

Council Agenda Report

Date: February 12, 2018

Prepared by: Ginger Jenkins

Submitted by: Sandra Tripp-Jones 

SUBJECT: 2018 Mid-Year Financial Report

Recommendation: That Council receive the FY 2018 Mid-Year Financial Report

Discussion:

Attached is the mid-year financial report. The report outlines the revenues received and expenditures spent in the first half of fiscal year 2018 in detail and summary for each fund.

Highlights of the first half of FY2018

- We are on target to receive revenues as expected.
- We received approximately \$400,000 in prior year taxes from Beazer Homes. This and reserves were appropriated into the budget for several capital projects.
- Expenses are overall under 50% of the budget.
- Marina revenue is down from last year.
- Departments are managing their budgets well.

Implications for FY2019

- FY 2019 Revenue is projected to be similar to FY 2018 which will create budgeting issues for funding any new projects or addressing increased costs.

There will be a FY2019 budget issues Council work session on February 16, 2018 to discuss budget issues more in-depth.

Approved: 

City of Cambridge, Maryland
General Fund Mid Year Analysis as of 12/31/17

General Fund Revenues Budget to Actual

Revenue Category	Current Fiscal Year				Previous Year		
	FY18 Adopted	FY18 Amended	12/31/2017	% Amend. Received	FY17 Amended	Actual 12/31/16	% EOY Act Rec/Spent
Taxes							
Real Estate	5,710,900	5,710,900	5,732,051	100.37%	5,710,900	5,713,210	100.04%
Personalty	915,000	915,000	914,938	99.99%	915,000	888,629	97.12%
Prior Year Taxes Collected/(Adjusted)		331,000	404,158	122.10%	-	(1,133)	
Interest-Delinquent Tax	140,000	140,000	21,191	15.14%	140,000	17,484	12.49%
Income Taxes	600,000	600,000	275,701	45.95%	500,000	446,563	89.31%
Admissions & Amusements	78,000	78,000	28,549	36.60%	75,000	30,867	41.16%
Room Tax	750,000	750,000	400,056	53.34%	750,000	382,667	51.02%
Southside Landing	16,500	16,500	8,044	48.75%	16,500	7,743	46.93%
Highway User	113,037	113,037	31,880	28.20%	112,456	58,060	51.63%
SHA Grant	310,853	310,853	310,853	100.00%	319,015	298,166	93.46%
Enterprise Zone Credits	3,000	3,000	-	0.00%	3,000	-	0.00%
	8,637,290	8,968,290	8,127,421	90.62%	8,541,871	7,842,256	91.81%
License & Permits							
Traders	33,000	33,000	1,444	4.38%	33,000	1,013	3.07%
License & Permits	8,000	8,000	1,677	20.96%	8,000	1,876	23.45%
Plumbing Permits	12,000	12,000	21,875	182.29%	12,000	4,249	35.41%
HVAC Permits	14,000	14,000	8,928	63.77%	14,000	3,610	25.79%
Electrical Permits	1,500	1,500	1,425	95.00%	1,500	1,125	75.00%
Buildings & Equipment	81,000	81,000	46,515	57.43%	75,000	83,285	111.05%
Board Up Permit	3,000	3,000	616	20.53%	3,000	370	12.33%
Housing Authority Permits	51,000	51,000	-	0.00%	51,000	-	0.00%
Cable T.V. Franchise	133,000	133,000	3,615	2.72%	111,000	-	0.00%
Housing Rental Reg	135,000	135,000	138,640	102.70%	181,600	134,060	73.82%
Beer & Wine License	5,000	5,000	4,000	80.00%	5,000	-	0.00%
Other Dep't Public Works permits	12,000	12,000	5,735	47.79%	12,000	2,873	23.94%
	488,500	488,500	234,470	48.00%	507,100	232,461	45.84%
Intergovernmental							
Federal Pilot	50,000	50,000	50,000	100.00%	50,000	50,000	100.00%
Police grants		155,040	33,461	21.58%	295,194	67,163	22.75%
Capital grants	350,000	2,724,500	556,263	20.42%	2,655,380	282,605	10.64%
Pass through grants					65,000	28,420	43.72%
Cops Hiring Grant	140,000	140,000	38,610	27.58%	91,472	27,229	29.77%
Police protection state grant	201,337	201,337	103,304	51.31%	201,337	100,669	50.00%
Other			12,321		1,195	240	20.08%
Financial Corporations	10,698	10,698	10,698	100.00%	10,698	10,698	100.00%
County Fireworks	2,000	2,000	2,000	100.00%	2,000	2,000	100.00%
	754,035	3,283,575	806,657	24.57%	3,372,276	569,024	16.87%

City of Cambridge, Maryland
General Fund Mid Year Analysis as of 12/31/17

Revenue Category	Current Fiscal Year				Previous Year		
	FY18 Adopted	FY18 Amended	12/31/2017	% Amend. Received	FY17 Amended	Actual 12/31/16	% EOY Act Rec/Spent
Service Charges							
Energy management	15,000	15,000	1,916	12.77%	15,000	4,005	26.70%
Street Openings & Repair	-	-	-		-	757	
Demolitions	2,500	2,500	-	0.00%	5,000	-	0.00%
Disposal Fees	827,000	827,000	406,488	49.15%	650,000	323,502	49.77%
Property Cleanup	40,000	40,000	10,458	26.15%	45,000	14,540	32.31%
Police fees	40,000	40,000	24,329	60.82%	45,400	23,180	51.06%
Fire Dept Service Charges	5,000	5,000	-	0.00%	5,000	-	0.00%
Woods Road Lights	500	500	-	0.00%	500	-	0.00%
	930,000	930,000	443,191	47.65%	765,900	365,984	47.78%
Fines and Forfeitures							
Parking Citations	4,000	4,000	2,690	67.25%	1,000	1,800	180.00%
Civil Citations	2,000	2,000	370	18.50%	2,000	1,710	85.50%
Municipal Infractions	48,248	48,248	16,670	34.55%	50,000	32,870	65.74%
Traffic Camera Citations	-	-	149	0.00%	-	1,246	
Delinquent Park Tickets	1,000	1,000	675	67.50%	3,000	365	12.17%
	55,248	55,248	20,554	37.20%	56,000	37,991	67.84%
Miscellaneous Revenue							
Interest & Dividends	30,000	30,000	10,556	35.19%	20,000	6,217	31.09%
Donations	-	18,658	8,058		1,900	1,450	76.32%
Miscellaneous Revenue	10,000	23,536	16,836	71.53%	11,528	20,863	180.98%
Water Tower Lease	24,480	24,480	11,072	45.23%	24,480	10,890	44.49%
Electronic Sign Revenue	4,500	4,500	9,014	200.31%	4,500	-	0.00%
Misc Rental Leases	47,200	47,200	15,600	33.05%	37,200	16,950	45.56%
Lighthouse Maint Reimbursement	-	-	10,981		-	-	
	116,180	148,374	82,117	55.34%	99,608	56,370	56.59%
Other Financing Sources							
Carry-Over Reserve	194,000	631,100					
Loan Proceeds		1,800,000					
Overhead allocation	1,515,030	1,515,030	720,186	47.54%	1,432,341	698,612	48.77%
Drug Fund Revenue Transfer	-		5,391		-	-	
	1,709,030	3,946,130	725,577		1,432,341	698,612	
Total	12,690,283	17,820,117	10,439,987	58.59%	14,775,096	9,802,698	66.35%
Less grants	(350,000)	(2,529,540)	(602,045)	23.80%	(3,016,769)	(378,428)	12.54%
Adjusted Total WITHOUT GRANTS	12,340,283	15,290,577	9,837,942	64.34%	11,758,327	9,424,270	80.15%

City of Cambridge, Maryland
General Fund Mid Year Analysis as of 12/31/17

Taxes

As of 12/31/17, Personalty taxes are slightly higher than last year which could be timing of payments. Included in Prior Year Taxes collected/adjusted in FY2018 is Beazer Homes prior year taxes collected in Fall of this year. Income taxes is higher in the prior year due to \$194,000 of back taxes received. Room tax is higher than last year but this is due to timing of payments- overall it is slightly less than last year.

Licenses and Permits

Looking at licenses and permits, permits are down from last year due to the Greenwood Village project in December of last year. However permits are expected to equal or exceed the amount budgeted. Management will be monitoring these accounts to see how they perform to budget. Cable TV Franchise is projected to be \$20,000 higher last year due to additional revenue received from Comcast when the franchise agreement was renewed in FY2016. Housing rental registration billings were close to actual.

Intergovernmental

The adopted budget only has operating grants and one capital project in the budget. We did amendments for all other grant. Significant large capital grants include Cannery Park Stream Restoration and Sailwinds. Cannery Park has kicked off and will be completed this Spring.

Service charges

Disposal fees have increased due to the \$3 a month rate increase and is close to the amount budgeted.

Fines and forfeitures

Municipal infractions is less than the prior year. We will be monitoring this account to see how much additional revenue comes in the year.

Due to the enforcement of City policies, parking citations are up compared to the prior year.

Miscellaneous revenue

Interest income is up from the prior year due to new banking investment strategies in conjunction with 1880Bank. We received a \$8,000 in donations as of December 31. The Police Department continues to solicit donations from agencies interested in promoting the safety of the City of Cambridge. Miscellaneous revenue is higher last year due to sale of old police vehicles.

Other financing sources

We have budgeted \$1,800,000 of line of credit proceeds related to the Longwharf repair. Carry-Over Reserve includes \$437,100 for capital projects as approved by Council.

Revenue outlook

Looking to year end, revenue is forecasted to be close to budgeted. Management also foresees a similar budget in FY2019 with no significant increases in revenue at this point.

City of Cambridge, Maryland
General Fund Mid Year Analysis as of 12/31/17

General Fund Expenses Budget to Actual

Expenses by Division	Current Fiscal Year				Previous Year		
	FY18 Adopted	FY18 Amended	12/31/2017	% Amend. Received	FY17 Adopted	Actual 12/31/16	% EOY Act Rec/Spent
Mayor							
Personnel	13,000	13,000	6,087	46.82%	17,688	6,912	39.08%
Operating expenses	4,720	6,720	2,079	30.94%	12,642	3,331	26.35%
	17,720	19,720	8,166	41.41%	30,330	10,243	33.77%
Commissioners							
Personnel	72,532	72,532	36,816	50.76%	77,571	35,099	45.25%
Operating expenses	81,500	61,500	27,323	44.43%	37,500	1,155	3.08%
	154,032	134,032	64,139	47.85%	115,071	36,254	31.51%
City manager							
Personnel	277,228	239,141	114,843	48.02%	185,420	98,887	53.33%
Operating expenses	17,344	17,144	11,598	67.65%	40,972	29,600	72.24%
	294,572	256,285	126,441	49.34%	226,392	128,487	56.75%
Financial administration							
Personnel	236,629	236,629	125,666	53.11%	221,304	105,336	47.60%
Operating expenses	67,900	68,100	43,474	63.84%	67,036	41,620	62.09%
Debt expenses	163,824	163,824	102,983	62.86%	160,614	75,154	46.79%
	468,353	468,553	272,123	58.08%	448,954	222,110	49.47%
Information technology							
Personnel	133,729	133,729	71,474	53.45%	122,395	55,424	45.28%
Operating expenses	102,400	120,487	55,636	46.18%	91,564	33,357	36.43%
Capital expenses	5,500	5,500	-	0.00%	77,944	6,400	8.21%
	241,629	259,716	127,110	48.94%	291,903	95,181	32.61%
Law							
Operating expenses	153,500	231,600	147,960	63.89%	114,100	42,941	37.63%
Police administration							
Personnel	742,269	742,269	415,359	55.96%	656,976	370,253	56.36%
Operating expenses	103,616	132,875	89,190	67.12%	95,202	51,744	54.35%
Debt expenses	52,634	52,634	26,328	50.02%	52,634	30,848	58.61%
	898,519	927,778	530,877	57.22%	804,812	452,845	56.27%
Patrol/Cops Hiring							
Personnel	2,981,305	2,953,446	1,549,378	52.46%	3,007,994	1,626,961	54.09%
Operating expenses	327,717	344,975	185,207	53.69%	334,900	148,875	44.45%
Capital expenses	80,000	93,536	-	0.00%	125,180	95,995	76.69%
	3,389,022	3,391,957	1,734,585	51.14%	3,468,074	1,871,831	53.97%
Special Operations							
Personnel	695,190	695,190	367,088	52.80%	671,359	368,054	54.82%
Operating expenses	2,200	2,200	2,200	100.00%	2,200	1,100	50.00%
	697,390	697,390	369,288	52.95%	673,559	369,154	54.81%

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Expenses by Division	Current Fiscal Year				Previous Year		
	FY18 Adopted	FY18 Amended	12/31/2017	% Amend. Received	FY17 Adopted	Actual 12/31/16	% EOY Act Rec/Spent
Police grants							
Personnel	-	155,212	29,825	19.22%	159,507	16,679	10.46%
Operating expenses	-	-	-	-	11,774	-	0.00%
	-	155,212	29,825	19.22%	171,281	16,679	9.74%
Rescue fire company							
Personnel	60,000	60,000	58,730	97.88%	60,000	56,954	94.92%
Operating expenses	191,556	191,556	77,656	40.54%	193,945	59,748	30.81%
Debt service	368,983	368,983	288,313	78.14%	368,981	284,855	77.20%
	620,539	620,539	424,699	68.44%	622,926	401,557	64.46%
Public works administration							
Personnel	228,340	228,340	121,693	53.29%	210,944	110,228	52.25%
Operating expenses	171,141	171,141	133,431	77.97%	159,185	138,880	87.24%
	399,481	399,481	255,124	63.86%	370,129	249,108	67.30%
Engineering services							
Personnel	345,338	345,338	184,171	53.33%	317,104	168,739	53.21%
Operating expenses	-	29,939	-	0.00%	-	-	-
	345,338	375,277	184,171	49.08%	317,104	168,739	53.21%
Planning and zoning							
Personnel	152,514	171,514	75,575	44.06%	140,217	71,879	51.26%
Operating expenses	21,100	22,100	9,219	41.71%	20,495	6,538	31.90%
Capital expenses	-	15,000	1,500	10.00%	-	-	-
	173,614	208,614	86,294	41.37%	160,712	78,417	48.79%
Economic Development							
Personnel	107,121	107,121	50,133	46.80%	158,454	49,323	31.13%
Operating expenses	29,550	89,550	10,028	11.20%	140,977	36,700	26.03%
	136,671	196,671	60,161	30.59%	299,431	86,023	28.73%
Special Events (Formerly Ironman)							
Personnel	89,400	89,400	32,168	35.98%	63,437	24,244	38.22%
Operating expenses	45,000	45,000	39,000	86.67%	45,000	36,800	81.78%
	134,400	134,400	71,168	52.95%	108,437	61,044	56.29%
Municipal properties							
Personnel	521,466	521,124	308,115	59.13%	518,991	260,224	50.14%
Operating expenses	579,565	585,065	279,833	47.83%	577,715	236,724	40.98%
Capital expenses	5,000	4,389,500	943,335	21.49%	2,844,569	952,558	33.49%
Debt service	617,444	617,444	375,901	60.88%	467,444	370,829	79.33%
	1,723,475	6,113,133	1,907,184	31.20%	4,408,719	1,820,335	41.29%
Building safety services							
Personnel	166,433	166,433	85,470	51.35%	184,031	78,781	42.81%
Operating expenses	103,000	103,000	58,543	56.84%	122,000	40,887	33.51%
	269,433	269,433	144,013	53.45%	306,031	119,668	39.10%

City of Cambridge, Maryland
General Fund Mid Year Analysis as of 12/31/17

Expenses by Division	Current Fiscal Year				Previous Year		
	FY18 Adopted	FY18 Amended	12/31/2017	% Amend. Received	FY17 Adopted	Actual 12/31/16	% EOY Act Rec/Spent
Heavy Equipment Maintenance							
Personnel	109,532	64,532	35,335	54.76%	98,003	49,640	50.65%
Operating expenses	5,500	5,500	2,991	54.38%	7,000	1,763	25.19%
	115,032	70,032	38,326	54.73%	105,003	51,403	48.95%
Sanitation & Waste							
Personnel	340,501	113,868	93,293	81.93%	322,075	145,201	45.08%
Operating expenses	432,700	763,019	316,467	41.48%	410,700	176,399	42.95%
Capital expenses	110,000						
	883,201	876,887	409,760	46.73%	732,775	321,600	43.89%
Highway and streets							
Personnel	582,799	537,283	280,720	52.25%	499,382	240,086	48.08%
Operating expenses	165,500	165,500	62,782	37.93%	154,000	94,851	61.59%
Capital expenses	604,000	1,101,061			250,000		0.00%
Debt service	35,662	35,662	19,447	54.53%	38,893	19,447	50.00%
	1,387,961	1,839,506	362,949	19.73%	942,275	354,384	37.61%
Miscellaneous							
Lapse time	(180,000)	(180,000)					
Appropriated reserve	100,000	87,500		0.00%	57,078		0.00%
Transfer to other funds	266,401	266,401					
	186,401	173,901	-	0.00%	57,078	-	0.00%
Total	12,690,283	17,820,117	7,354,363	41.27%	14,775,096	6,958,003	47.09%
Expenses by Classification							
Personnel	7,855,326	7,646,101	4,041,939	52.86%	7,692,852	3,938,904	51.20%
Operating expenses	2,425,509	2,976,971	1,554,617	52.22%	2,638,907	1,183,013	44.83%
Appropriated reserve	100,000	87,500	-	0.00%	57,078	-	0.00%
Capital expenses	804,500	5,604,597	944,835	16.86%	3,297,693	1,054,953	31.99%
Debt service	1,504,948	1,504,948	812,972	52.86%	1,088,566	781,133	51.20%
Total	12,690,283	17,820,117	7,354,363	41.27%	14,775,096	6,958,003	47.09%
Less grants	(350,000)	(2,529,540)	(973,160)	38.47%	(2,950,574)	(969,237)	32.85%
Adjusted Total WITHOUT GRANTS	12,340,283	15,290,577	6,381,203	41.73%	11,824,522	5,988,766	50.65%

Expense Highlights

Overview

Overall while there are some unexpected costs (see below), expenditures are on target to be within the budget. Personnel costs are comparable to last year. Operating expenses are higher than last year due to the new service contract for Sanitation. When comparing the amount of expenses spent this year compared to last year, the most meaningful number is the Adjusted Total WITHOUT GRANTS. This backs grants out of the expenses and budget. For FY18, the City has spent 48% of the budget at 12/31. For FY17, the City had spent 51% of budget at 12/31- a similar percentage.

City of Cambridge, Maryland
General Fund Mid Year Analysis as of 12/31/17

Expense Highlights (continued)

Commissioners

Included in operating expenses budget are council goals expenses. \$25,000 was reallocated to Engineering for the pavement study.

Legal

The increase in legal costs is due to a one time payment for legal expenses and the increased costs of legal expenses.

Planning and Zoning

The increase in personnel budgeted is due to converting an Assistant position into a Planner 1 position.

Sanitation and Waste/Highway and Streets/Heavy Equipment Maintenance

Council approved a contract for sanitation services early in FY18. Reflected in these divisions are the resulting budget amendments and reduced personnel costs and increase operating costs. Overall, expenses are close to budget for the sanitation services.

Personnel

Personnel is at 53% of budget due to the pension bill of approximately \$900,000 being paid in December.

Lapse Time

The FY18 budget includes \$180,000 of lapse time. Lapse time represents the amount of savings the City receives when a budgeted position is left vacant for a period of time. At mid-year of FY18, we have aggregated a little over \$95,000 in lapse time savings or 53%. Lapse time was earned from an unfilled Redevelopment Director position, vacant Planning and Zoning position, and unfilled police positions for part of the year. Turnover in the Department of Public Works has reduced significantly due to the elimination of Sanitation positions where turnover was common.

Appropriated Reserve

Appropriated reserve was for \$100,000. \$12,500 has been designated for travel and street lights by Council.

General Fund Budget to Actual

	Current Fiscal Year				Previous Year		
	FY18 Adopted	FY18 Amended	12/31/2017	% Amend. Received	FY17 Adopted	Actual 12/31/16	% EOY Act Rec/Spent
Total Revenues	12,690,283	17,820,117	10,439,987	58.59%	14,775,096	9,802,698	66.35%
Total Expenditures	12,690,283	17,820,117	7,354,363	41.27%	14,775,096	6,958,003	47.09%
Total			3,085,624			2,844,695	

City of Cambridge, Maryland
General Fund Mid Year Analysis as of 12/31/17

General Fund Budget to Actual WITHOUT GRANTS INCLUDED

	Current Fiscal Year				Previous Year		
	FY18 Adopted	FY18 Amended	12/31/2017	% Amend. Received	FY17 Amended	Actual 12/31/16	% EOY Act Rec/Spent
Total Revenues WITHOUT GRANTS	12,340,283	15,290,577	9,837,942	64.34%	11,758,327	9,424,270	80.15%
Total Expenditures WITHOUT GRANTS							
Personnel	7,855,326	7,490,889	4,012,114	53.56%	7,533,345	3,922,225	52.06%
Operating expenses	2,425,509	2,976,971	1,554,617	52.22%	2,627,133	1,183,013	45.03%
Appropriated reserve	100,000	87,500	-	0.00%	57,078	-	
Capital expenses	454,500	3,230,269	1,500	0.05%	452,205	1,054,953	233.29%
Debt service	1,504,948	1,504,948	812,972	53.56%	1,088,566	781,133	52.06%
Total Expenditures WITHOUT GRANTS	12,340,283	15,290,577	6,381,203	41.73%	11,758,327	6,941,324	59.03%
Total	-	-	3,456,739		-	2,482,946	

Revenue and Expenses Overview

Overall, revenue is at 64% of budget versus 80% of the prior year mostly due to \$1,800,000 of line of credit draws budgeted but not made. Over the course of the year though, we expect revenue to level out to be closer to what is budgeted. Overall, expenses are at 41% of the amount budgeted. Personnel and debt service are higher than budgeted due to the timing of payments during the year. Operating expenses are at 52% of the budgeted amount mostly due to timing of payments.

Year-End Outlook

Looking to year end, revenue and expenditures are expected to be close to actual. If projections close to year end show excess revenue, Management will inform Council so that Council can look at how to use the excess revenue.

**City of Cambridge, Maryland
Marina Fund Mid Year Analysis as of 12/31/17**

Marina Fund Revenues Budget to Actual

Current Fiscal Year				
Revenues	FY18 Adopted	FY18 Amended	12/31/2017	% Amend. Received
Boat slip rentals	183,000	183,000	158,211	86.45%
Boat slip electric	10,000	10,000	5,542	55.42%
Transients-subleasing	68,000	68,000	28,819	42.38%
Marina Fuel	99,000	99,000	77,089	77.87%
Dockmaster- misc receipts	1,000	1,000	1,686	168.60%
Seafood buyer rent	1,400	1,400	-	0.00%
Pump out station	400	400	250	62.50%
Interest	2,000	2,000	258	12.90%
DNR grant	65,000	65,000		
Other funding sources	266,401	266,401		0.00%
Total Revenue	696,201	696,201	271,855	39.05%

Previous Year		
FY17 Amended	Actual 12/31/16	% EOY Act Rec/Spent
191,000	179,173	93.81%
20,000	6,236	31.18%
68,000	24,114	35.46%
92,000	81,114	88.17%
1,000	1,276	127.60%
1,400	290	20.71%
400	285	71.25%
300	147	49.00%
258,585		0.00%
632,685	292,635	46.25%

Current Fiscal Year				
Expenses	FY18 Adopted	FY18 Amended	12/31/2017	% Amend. Received
Marine facilities				
Personnel	111,903	111,903	58,774	52.52%
Other operating expenses	165,194	165,194	92,870	56.22%
Capital expenses	65,000	65,000		
Debt expense	255,000	255,000	216,513	84.91%
Overhead allocation	99,104	99,104	56,847	57.36%
	696,201	696,201	425,004	61.05%
Total Expenses	696,201	696,201	425,004	61.05%

Previous Year		
FY17 Amended	Actual 12/31/16	% EOY Act Rec/Spent
105,999	48,083	45.36%
163,763	98,895	60.39%
255,000	213,516	83.73%
107,923	45,253	41.93%
632,685	405,747	64.13%
632,685	405,747	64.13%

Marina Budget to Actual

Current Fiscal Year				
	FY18 Adopted	FY18 Amended	12/31/2017	% Amend. Received
Total Revenues	696,201	696,201	271,855	39.05%
Total Expenditures	696,201	696,201	425,004	61.05%
Total			(153,149)	

Previous Year		
FY17 Amended	Actual 12/31/16	% EOY Act Rec/Spent
632,685	292,635	46.25%
632,685	405,747	64.13%
	(113,112)	

City of Cambridge, Maryland
Marina Fund Mid Year Analysis as of 12/31/17

Revenue Overview

Boat slip rentals were approved at the same rates as FY17 and the bills sent in mid December. The decrease from FY17 is due to a decline in boat slip rentals.

Transients-subleasing is less than anticipated but slightly more than last year. At this time, it is not anticipated to be as budgeted; Management is looking at ways to generate revenue.

Other funding sources are a budgeted transfer from the General Fund. As the fiscal year continues, we will be monitoring revenue and expenses to see how much the Marina Fund will owe the General fund for expenses it could not pay.

Expenses overview

Personnel is up due to the assistant dockmaster position being filled for the entire year.

Capital expenses is for grant related projects.

Year-end Outlook

As the year progresses, we will be monitoring expenses and revenue and tracking how much the Marina Fund will owe the General Fund for the current year's expenses it cannot fund.

City of Cambridge, Maryland
Sewer Fund Mid Year Analysis as of 12/31/17

Sewer Fund Revenues Budget to Actual

Current Fiscal Year					Previous Year		
Revenues	FY18 Adopted	FY18 Amended	12/31/2017	% Amend. Received	FY17 Amended	Actual 12/31/16	% EOY Act Rec/Spent
Revenues							
Sewer service	3,673,953	3,673,953	1,865,877	50.79%	3,704,000	1,781,658	48.10%
Sanitary district charges	459,100	459,100	115,869	25.24%	459,100	115,333	25.12%
Horn Point - Sewer	33,000	33,000	9,758	29.57%	33,000	8,736	26.47%
Pollution control-septic	60,000	60,000	26,191	43.65%	60,000	18,433	30.72%
Grants and loan proceeds	240,000	240,000	243,000	101.25%	240,000		0.00%
Discharges & connections	3,600	3,600	-	0.00%	3,600	2,000	55.56%
Interest	1,500	1,500	2,911	194.07%	1,500	1,557	103.80%
Reserves		198,000		0.00%			
Total Revenue	4,471,153	4,669,153	2,263,606	48.48%	4,501,200	1,927,717	42.83%

Current Fiscal Year					Previous Year		
Expenses	FY18 Adopted	FY18 Amended	12/31/2017	% Amend. Received	FY17 Amended	Actual 12/31/16	% EOY Act Rec/Spent
Sewer services							
Other operating expenses	1,996,730	1,996,730	640,085	32.06%	2,002,070	626,078	31.27%
Capital outlay	160,000	162,000	-	0.00%	205,000	5,967	2.91%
Debt expense	755,899	755,899	63,380	8.38%	725,296	68,158	9.40%
	2,912,629	2,914,629	703,465	24.14%	2,932,366	700,203	23.88%
Utilities maintenance							
Personnel	58,252	58,252	27,966	48.01%	50,401	26,380	52.34%
Other operating expenses	104,081	104,081	64,922	62.38%	108,605	70,585	64.99%
Capital outlay	-	196,000	-		-	-	
	162,333	358,333	92,888	25.92%	159,006	96,965	60.98%
Miscellaneous							
Overhead allocation	1,396,191	1,396,191	663,339	47.51%	1,403,003	641,381	45.71%
Appropriated reserve					6,825		
	1,396,191	1,396,191	663,339	47.51%	1,409,828	641,381	45.49%
Total Expenses	4,471,153	4,669,153	1,459,692	31.26%	4,501,200	1,438,549	31.96%

Expenses by Classification							
Personnel	58,252	58,252	27,966	48.01%	50,401	26,380	52.34%
Operating expenses	2,100,811	2,100,811	705,007	33.56%	2,117,500	696,663	32.90%
Capital expenses	160,000	358,000	-	0.00%	205,000	5,967	2.91%
Overhead allocation	1,396,191	1,396,191	663,339	47.51%	1,403,003	641,381	45.71%
Debt service	755,899	755,899	63,380	8.38%	725,296	68,158	52.34%
Total	4,471,153	4,669,153	1,459,692	31.26%	4,501,200	1,438,549	31.96%

City of Cambridge, Maryland
Sewer Fund Mid Year Analysis as of 12/31/17

Sewer Budget to Actual

	Current Fiscal Year				Previous Year		
	FY18 Adopted	FY18 Amended	12/31/2017	% Amend. Received	FY17 Amended	Actual 12/31/16	% EOY Act Rec/Spent
Total Revenues	4,471,153	4,669,153	2,263,606	48.48%	4,501,200	1,927,717	42.83%
Total Expenditures	4,471,153	4,669,153	1,459,692	31.26%	4,501,200	1,438,549	31.96%
Total			803,914			489,168	

Revenue overview

Revenue collections for sewer service are at 50% of budget versus 48% last year.

The grant anticipated of \$240,000 was received this year.

The Sanitary District and Horn Point sewer billings are at 25% and 29%, respectively, of budgeted and should be close to the amount budgeted at year end. The billings in FY18 didn't occur until January and will be reflected in the third quarter.

Expense Highlights

For the most part, expenses are under 50% of the amount budgeted as of 12/31/17.

Year-end Outlook

Overall there are no large or notable variances in revenue or expenses. At this point, we expect revenue and expenses to be close to actual.

City of Cambridge, Maryland
MUC Fund Summary as of December 31, 2017

Municipal Utilities Commission (MUC) Fund Revenues Budget to Actual

Current Fiscal Year				
Revenues	FY18 Adopted	FY18 Amended	12/31/2017	% Amend. Received
Water sales	1,732,174	1,732,174	797,044	46.01%
Miscellaneous Sales	80,000	80,000	106,455	133.07%
Fireline charges	29,000	29,000	30,740	106.00%
Miscellaneous revenue				
Penalty fees	70,000	70,000	33,405	47.72%
Interest income	2,500	2,500	219	8.76%
Meter install fee	5,000	5,000	7,400	148.00%
BRF reimbursement	12,000	12,000	6,548	54.57%
Reserves				
Total Revenue	1,930,674	1,930,674	981,811	50.85%

Previous Year		
FY17 Amended	Actual 12/31/16	% EOY Act Rec/Spent
1,780,104	838,076	47.08%
75,000	59,943	79.92%
28,000	28,880	103.14%
66,000	35,375	53.60%
1,500	2,483	165.53%
5,000	2,530	50.60%
12,000	6,599	54.99%
90,000		0.00%
2,057,604	973,886	47.33%

Current Fiscal Year				
Expenses	FY18 Adopted	FY18 Amended	12/31/2017	% Amend. Received
Operational and distribution expenses				
Personnel	418,540	418,540	207,184	49.50%
Other operating expenses	677,050	677,050	337,801	49.89%
Capital expenses	100,000	100,000	24,259	24.26%
	1,195,590	1,195,590	569,244	47.61%
General and administrative expenses				
Personnel	496,649	496,649	189,246	38.10%
Other operating expenses	226,385	226,385	69,346	30.63%
Debt service	12,050	12,050	6,011	49.88%
	735,084	735,084	264,603	36.00%
Total Expenses	1,930,674	1,930,674	833,847	43.19%

Previous Year		
FY17 Amended	Actual 12/31/16	% EOY Act Rec/Spent
402,642	191,873	47.65%
686,650	293,164	42.69%
248,100	142,879	57.59%
1,337,392	627,916	46.95%
491,062	255,141	51.96%
217,100	69,244	31.89%
12,050	6,011	49.88%
720,212	330,396	45.87%
2,057,604	958,312	46.57%

Expenses by Classification				
Personnel	915,189	915,189	396,430	43.32%
Operating expenses	903,435	903,435	407,147	45.07%
Capital expenses	100,000	100,000	24,259	24.26%
Debt service	12,050	12,050	6,011	43.32%
Total	1,930,674	1,930,674	833,847	43.19%

893,704	447,014	50.02%
903,750	362,408	40.10%
248,100	142,879	57.59%
12,050	6,011	50.02%
2,057,604	958,312	46.57%

MUC Budget to Actual

Current Fiscal Year				
	FY18 Adopted	FY18 Amended	12/31/2017	% Amend. Received
Total Revenues	1,930,674	1,930,674	981,811	50.85%
Total Expenditures	1,930,674	1,930,674	833,847	43.19%
Total			147,964	

Previous Year		
FY17 Amended	Actual 12/31/16	% EOY Act Rec/Spent
2,057,604	973,886	47.33%
2,057,604	958,312	46.57%
	15,574	

City of Cambridge, Maryland
MUC Fund Summary as of December 31, 2017

Revenue Highlights

Water sales are similar to last year.

The increase in miscellaneous charges is due to an increase in new meters, miscellaneous sales, and new services.

Revenue Outlook

The commission is anticipating hitting projected revenues. However, revenue may be a little short depending on whether it is a wet or dry spring. New businesses would also increase revenue as well.

Expense Highlight

Expenses are within budget or just under the amount budgeted and should be under budget at year end.

The commission is under its current budget so far this year.

Personnel is less than budgeted due to the timing of paying of expenses.

Year-end Outlook

MUC expects to be under budget on expenditures. Any excess revenue will be placed on Reserves.

City of Cambridge, Maryland
Health Insurance Mid Year Analysis as of 12/31/17

Health Insurance Fund Budget to Actual

	Current Fiscal Year				Previous Year		
	FY18 Adopted	FY18 Amended	12/31/2017	% Amend. Received	FY17 Amended	Actual 12/31/16	% EOY Act Rec/Spent
Charges for Health Insurance	870,000	870,000	432,390	49.70%	600,000	300,000	50.00%
Interest & Dividends			1,940			735	
Total Revenues	870,000	870,000	434,330	49.92%	600,000	300,735	50.12%
Total Expenditures	870,000	870,000	387,512	44.54%	600,000	506,166	84.36%
Total			44,878			(206,166)	

Overview

This is the second year for an Internal Fund for Health Insurance. Health Insurance was underbudgeted in FY17; FY18 is more realistic based on prior year expenses. At mid year, health insurance expenses are close to budgeted and projected to stay on target pending any unknown issues that may arise.