

**City of Effingham  
4th Fiscal Quarter FY 15  
Financial Report**

- I. Introduction: This quarterly financial report is designed to bring the City Council up to date with the City’s finances, projects, purchases, and debt service. This report is a look at the completion of Fiscal Year 2015 (FY 15). We are now one hundred percent (100%) complete for the fiscal year.
- II. City Finances: The following chart indicates notable observations of the City’s finances according to percentages of the budgeted revenues and expenditures and indicates the presence and corresponding amounts of a deficit or surplus by fund:

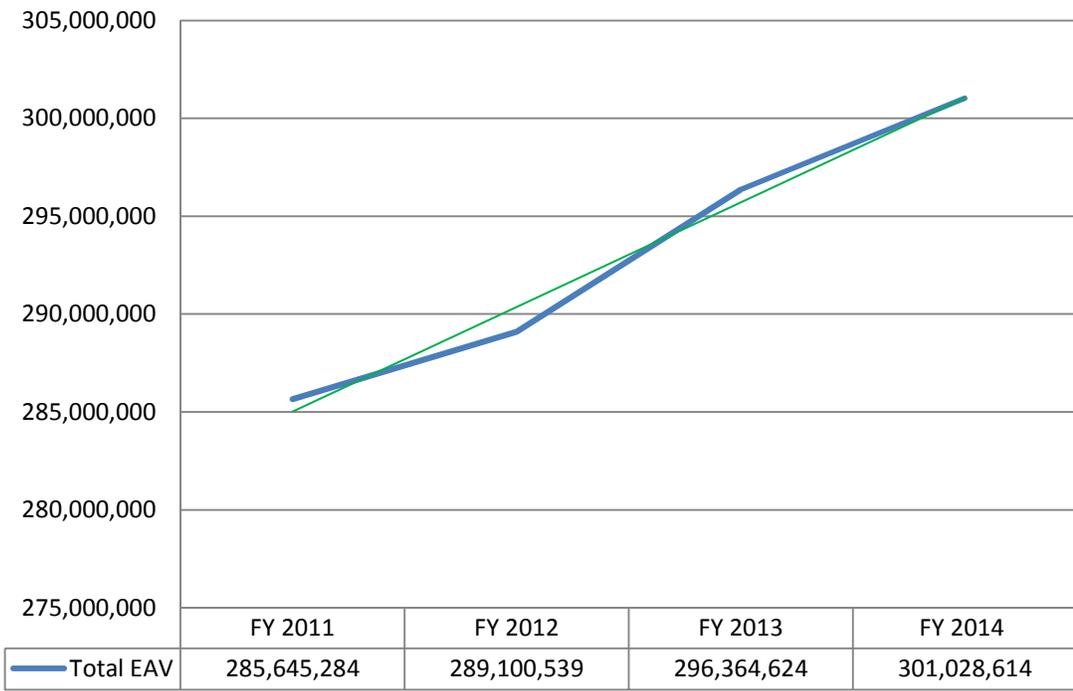
**100%**

<b>Fund</b>	<b>Department/Category</b>	<b>Revenue Received w/o Balances</b>	<b>Money Expended</b>	<b>Deficit Surplus</b>	<b>Amount</b>
General	Property Taxes	101%			
General	Sales Tax	105%			
General	State Income Tax	95%			
General	Franchise Fees	125%			
General	Use Tax	102%			
General	PPRT	116%			
General	Utility Taxes	109%			
General	Video Gaming Tax	300%			
General	Street Lights		100%		
General	Street/Alley		76%		
General	Police		88%		
General	Admin		88%		
General	Public Properties		105%		
General	Fire		83%		
General	Economic Development		65%		
General	Engineering		85%		
General	Building Official		91%		
General	Utility Tax		94%		
<b>General</b>	<b>Year to Date</b>	<b>82%</b>	<b>72%</b>	<b>Surplus</b>	<b>\$1,772,785</b>

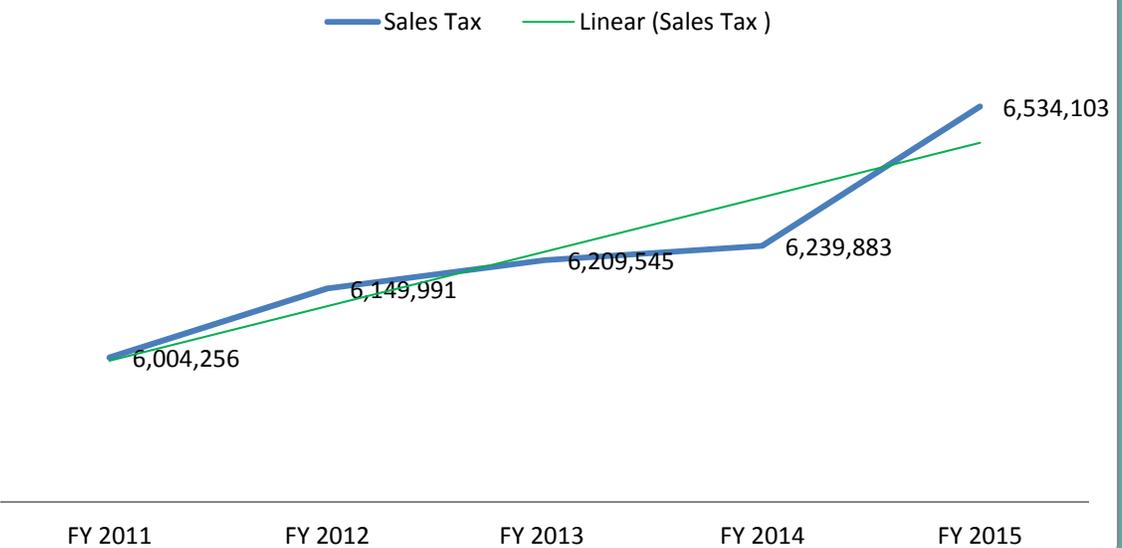
Fund	Department/Category	Revenue Received w/o Balances	Money Expended	Deficit Surplus	Amount
Tourism	Hotel/Motel Tax	110%			
<b>Tourism</b>	<b>Year to Date</b>	<b>55%</b>	<b>56%</b>	<b>Deficit</b>	<b>\$17,260</b>
MFT	Allotments	109%			
<b>MFT</b>	<b>Year to Date</b>	<b>39%</b>	<b>1%</b>	<b>Surplus</b>	<b>\$399,786</b>
Water	Water Meter Sales	108%			
Water	Wholesale Sales	103%			
<b>Water</b>	<b>Year to Date</b>	<b>69%</b>	<b>63%</b>	<b>Surplus</b>	<b>\$288,344</b>
TIF	Property Tax	104%			
TIF	General		59%		
TIF	Central		61%		
TIF	Outer Belt West		34%		
TIF	Industrial		63%		
<b>TIF</b>	<b>Year to Date</b>	<b>60%</b>	<b>51%</b>	<b>Surplus</b>	<b>\$995,331</b>
Sewer	Metered Sales	107%			
<b>Sewer</b>	<b>Year to Date</b>	<b>60%</b>	<b>57%</b>	<b>Surplus</b>	<b>\$231,833</b>
Maint.	Billing	89%			
Maint.	Fuel		80%		
<b>Maint.</b>	<b>Year to Date</b>	<b>78%</b>	<b>84%</b>	<b>Deficit</b>	<b>\$15,972</b>

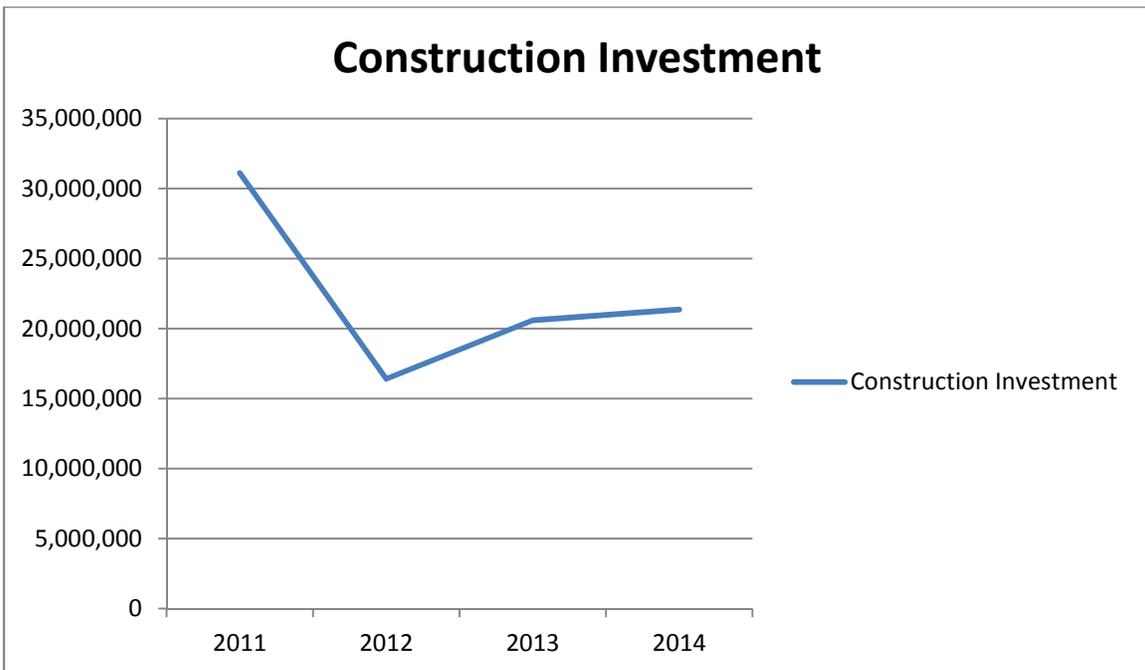
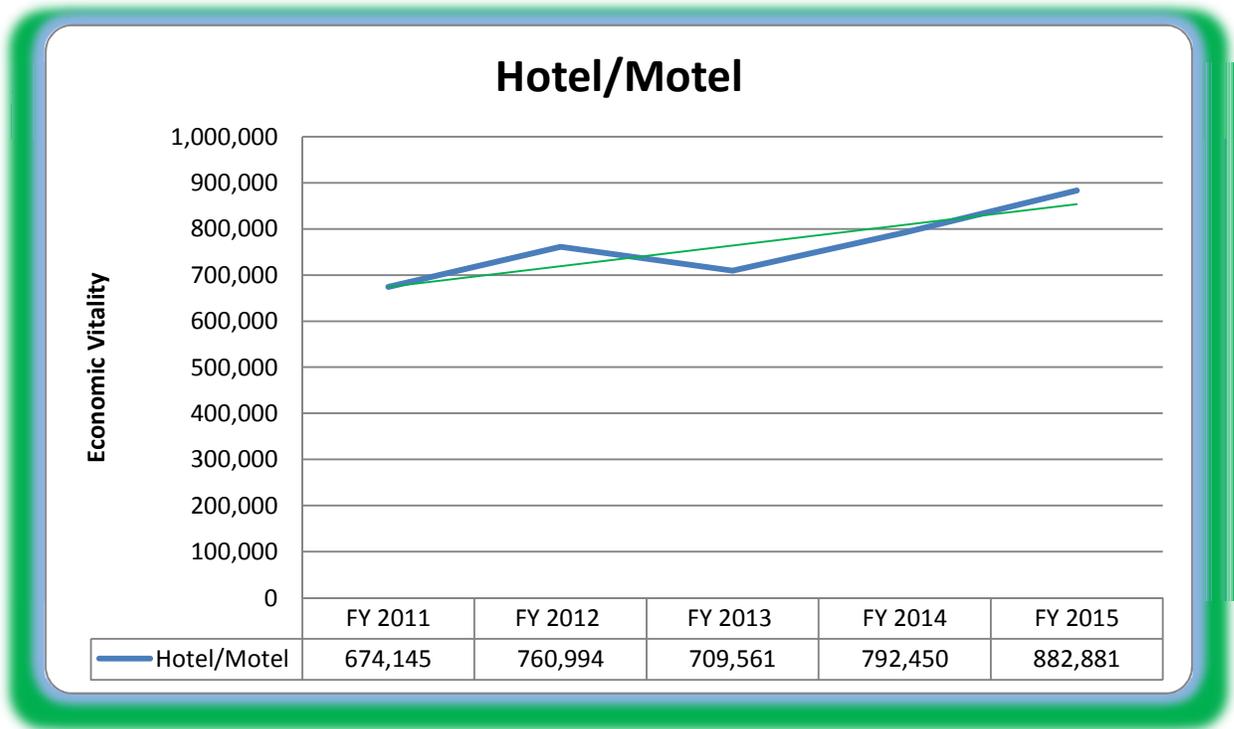
III. Economic Vitality: The following graphs provide a snapshot of the City's economic vitality by tracking the equalized assessed valuation (EAV), sales tax receipts, our hotel/motel tax revenue, and City-wide construction investment over the last several years. The graphs provide a good annual view of the City's economic status over the time frame provided.

### Economic Vitality Total EAV



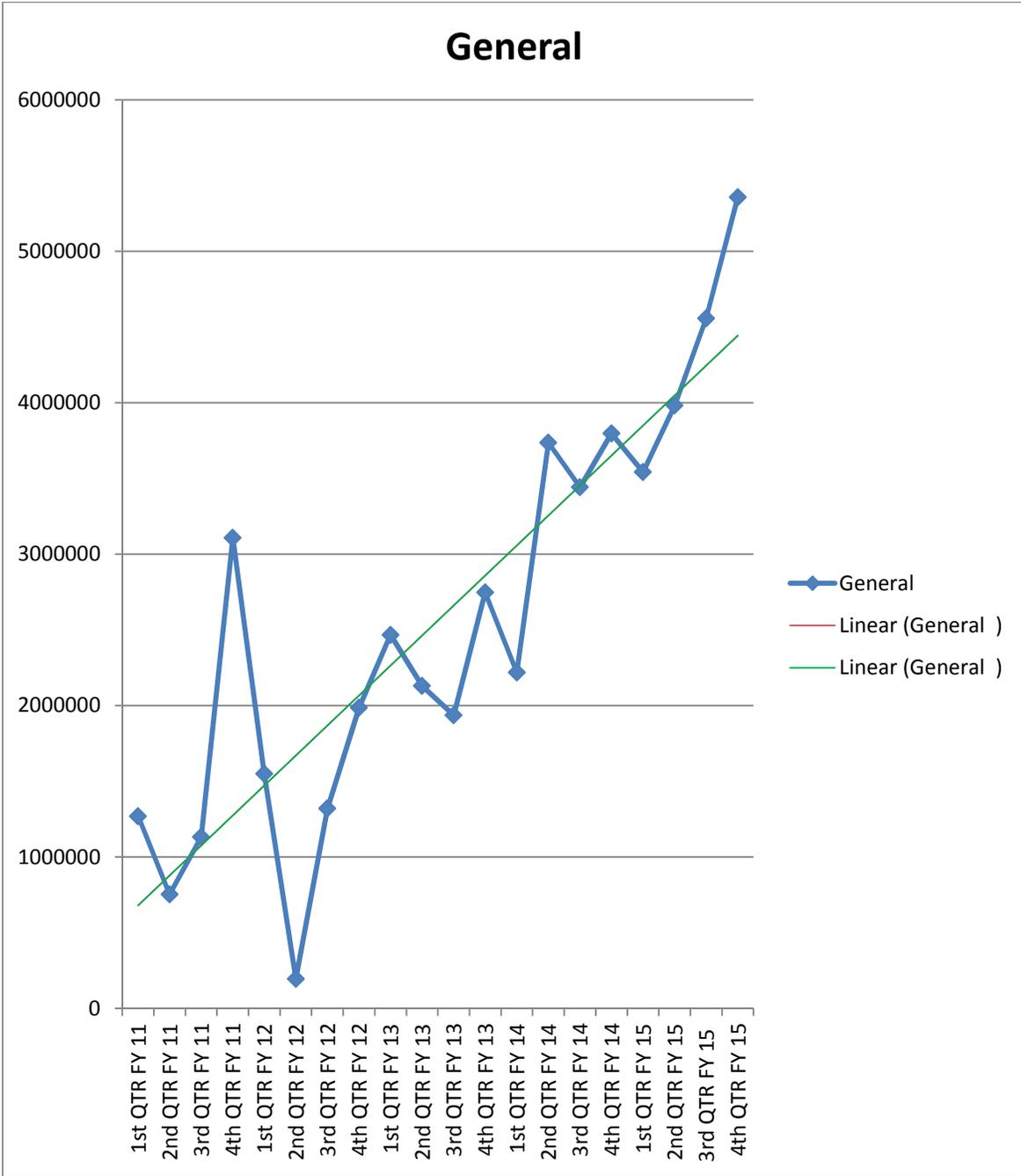
### Economic Vitality Sales Tax



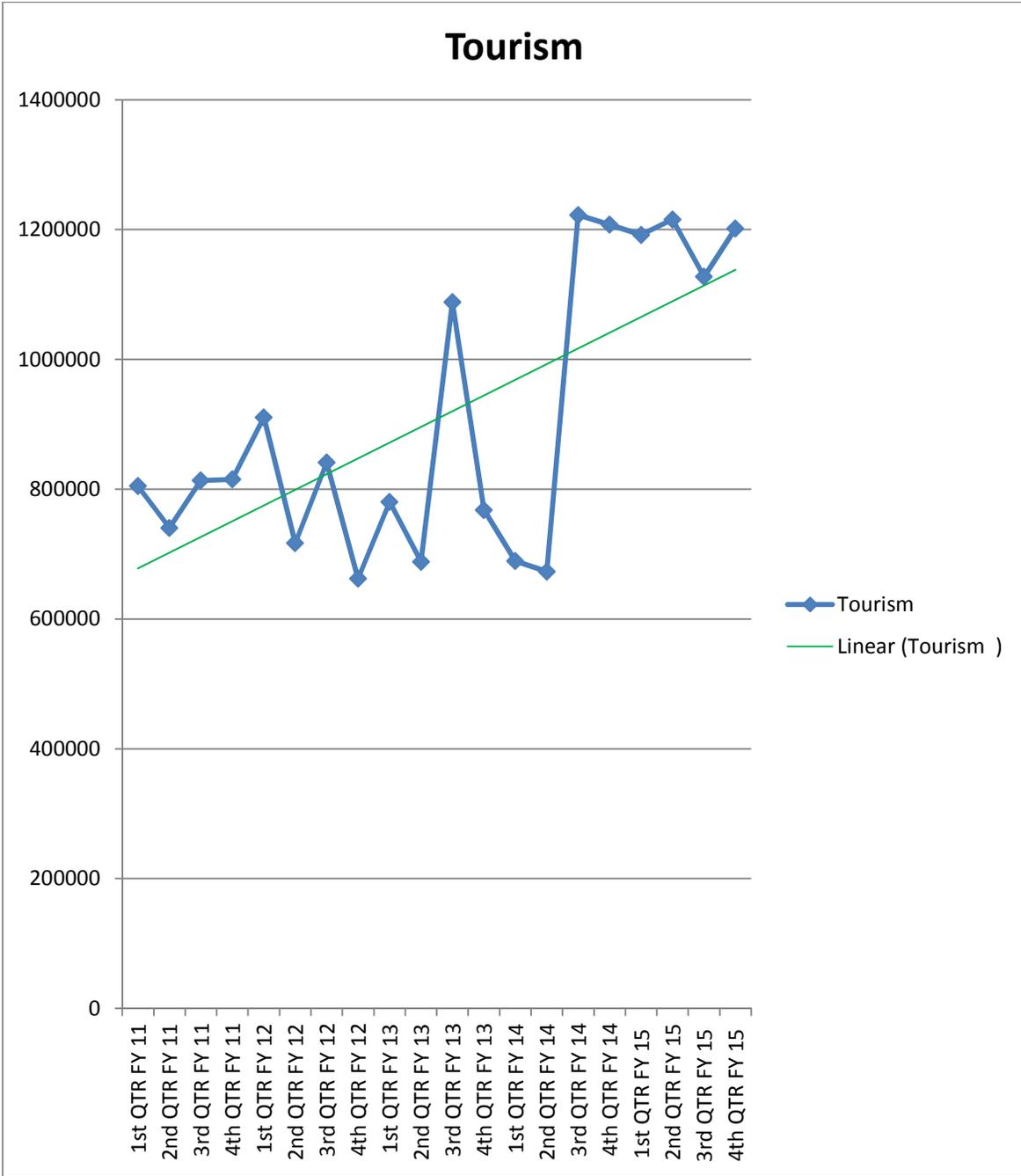


III: Fund Balances: The following chart indicates the available cash balances for the City's major funds and how these fund balances compare to FY 14 fund balances at the end of the same fiscal quarter:

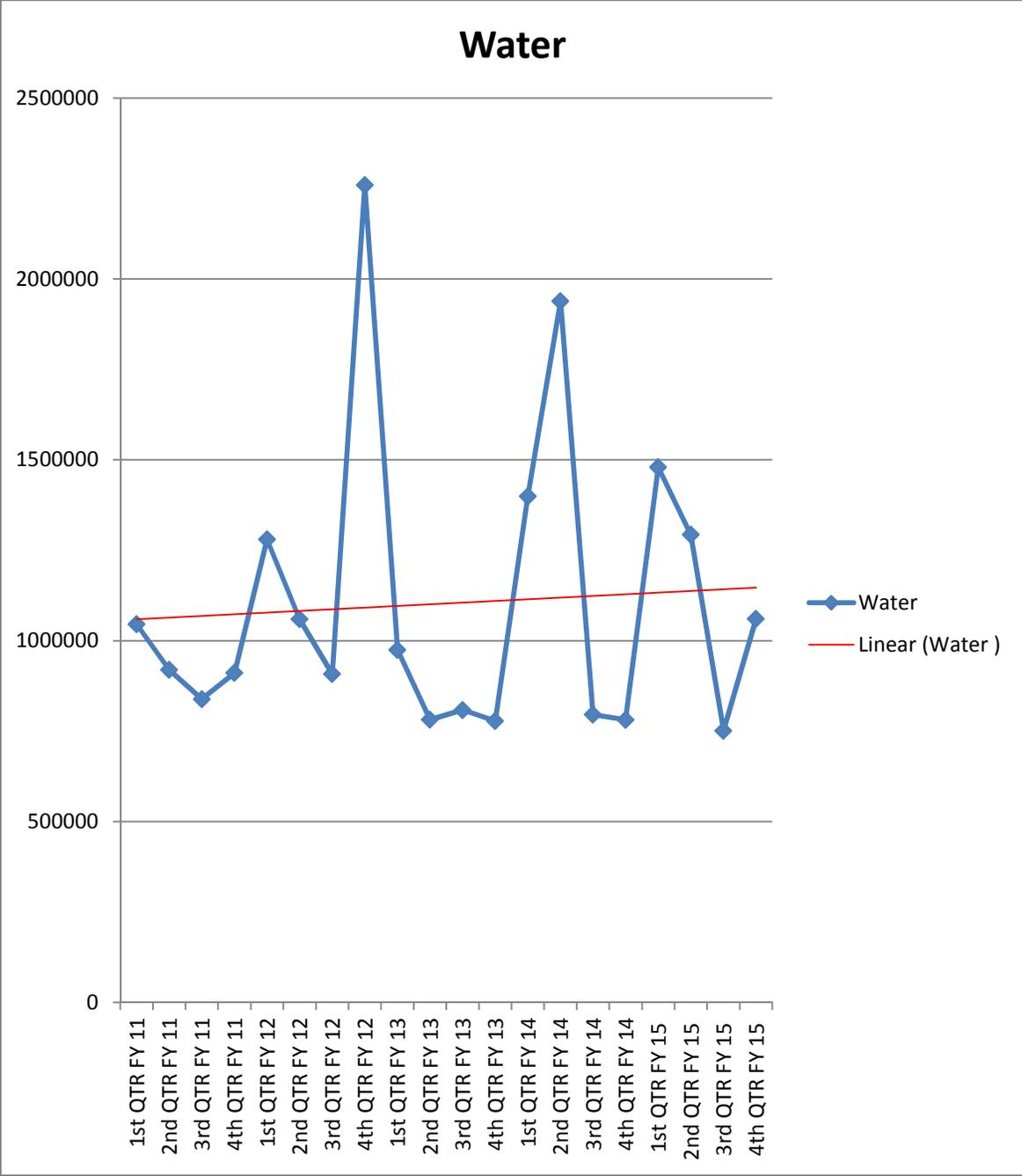
<b>Fund</b>	<b>4th QTR FY 15</b>	<b>4th QTR FY 14</b>	<b>Comparison</b>
General	\$5,356,604	\$3,796,832	29% More than FY 14
Tourism	\$1,201,858	\$1,207,651	.5% Less than FY 14
Motor Fuel Tax	\$1,147,431	\$747,644	35% More than FY 14
Water	\$1,060,253	\$781,431	26% More than FY 14
TIF	\$7,268,096	\$6,055,650	17% More than FY 14
Sewer	\$2,203,102	\$2,286,672	4% Less than FY 14
Capital Projects	\$4,057,578	\$2,654,122	35% More than FY 14
Fire Pension	\$7,005,354	\$6,965,872	.6% More than FY 14
Police Pension	\$11,148,374	\$10,671,448	4% More than FY 14



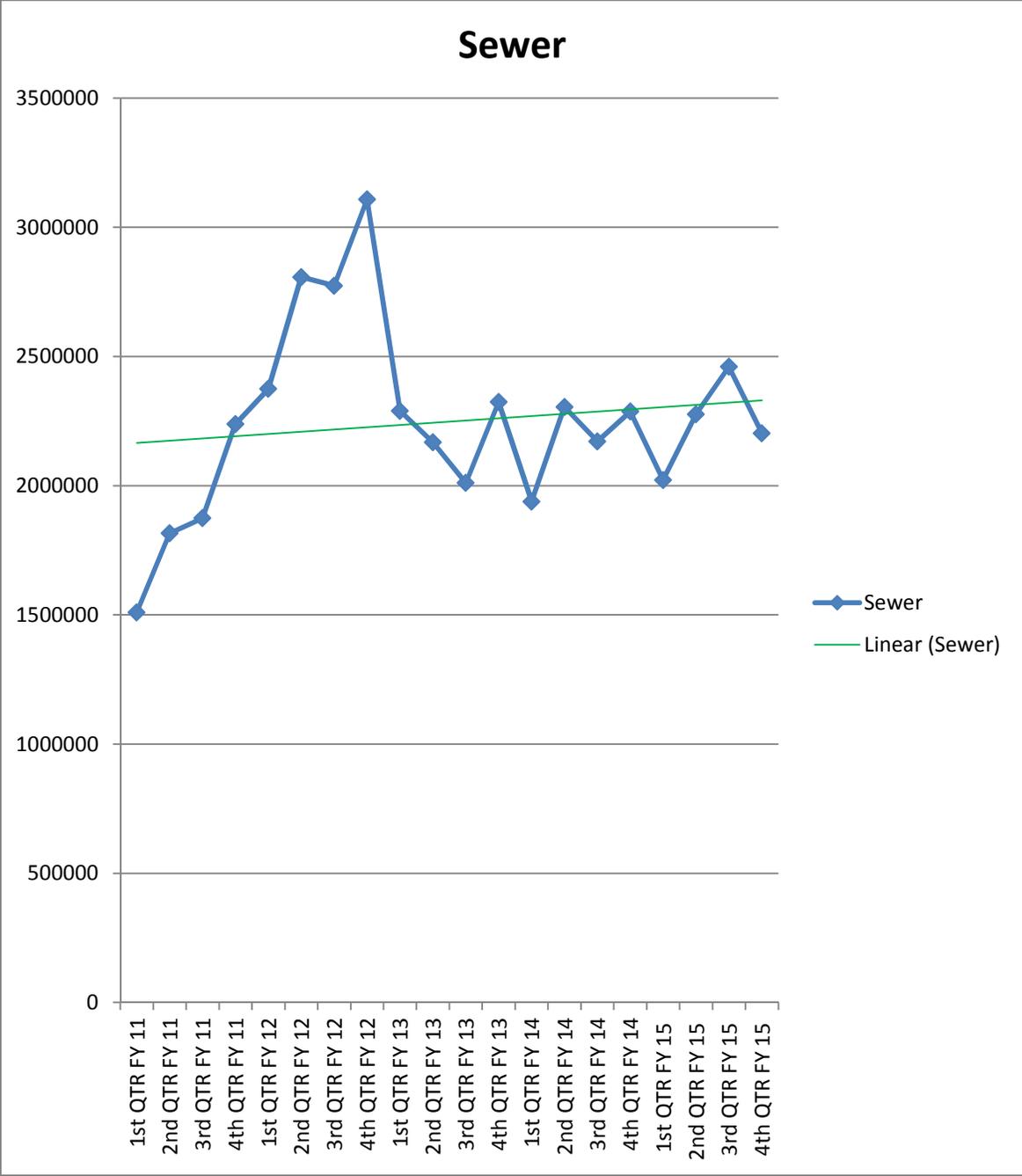
**General Fund Balance Trend**



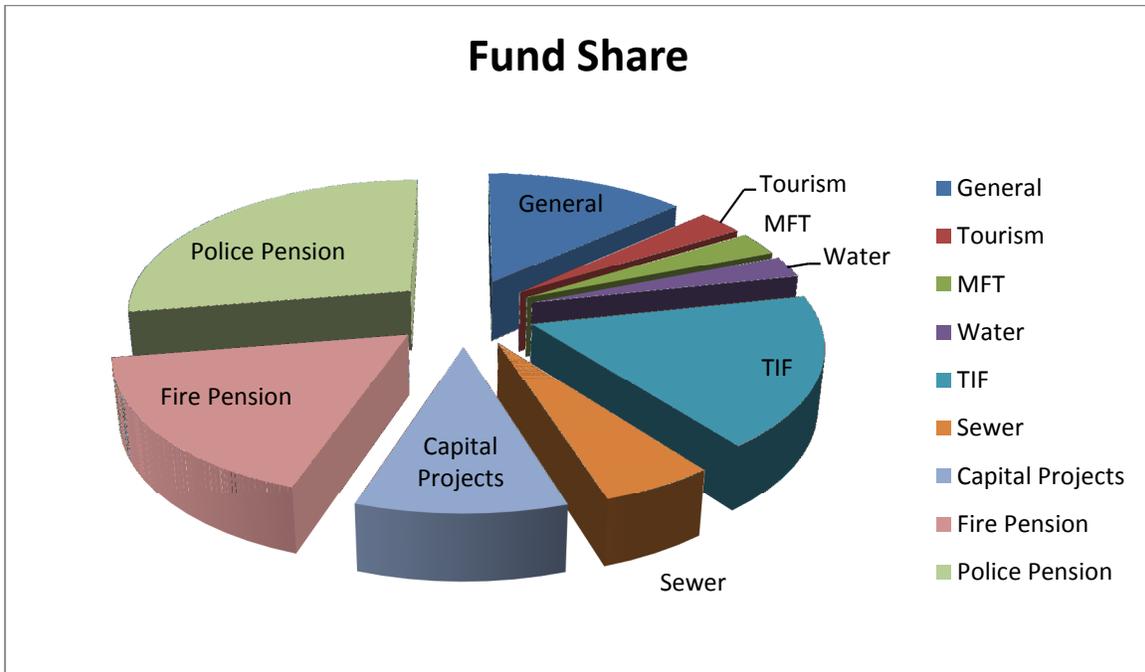
**Tourism Fund Balance Trend**



**Water Fund Balance Trend**



**Sewer Fund Balance Trend**



IV. Reserve Status: The following chart indicates the City's current budgeted reserve status by fund. This fiscal year our Fund Balance Policy requires a minimum reserve of 2% for contingencies and 13.28% for the undesignated reserve. There is no annual requirement for designated reserves; however, the budget may set aside money in this reserve for future planned purchases. This budget also has placed money in line items called vehicle reserve that serve as sinking funds for planned purchases.

Fund	Undesignated	Designated	Contingency	Sinking Fund	Total
General	\$1,851,100	\$263,665	\$261,069	\$100,000	\$2,475,834
Tourism	\$476,640	\$0	\$27,360		\$504,000
MFT	\$251,720	\$0	\$16,480		\$268,200
Water	\$416,972	\$0	\$61,157		\$478,129
TIF	\$0	\$1,529,220	\$0		\$1,529,220
Sewer	\$918,120	\$0	\$60,677		\$978,797

- V. Project and Purchase Status: The following charts depict the status of the planned projects and purchases for FY 15 pursuant to the approved Capital Improvement Plan: **(DEF=Deferred until a future year; COM=Complete; HOLD=On Hold; I-P=In Progress; PEND=Pending)**

Project	Fund	Budgeted Amount	DEF	COM	HOLD	I-P	PEND
Security /Fire Detection Street/Sewer Maint Bldg	Sewer/General	\$6,000		X			
Sewer Roof Replacements	Sewer	\$80,000		X			
Security /Fire Detection Street/Sewer WWTP	Sewer	\$6,000		X			
Meters Project	Water/Sewer	\$40,000		X			
Generator Connection Mechanics Office	Maint-Garage	\$1,000	X				
E-mail Server Replacement	General	\$24,000		X			
Radiant Heater Central Fire	General	\$5,000		X			
Calico Trail Trec Grant	Capital Projects – Grant	\$334,000	X				
Downtown Enhancement Project	Capital Projects	\$288,140		X			

<b>Project</b>	<b>Fund</b>	<b>Budgeted Amount</b>	<b>DEF</b>	<b>COM</b>	<b>HOLD</b>	<b>I-P</b>	<b>PEND</b>
North Raney Street	Capital Projects	\$649,000	X				
Interstate Water Bore	Capital Projects	\$260,000		X			
Striping Bike Lanes	Capital Projects –ITEP Grant	\$217,600			X		
Sidewalk Rehab	Utility Tax	\$94,000		X			
Evergreen Xt – County	Capital Projects	\$24,680		X			
OBW North (Lights and Entrances )	Capital Projects –Grant	\$1,117,000	X				
OBW South Lighting	Capital Projects	\$121,000	X				
OBW South Final Pay	Capital Projects	\$1,612,870	X				
Douglas Ave Rehab	Capital Projects	\$345,000		X			
Grove and 2 <sup>nd</sup> Sidewalk Crossing	Utility Tax	\$20,090	X				
Jaycee/Veterans Storm Sewer	Utility Tax	\$5,000			X		
Enterprise Zone Renewal	General	\$30,000		X			
Chip and Seal	General	\$150,000		X			
Asphalt Resurfacing	General	\$750,000		X			
Gravel Stockpile	General	\$60,000		X			
Concrete Patching and Crack Sealing	General	\$340,000		X			
Striping	General /TIF	\$15,000	X				

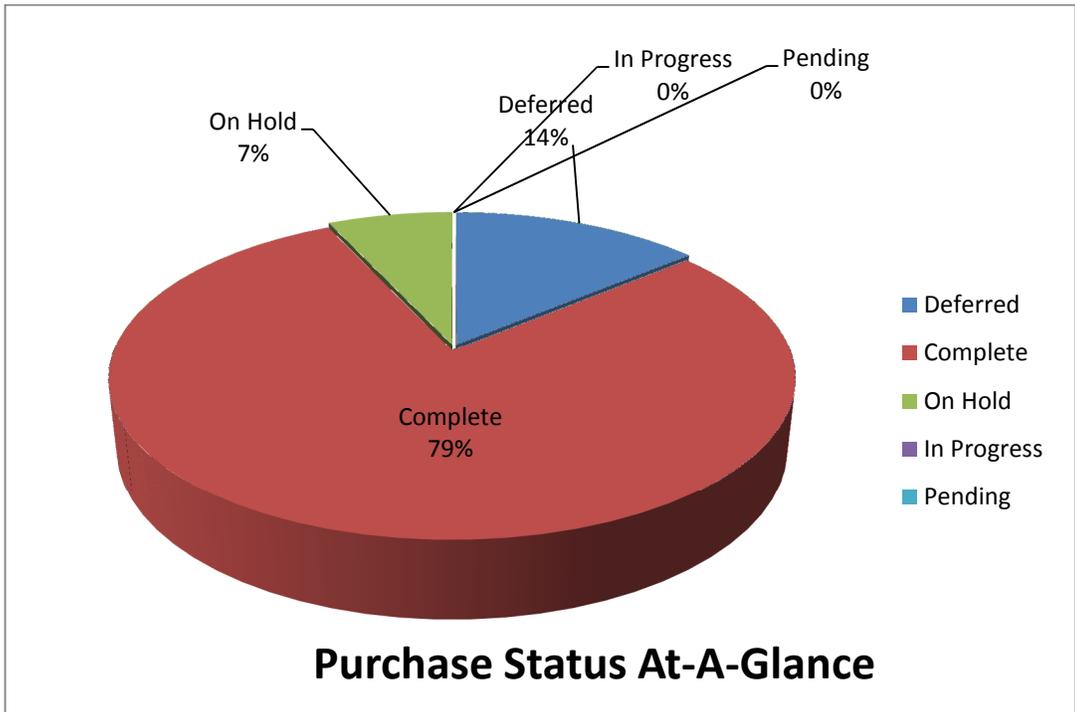
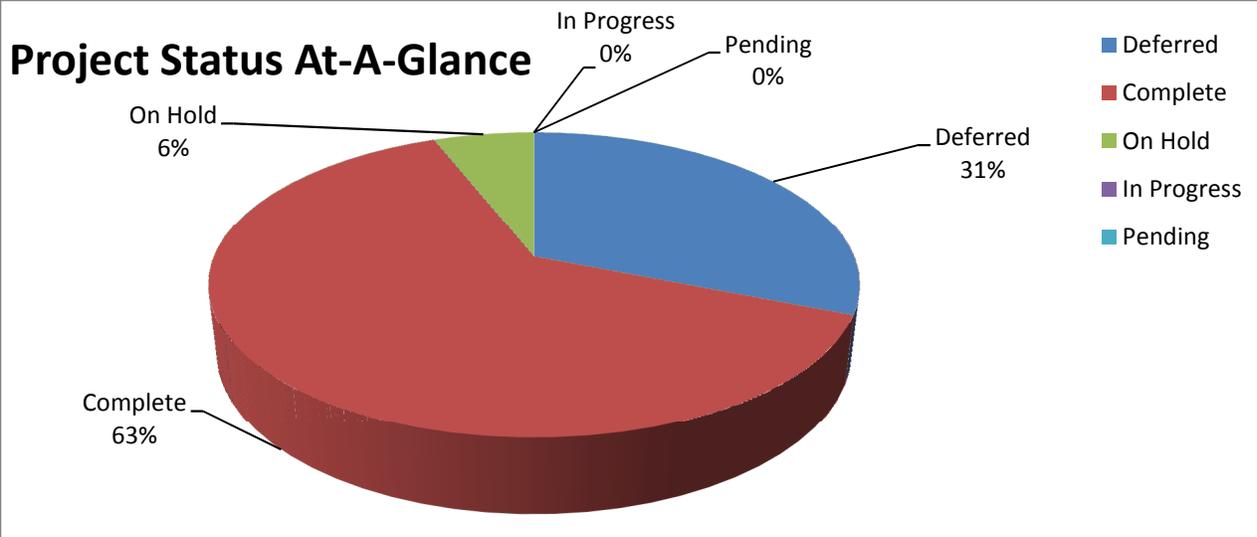
<b>Project</b>	<b>Fund</b>	<b>Budgeted Amount</b>	<b>DEF</b>	<b>COM</b>	<b>HOLD</b>	<b>I-P</b>	<b>PEND</b>
Bridge Inspections	General	\$15,000		X			
Blohm Roadway	Capital Projects	\$304,090	X				
Pre-emption	MFT	\$18,000	X				
Thies Ave Phase 2	Capital Projects	\$389,000	X				
Paint Sludge Line	Sewer	\$11,000	X				
Sewer Building Roof Replacement (3)	Sewer	\$80,000		X			
Non-potable Water Line WWTP	Sewer	\$25,000		X			
Replace Clarifier Handrails	Sewer	\$9,000	X				
Chlorine System Auto Shut-off	Sewer	\$2,500	X				
Rip-Rap WWTP	Sewer	\$3,500	X				
Gas Line Project WWTP	Sewer	\$4,000	X				
SCADA Lift Station Radios	Sewer	\$80,000		X			
Sewer Main and Manhole Maint	Sewer	\$100,000		X			
TIF District Sewer Lining	Capital Projects	\$230,000		X			
Central TIF Sewer Lining and Inspections	Capital Projects	\$690,000	X				
TIF Lift Stations Electrical Upgrades	TIF	\$125,000	X				

<b>Project</b>	<b>Fund</b>	<b>Budgeted Amount</b>	<b>DEF</b>	<b>COM</b>	<b>HOLD</b>	<b>I-P</b>	<b>PEND</b>
TIF 1 Sewer Cleaning and TV	TIF	\$96,000		X			
SCADA TIF 1	TIF	\$60,000		X			
West Rickelman Lift Station	Sewer	\$300,000	X				
East Rickelman Lift Station	Sewer	\$4,500		X			
East Fayette Lift Station	Sewer	\$4,000		X			
Jaycee Lift Station	Sewer	\$5,000		X			
Slate Creek Lift Station	Sewer	\$85,000		X			
Grove Lift Station Electrical	Sewer	\$25,000		X			
Park Hills Lift Station Electrical	Sewer	\$25,000		X			
Airport Lift Station Design	Sewer	\$35,000	X				
I and I Investigation	Sewer	\$50,000		X			
NPDES Permit Support	Sewer	\$10,000		X			
Sand Filter and Oxidation Ditch	Sewer	\$20,000	X				
Downtown Planter Removal (2)	TIF	\$10,000		X			
Grove Water Maint. Area Improvements	TIF	\$55,000		X			
Clinton I and I Design	TIF	\$50,000		X			
Cemetery Survey	General	\$5,000		X			

<b>Project</b>	<b>Fund</b>	<b>Budgeted Amount</b>	<b>DEF</b>	<b>COM</b>	<b>HOLD</b>	<b>I-P</b>	<b>PEND</b>
Fire Station 3 Parking Lot	TIF	\$50,000		X			
Police Interview Room	General	\$8,000		X			
Fire Office Modifications and Furniture	General	\$7,500		X			
City Hall Improvements	Capital Projects	\$25,170			X		
Central Fire Station Roof Repairs	TIF	\$30,000		X			
PSAP HVAC	TIF	\$5,000		X			
Building Drain Maintenance Bldg	Sewer/Gen	\$26,000		X			
Dam Inspections	Water	\$3,000		X			
Douglas Ave Water Line	Water	\$30,000		X			
Channel Dam Rehab	Capital Projects – Bond Proceeds	\$593,300		X			
Water Treatment Plant Improvements	Capital Projects	\$942,105		X			
Fayette Ave Water Relocation	Capital Projects	\$725,000	X				
Water Line Replacement Central TIF	Capital Projects	\$306,075		X			
Business District Creation	General	\$30,000	X				
EPC Crosswalk	Tourism	\$9,000		X			

<b>Project</b>	<b>Fund</b>	<b>Budgeted Amount</b>	<b>DEF</b>	<b>COM</b>	<b>HOLD</b>	<b>I-P</b>	<b>PEND</b>
Wonderland in Lights Roadway	Tourism	\$50,000		X			
Standpipe Christmas Tree	Tourism	\$5,000			X		
Bliss Park Improvements	Tourism	\$7,500		X			
Katrina Estates Storm Water	Capital Projects	\$45,000	X				
Wonderland in Lights Building	Tourism	\$100,000			X		
Work Signs Trailer	Sewer and General	\$6,000		X			
Portable Pump	Sewer	\$40,000		X			
Dump Truck Bed	Sewer	\$11,000		X			
Jump Jack	Sewer	\$3,750	X				
Mower	Sewer	\$24,000		X			
Gas Powered Washer	Sewer	\$6,000		X			
Sampler	Sewer	\$6,000	X				
Grit #2 Chamber	Sewer	\$16,000		X			
Moyno Pump	Sewer	\$25,000		X			
Thickener Feed Pump	Sewer	\$25,000	X				
Boat and Trolling Motor	Water	\$2,500		X			
Pipe Freezer	Water	\$4,500		X			
Valve Turning Handheld GIS	Water	\$2,500			X		
Boring Machine Rods	Water	\$1,600			X		
Tire Changer and Balancer	Maintenance Garage	\$8,000		X			
Pipe Threader and Bender	General	\$10,000		X			

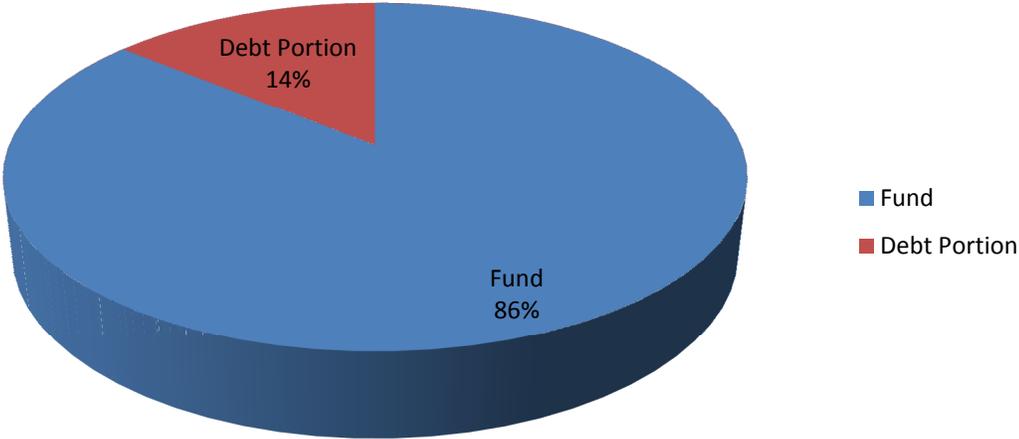
<b>Project</b>	<b>Fund</b>	<b>Budgeted Amount</b>	<b>DEF</b>	<b>COM</b>	<b>HOLD</b>	<b>I-P</b>	<b>PEND</b>
AED City Hall and Central Fire	General	\$3,000		X			
5 Inch Supply Hose	General	\$4,800		X			
Headsets 561	General	\$5,900		X			
Squad MDC Computers	General	\$12,000		X			
MDC Docking Station	General	\$3,000		X			
Squad Camera	General	\$5,000		X			
STARCOM Mobile Radios	General	\$5,000	X				
Duty Weapon Trade-in	General	\$5,000		X			
Police Vehicle Fire Extinguishers	General	\$1,500		X			
Tasers	General	\$17,700		X			
Wonderland In Lights Display	Tourism	\$53,000		X			
Wonderland In Lights Trailer	Tourism	\$4,500		X			



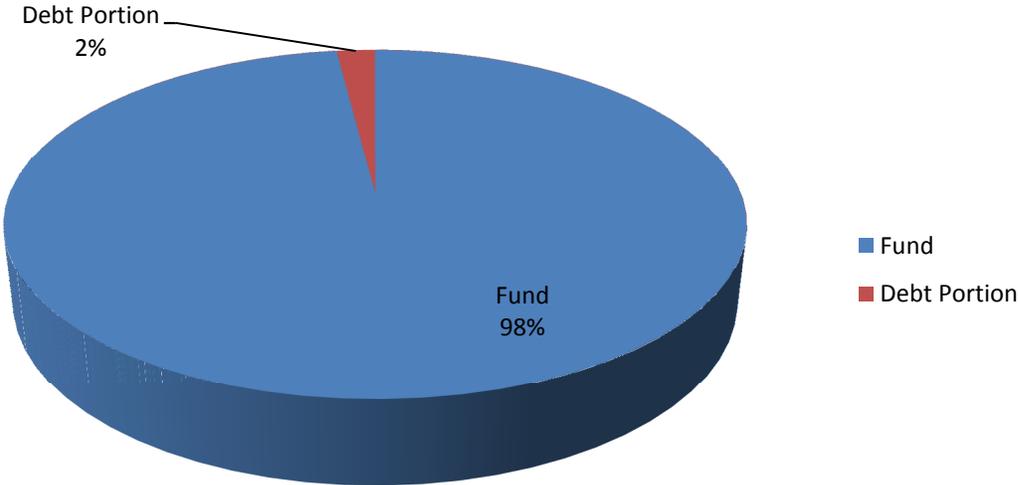
VI. Planned Debt Service: The following chart depicts the required debt service for FY 15 pursuant to the approved Capital Improvement Plan.

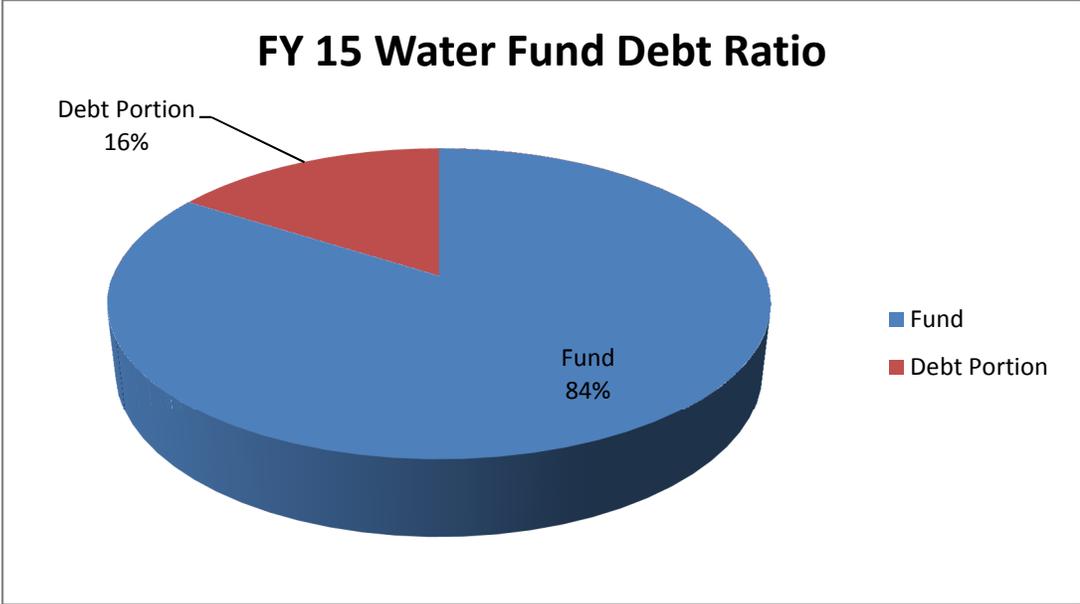
<b>Debt</b>	<b>Fund</b>	<b>Required Annual Payment</b>	<b>Balance Remaining After Payment</b>
2010 B Bond (Defeased 10/30/13)	TIF	\$0	\$0
2010 A Bond	TIF	\$221,090	\$2,615,000
2006 Debt Cert. (Holland Regional Raw Water Line)- partially refunded	Water	\$286,000	\$0
2012 EPC	Tourism	\$259,879	\$2,585,267
2012 A Bond	Water	\$169,025	\$1,020,000
2012 B Bond	Sewer	\$478,925	\$2,560,000
2012 C Bond	Water	\$144,045	\$4,270,000
2012 D Loan (ERI)	Gen/Wat/Sew	\$247,319	\$1,379,999
<b>Total Debt</b>			<b>\$14,430,266</b>
Less Self-Supporting Bonded Debt		Does not count against Statutory Debt Limit	\$11,203,299
Total Net Direct Debt		Counts against Statutory Debt Limit	\$3,226,967
City Statutory Debt Limit	8.625% of EAV \$301,028,614		\$25,963,718
<b>Available Legal Debt Margin</b>			<b>\$22,736,751</b>

### FY 15 Tourism Fund Debt Ratio



### FY 15 TIF Fund Debt Ratio





VII. Conclusion: Fiscal Year 15 was a very good year for the City. The sales tax generated within the year was the highest in the history of Effingham. We continue to see an increase in hotel motel tax as well as the Video Gaming Tax. We did experience a deficit in our Tourism Fund and in our Maintenance Garage Fund. We completed fifty (50) of our planned capital projects and 22 of our planned capital purchases. Our fund balances are healthy and the reserves for our major funds are within the policy requirements.