

City of Millington

Second Quarter FY15 Budget Review

Information on specific funds is shown below. Key accounts and accounts with significant variances are shown separately. Otherwise accounts have been grouped to provide for ease of understanding. The year to date budget amounts reflect timing expectations based on historical collections and spending.

General Fund

This fund accounts for all activities of the government that are not accounted for in a special fund. All general revenues of the City are collected by this fund. The major functions of fire, police, courts, libraries, arts and recreation, parks as well as city administration are included in this fund.

The General Fund revenue collections are in line with expectations and expenditures are well under budget.

	Year to Date			
	Annual Budget	Budget	Actual	Favorable (Unfavorable)
Revenues				
Current and Delinquent Property Taxes	2,661,480	279,966	309,664	29,698
Local Sales Tax	3,200,000	1,088,000	1,060,954	(27,046)
State Sales Tax	807,070	224,000	270,498	46,498
City Court Fines	573,000	287,000	270,467	(16,533)
EMS, Fire & Airport Fees	1,303,590	582,045	568,381	(13,664)
All Other Revenues	2,509,345	921,347	1,056,957	135,610
Total Revenues	11,054,485	3,382,358	3,536,920	154,562
Expenditures				
Personnel & Fringe Expenditures	7,038,970	3,341,568	3,292,990	48,578
O&M Expenditures	3,012,963	1,461,428	1,146,698	314,730
Transfer to Streets Fund	71,974	32,147	32,147	-
Transfer to Debt Service Fund	691,708	460,101	491,708	(31,607)
Transfer to CIP Fund	238,870	-	-	-
Total Expenditures	11,054,485	5,295,245	4,963,544	331,701
Revenues over (under) Expenditures	-	(1,912,887)	(1,426,624)	486,264

Sales Tax Fund

This fund accounts for the .5 percent sales tax collected by the City. The Board of Mayor and Aldermen adopted a resolution that restricts the use for items associated with city operated schools and libraries.

Revenue budget appears reasonable based on collections since this tax was adopted. Budget amendment is needed to cover city attorney fees related to schools that are greater than were projected when the budget was prepared.

	Year to Date			
	Annual Budget	Budget	Actual	Favorable (Unfavorable)
Revenues				
City Sales Tax	1,308,000	436,000	476,298	40,298
Interest Income	-	-	110	110
Planned Use of Fund Balance	800,000	800,000	-	-
Total Revenues	2,108,000	1,236,000	476,408	40,408
Expenditures				
Legal & Professional	8,000	4,000	14,850	10,850
Transfer to Schools	2,100,000	1,233,333	1,233,333	-
Total Expenditures	2,108,000	1,237,333	1,248,183	10,850
Revenues over (under) Expenditures	-	(1,333)	(771,775)	29,558

City of Millington

Second Quarter FY15 Budget Review

Water Fund

This fund accounts for the city's production, storage and transportation of water for homes and businesses.

	Year to Date			
	Annual Budget	Budget	Actual	Favorable (Unfavorable)
Revenues				
Water Sales	1,204,800	552,400	542,793	(9,607)
All other Revenues	57,050	28,525	32,636	4,023
Total Revenues	1,261,850	580,925	575,429	(5,585)
Expenditures				
Personnel & Fringe Expenditures	578,354	273,454	273,295	(159)
O&M Expenditures	668,829	334,415	301,300	(33,114)
Contingency	14,667	-	-	-
Total Expenditures	1,261,850	607,869	574,595	(33,274)
Revenues over (under) Expenditures	-	(26,944)	834	(38,858)

Sewer Fund

This fund accounts for the activities of the city's collection, transportation, treatment and disposition of wastewater.

The renovation of the sewer plant will be completed soon. This project is funded by a loan from the State and is drawn after bills are paid. Once complete the cost of renovations will be depreciated. It is expected that current rates are adequate to cover the loan repayment and all operating costs of the Sewer Fund for current year and several years into the future.

	Year to Date			
	Annual Budget	Budget	Actual	Favorable (Unfavorable)
Revenues				
Sewer (Water Service Based) Fees	1,050,000	481,250	481,325	75
County Sewer Fees	137,000	68,500	57,650	(10,850)
Navy Sewer Fees	600,000	300,000	202,385	(97,615)
All other Revenues	47,500	23,750	42,788	9,822
Total Revenues	1,834,500	873,500	784,148	(98,568)
Expenditures				
Personnel & Fringe Expenditures	636,006	302,377	297,060	(5,317)
O&M Expenditures	894,614	447,307	375,645	(71,662)
Contingency	303,880	-	-	-
Total Expenditures	1,834,500	749,684	672,705	(76,979)
Revenues over (under) Expenditures	-	123,816	111,443	(175,546)

City of Millington

Second Quarter FY15 Budget Review

Sanitation Fund

This fund accounts for the collection of sanitation fees and providing of collection of garbage, trash and yard waste for both residential and commercial customers.

This fund is budgeted to generate a small surplus this year but it received General Fund funding in FY14 of \$105,077 which needs to be transferred back once FEMA/TEMA funds are fully received from the 2014 snow/ice event. A portion of the FEMA/TEMA funds have been received. New equipment for commercial sanitation is needed but has been deferred due to budget constraints. Current billing rates cannot support this operation in its current level of service.

		Year to Date		
	Annual Budget	Budget	Actual	Favorable (Unfavorable)
Revenues				
Sanitation Fees	975,000	446,875	455,392	8,517
FEMA/TEMA Reimbursements	-	-	164,950	-
All other Revenues	22,075	11,038	10,103	(935)
Total Revenues	997,075	457,913	630,445	7,582
Expenditures				
Personnel & Fringe Expenditures	599,093	282,053	281,408	(646)
O&M Expenditures	252,903	126,452	109,025	(17,426)
Contingency	145,079	-	-	-
Total Expenditures	997,075	408,505	390,433	(18,072)
Revenues over (under) Expenditures	-	49,408	240,012	(10,490)

Stormwater Fund

This fund accounts for the revenues and expenditures related to the collection, transportation, treatment and disposition of storm water.

This fund had a fund balance of \$263,319 as of June 30, 2014. It is expected that the June 30, 2015 fund balance will be reduced to \$111,000 after all projects are completed this year.

		Year to Date		
	Annual Budget	Budget	Actual	Favorable (Unfavorable)
Revenues				
Stormwater Fees	259,500	129,750	118,193	(11,557)
All other Revenues	5,580	2,790	2,276	(514)
Planned Use of P/Y Funds	110,943	55,472	-	(55,472)
Total Revenues	376,023	188,012	120,469	(67,542)
Total Expenditures	376,023	188,012	134,181	(53,830)
Revenues over (under) Expenditures	-	-	(13,712)	(121,373)

City of Millington

Second Quarter FY15 Budget Review

State Drug Fund

This fund is required to account for proceeds and use of drug fines and forfeitures provided under State law.

Revenues and expenditures are low in this budget to date.

		Year to Date		
	Annual Budget	Budget	Actual	Favorable (Unfavorable)
Revenues				
Revenues	-	-	751	751
Planned Use of P/Y Funds	33,792	16,896	-	(16,896)
Total Revenues	33,792	16,896	751	(16,145)
Total Expenditures	33,792	16,896	8,644	(8,252)
Revenues over (under) Expenditures	-	-	(7,894)	(24,397)

DEA Drug Fund

This fund is required to account for proceeds and use of drug fines and forfeitures provided under Federal law.

Revenues are better than projected and expenditures are low in this budget to date.

		Year to Date		
	Annual Budget	Budget	Actual	Favorable (Unfavorable)
Revenues				
Revenues	50,020	25,010	90,358	65,348
Planned Use of P/Y Funds	10,480	5,240	-	(5,240)
Total Revenues	60,500	30,250	90,358	60,108
Total Expenditures	60,500	30,250	11,778	(18,472)
Revenues over (under) Expenditures	-	-	78,580	41,636

State Street Aid Fund

State law provides for the sharing of certain taxes related to fuel and restricts their use to maintenance or construction of roads within the city. This fund accounts for those activities.

This fund generally collects and spends its entire budget over the course of the year.

		Year to Date		
	Annual Budget	Budget	Actual	Favorable (Unfavorable)
Revenues				
Total Revenues	308,726	90,748	105,073	14,326
Expenditures and Encumbrances				
Expenditures	380,700	190,350	131,957	(58,393)
Transfer from General Fund	(71,974)	(32,147)	(32,147)	-
Total Expenditures	308,726	158,203	99,809	(58,393)
Revenues over (under) Expenditures	-	(67,455)	5,264	(44,068)

City of Millington

Second Quarter FY15 Budget Review

Capital Improvement Program Fund

Construction of city property and purchase of major assets are accounted for in this fund. This allows one time costs or costs that occur infrequently to be reported separately from the annual operating budget. Projects are funded by grants from other governments, issuance of debt or by a transfer from the General Fund.

Expenditures to date are primarily for CDBG grant funded projects. Reimbursements will be received in this FY.

	Annual Budget	Year to Date		
		Budget	Actual	Favorable (Unfavorable)
Revenues				
Revenues	1,620,000	177,400	331,651	304,451
Planned Use of P/Y Funds	31,512	-	-	-
Total Revenues	1,651,512	177,400	331,651	304,451
Expenditures and Encumbrances				
Project Expenditures	1,890,382	177,400	175,195	(1,565)
Transfer from General Fund	(238,870)	(88,870)	-	88,870
Total Expenditures	1,651,512	177,400	175,195	(1,565)
Revenues over (under) Expenditures	-	-	156,456	302,885

CON Capital Improvement Program Fund

This is a special Capital Improvement Fund. It accounts for the proceeds of a Capital Outlay Note that was issued for capital projects in October 2010. Once the funds have all been disbursed, this fund will cease to exist.

The budget needs to be amended down to \$13,782 (plus any interest earned this fiscal year) since the other funds were expended after budget approval but before June 30, 2014 year-end. All remaining funds are for street and sidewalk repairs. This fund should be spent out during this fiscal year.

	Annual Budget	Year to Date		
		Budget	Actual	Favorable (Unfavorable)
Revenues				
Revenues	-	-	3	3
Planned Use of P/Y Funds	24,581	-	-	-
Total Revenues	24,581	-	3	3
Total Expenditures	24,581	-	-	-
Revenues over (under) Expenditures	-	-	3	3

City of Millington

Second Quarter FY15 Budget Review

Debt Service Fund

This fund accounts for the resources accumulated and the payments made for principal and interest on general obligation debt of the City.

This fund generally breaks even each year since funds are transferred in based on actual need. Our variable rate debt issue was called and paid in December, prior to its May maturity date. Now, all of our debt issues are all at a fixed interest rate.

	Annual Budget	Year to Date		Favorable (Unfavorable)
		Budget	Actual	
Revenues				
Total Revenues		5	3	5
Expenditures and Encumbrances				
Principal Payments	470,345	340,886	340,886	-
Interest and Admin Payments	221,368	119,217	112,471	(6,746)
Transfer from General Fund	(691,708)	(460,101)	(491,708)	(31,607)
Total Expenditures		5	3	(38,350)
Revenues over (under) Expenditures		-	38,355	(38,350)