.00
Public Works	P1402X	301	Abbotts Bridge Par-Med	2014	4,495,233	(785,467.78)	(983,229.01)	(59,304.78)	2,667,231.43
Public Works	P1412X	301	Kimball BR - State BR to Jones	2014	13,661,972	(606,525.64)	(3,900,920.38)	(6,565,479.47)	2,589,046.11
Public Works	P1507X	301	Imp Brumbelow Road	2015	996,013	-	(993,146.38)	(2,866.12)	0.50
Public Works	P1513X	301	Bell Rd Bridge Cauley Creek	2015	73,610	(33,898.50)	(16,461.00)	-	23,250.50
Public Works	P1538X	301	Autrey Mill Trail Connection	2015	15,271	-	(13,862.25)	-	1,408.75
Public Works	P1603X	301	Barnwell Rd @ Holcomb Br	2016	499,471	(130,438.01)	(152,168.88)	(94,580.15)	122,283.96
Public Works	P1605X	301	Jones Br Imp Waters to St Brdg	2016	188,379	(104,353.87)	-	-	84,025.05
Public Works	P1615X	301	Abbotts Bridge Jones to Parson	2016	7,426,632	(3,066,023.19)	(4,097,353.59)	(175,250.75)	88,004.47
Public Works	P1617X	301	ITS3A	2016	715,820	(525,504.00)	(125,245.48)	-	65,070.52
Public Works	P1618X	301	ITS4	2016	1,870,822	(1,450,881.57)	(388,417.15)	-	31,523.28
Public Works	P1627X	301	Ocee Park Restrooms and Irr	2016	175,000	(9,045.00)	(97,585.00)	(73,185.00)	(4,815.00)
Public Works	PW1708	301	Minor Signal Upgrades	2017	50,000	-	(50,000.00)	-	-
Public Works	PW1709	301	New Sidewalks	2017	500,000	(22,224.34)	(432,100.64)	(3,000.00)	42,675.02
Public Works	PW1711	301	Traffic Signal Replacement	2017	447,785	(46,580.00)	(396,247.98)	(4,956.75)	-
Public Works	PW1714	302	CCTV Replacements	2017	160,000	-	(160,000.00)	-	-
Public Works	PW1829	301	New Sidewalks	2018	500,000	-	(42,333.57)	(355,040.50)	102,625.93
Public Works	PW1830	301	Collector Road Imp	2018	500,000	-	(21,455.05)	(11,994.95)	466,550.00
Public Works	PW1832	301	ITS Improvements	2018	250,000	-	-	-	250,000.00
Public Works	PW1834	301	Stormwater Management Progr	2018	200,000	-	-	(200,000.00)	-
Public Works	PW1836	301	Trail Lighting Newtown Park	2018	80,000	-	-	(22,860.00)	57,140.00
Public Works	PW1837	302	Neighborhood Resurfacing	2018	5,725,281	-	(5,103,634.53)	(902,691.43)	(281,045.20)
Public Works	PW1838	302	Main Road Resurfacing	2018	1,500,000	-	(1,060,714.27)	(456,498.30)	(17,212.57)
Public Works	PW1839	302	Replace 2 Traffic Signals	2018	500,000	-	-	-	500,000.00
Public Works	PW1840	302	Update Traffic Hardware	2018	250,000	-	(42,391.43)	(207,260.00)	348.57
Public Works	PW1841	302	Upgrade Loops to Pucks	2018	200,000	-	(76,550.03)	-	123,449.97
Public Works	PW1842	302	Upgrade CCTV Hardware	2018	160,000	-	(45,790.71)	-	114,209.29
Public Works	PW1845	350	TRV Truck	2018	80,000	-	-	(32,788.00)	47,212.00
Public Works	PW1846	301	Abbotts Bridge Beautification	2018	103,200	-	-	-	103,200.00
Public Works	PW1847	301	Resealing Roadways	2018	325,960	-	-	-	325,960.00
Police Department	PD1824	301	JCAPPS Truck	2018	60,000	-	(48,183.00)	(10,472.50)	1,344.50
Police Department	PD1825	301	Ballistic Panels	2018	32,500	-	-	(13,661.00)	18,839.00
Police Department	PD1827	350	Replace 10 Vehicles	2018	506,000	-	(309,227.64)	-	196,772.36
Police Department	PD1828	350	Replace 3 Motorcycles	2018	102,000	-	(88,414.65)	-	13,585.35
Recreation and Parks	RP1732	302	Autry Mill - Farm House	2017	100,000	(20,984.46)	(79,015.00)	-	0.54
Recreation and Parks	RP1734	302	Ocee Park - Bathroom	2017	50,000	-	(2,185.00)	(30,292.00)	17,523.00
Recreation and Parks	RP1735	302	Newtown Park - Bathroom	2017	100,000	-	-	-	100,000.00

**Department Project Totals** 44,147,178 (6,853,926.36) (18,956,823.96) (9,928,794.47) 8,407,633

Parks Bond	PB1701	310	Acquisition	2017	8,200,000	(8,075,444.57)	(12,587.46)	-	111,967.97
Parks Bond	PB1702	310	Cauley Creek	2017	57,588	-	(44,800.03)	(12,787.97)	-
Parks Bond	PB1703	310	Newtown Park	2017	1,218,102	(615,393.71)	(514,272.47)	-	88,435.82
Parks Bond	PB1704	310	Morton Rd Park	2017	154,535	-	(81,902.98)	(72,632.02)	-
Parks Bond	PB1706	310	Shakerag Park	2017	786,504	-	(729,963.36)	-	56,540.64
Parks Bond	PB1707	310	JC Linear Park	2017	478,700	-	(24,375.00)	(117,375.00)	336,950.00
Parks Bond	PB1708	310	Autrey Mill Park	2018	303,000	-	(40,120.00)	(3,000.00)	259,880.00
Parks Bond	PB1709	310	Rogers Bridge	2017	1,250,000	-	-	-	1,250,000.00
Parks Bond	PB1710	310	State Bridge Road Park	2017	175,970	-	(70,390.95)	(105,579.05)	-
Parks Bond	PB1711	310	Bell/Boles Park	2017	70,175	-	(43,508.70)	(26,666.30)	-
Parks Bond	PB1714	310	Project Management	2017	800,000	-	(125,000.00)	-	675,000.00

**Department Project Totals** 13,494,574 (8,690,838) (1,686,921) (338,040) 2,778,774

TSPLOST	TS0102	335	St Bridge (Medlock to Chatt)	2017	1,800,000	-	(95,855.19)	(77,984.81)	1,626,160.00
TSPLOST	TS0103	335	Medlock Bridge @ State Bridge	2017	100,000	-	(85,500.00)	-	14,500.00
TSPLOST	TS0106	335	McGinnis Ferry Widening	2018	1,000,000	-	(92,038.82)	-	907,961.18
TSPLOST	TS0107	335	Haynes Bridge Widening	2018	100,000	-	(85,667.80)	(9,982.20)	4,350.00
TSPLOST	TS0108	335	Bell Rd/Boles	2017	848,245	-	(78,468.75)	(137,291.50)	632,484.75
TSPLOST	TS0110	335	Road Tech Park	2018	75,000	-	(35,835.75)	(4,849.25)	34,315.00
TSPLOST	TS0111	335	Project Management	2018	500,000	-	(416,666.70)	-	83,333.30

**Department Project Totals** 4,423,245 - (890,033) (230,108) 3,303,104

**Grand Total** 62,064,997 (15,544,765) (21,533,778) (10,496,943) 14,489,511