

Clearfield City | November 12, 2019

Draft FY 2020 First Quarter Results (July 1, 2019 – Sept 30, 2019) and Financial Outlook

Agenda

- FY 2020
 - Revenues, Expenses, and Net Change
 - Three Year Historic Trends
 - FY20 Budget Performance/Budget to Actual
- Economic Trends



Summary

- General available cash is more than anticipated during FY20 Budget process
- Energy Tax tapering off—no big jumps like prior years
- Building Permits already 77% of budget
- Statewide County Transportation Tax impact looking good
- US economy continues to moderate—GDP ok, job creation good
- Utah economy remains one of the best in the nation
- Clearfield point of sale same as last year
 - Utah point of sale 1.8% higher



General Fund – Draft Net

	Sept FY18	Sept FY19	Sept FY20	June 2019 Budget
Revenues	3,747,249	4,131,213	3,853,608	18,192,560
Expenditures	4,503,168	4,813,632	5,065,262	20,255,302
Net Change in Balance	\$(755,919)	\$(682,418)	\$(1,211,654)	\$(2,062,742)

- FY20 Budget will reduce reserves by \$2,062,742
- Close to getting audited FY19 ending available balance
 - Projected General available cash is more than anticipated during FY20 Budget process
- Extra money results in added financial security and more available for future one-time projects

General Fund – Draft Revenue Summary

	Sept FY18	Sept FY19	Sept FY20	Variance Prior Yr	% of Budget
Taxes	2,306,449	2,472,888	2,247,434	(225,454)	22%
Licenses & Permits	38,307	121,653	160,003	38,350	42%
Intergovernmental	239,034	337,204	256,962	(80,242)	14%
Charges for Services	499,333	506,181	533,138	26,957	24%
Fines & Forfeitures	201,324	170,434	181,037	10,603	24%
Miscellaneous	165,716	203,751	131,484	(72,342)	33%
Other Sources	297,087	319,102	343,549	24,447	14%
Total GF Revenues	3,747,249	4,131,213	3,853,608	(277,680)	21%

General Fund – Draft Revenue Summary

	Sept FY18	Sept FY19	Sept FY20	Variance Prior Yr	% of Budget
Taxes	2,306,449	2,472,888	2,247,434	(225,454)	22%

- Total taxes \$225k or **9%** lower than last year
- Sales Tax actual for 2.1% higher than last year
 - Clearfield point of sale is the same as last year
- Energy Use Tax is \$13k or **2%** lower-tapering off from previous year growth
- Telecom Tax continues to decrease. Projected **\$40k** below budget by year end
 - FY12 was \$450k, FY19 \$206k, FY20 projected \$180k

General Fund – Draft Revenue Summary

	Sept FY18	Sept FY19	Sept FY20	Variance Prior Yr	% of Budget
Licenses & Permits	38,307	121,653	160,003	38,350	42%

- Building permits already 77% of budget
 - West Square C
 - Tru Hotel
 - Maverick

General Fund – Draft Revenue Summary

	Sept FY18	Sept FY19	Sept FY20	Variance Prior Yr	% of Budget
Intergovernmental	239,034	337,204	256,962	(80,242)	14%
Charges for Services	499,333	506,181	533,138	26,957	24%

- Class C Roads lower, will watch
- County Transportation statewide participation's impact looking good
- Aquatic Revenue matching last year
 - CAFC revenue 14% lower than two years ago
- Recreation not as strong as last year but better than two years ago

General Fund – Draft Revenue Summary

	Sept FY18	Sept FY19	Sept FY20	Variance Prior Yr	% of Budget
Fines & Forfeitures	201,324	170,434	181,037	10,603	24%
Miscellaneous	165,716	203,751	131,484	(72,342)	33%
Other Sources	297,087	319,102	343,549	24,447	14%

All Funds – Draft Expenditure Summary

Type	Sept FY18	Sept FY19	Sept FY20	Variance Prior Yr	% of Budget
Personnel	\$2,354,575	\$2,571,061	\$2,689,305	\$118,244	22%
Materials & Services	2,515,622	2,660,590	2,749,698	89,108	17%
Capital Outlay	2,024,260	400,847	485,400	84,553	3%
Debt Service	1,237,471	1,361,514	1,406,939	45,425	55%
Transfers	361,674	442,197	449,943	7,746	10%
Total All Funds	\$8,493,602	\$7,436,209	\$7,781,285	\$345,076	16%

Other Funds - Net

	Sept FY18	Sept FY19	Sept FY20	June 2020 Budget
CDRA Fund				
Revenues	21,235	31,392	51,194	2,493,099
Expenditures	1,030,064	60,983	60,768	2,156,189
Net	<u>\$(1,008,829)</u>	<u>\$(29,591)</u>	<u>\$(9,574)</u>	<u>\$336,910</u>
Water				
Revenues	1,324,826	1,296,780	1,278,700	3,719,000
Expenditures	584,696	567,448	698,832	7,457,545
Net	<u>\$740,130</u>	<u>\$729,332</u>	<u>\$579,868</u>	<u>\$(3,738,545)</u>

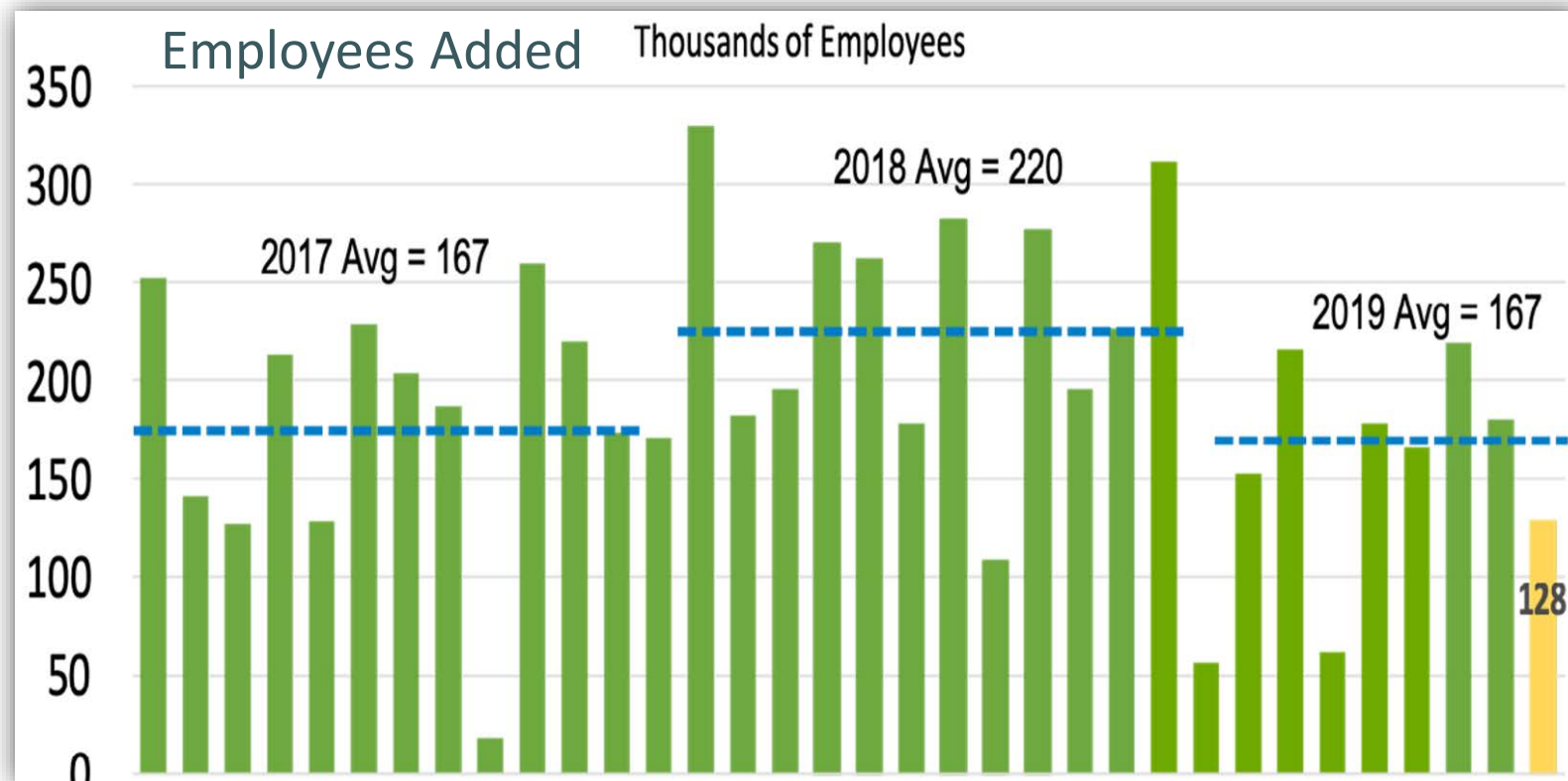
- Water consumption in July August & Sept was down from prior years, resulting in less revenues

Other Funds - Net

	Sept FY18	Sept FY19	Sept FY20	June 2020 Budget
Sewer				
Revenues	1,124,727	1,151,362	1,161,589	4,592,000
Expenditures	960,379	913,946	862,403	7,091,070
Net	\$164,348	\$237,416	\$299,186	\$(2,499,070)
Storm				
Revenues	265,366	331,377	298,315	1,075,820
Expenditures	370,593	315,314	308,877	4,049,178
Net	\$(105,227)	\$16,063	\$(10,562)	\$(2,973,358)
Garbage				
Revenues	360,308	361,042	418,093	1,429,000
Expenditures	296,734	224,763	248,826	1,649,568
Net	\$63,574	\$136,279	\$169,267	\$(-220,568)

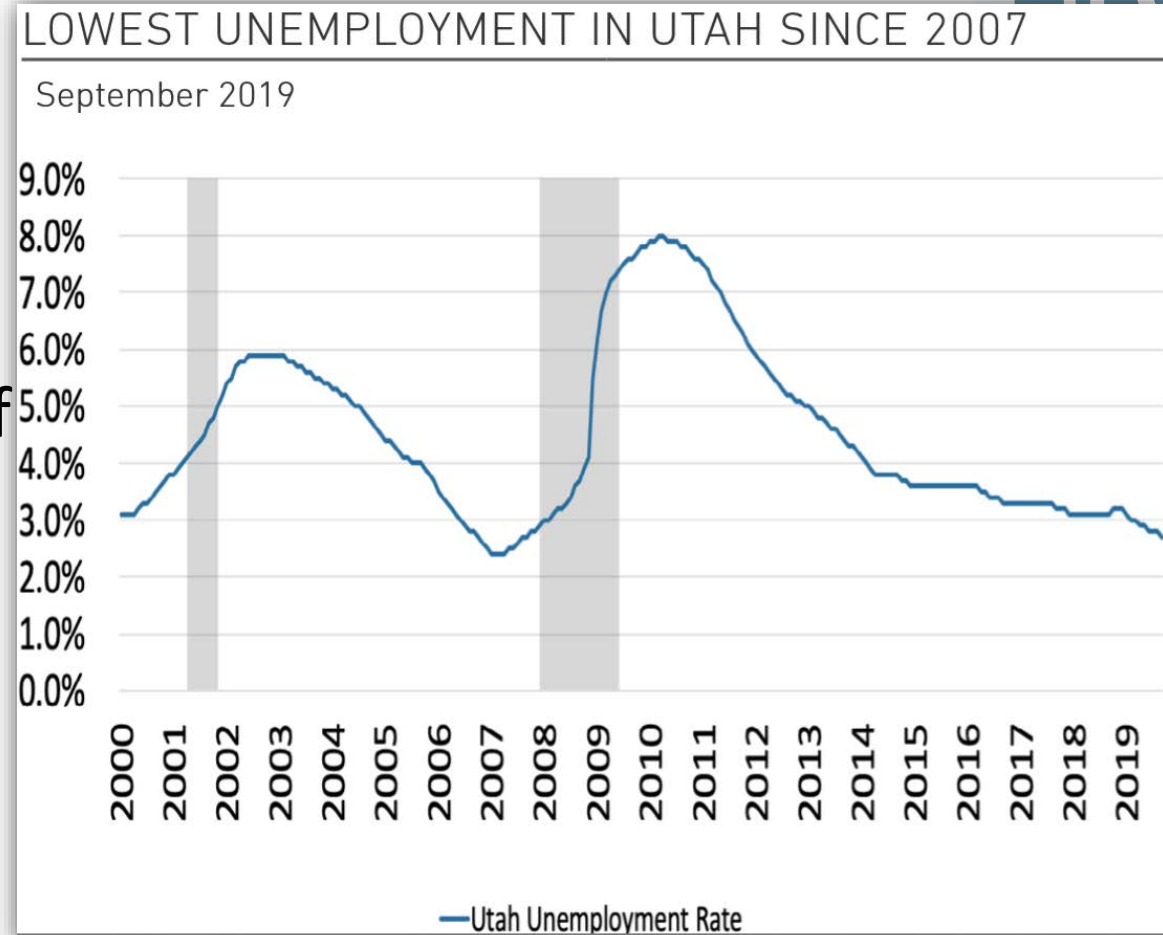
Economy-US

- Economy continues to moderate as GDP declined from 2.0% in Q2 to 1.9% in Q3 of this year
- U.S labor market added a better-than-expected 128,000 jobs in October
- Overall job creation, is down from a strong year in 2018

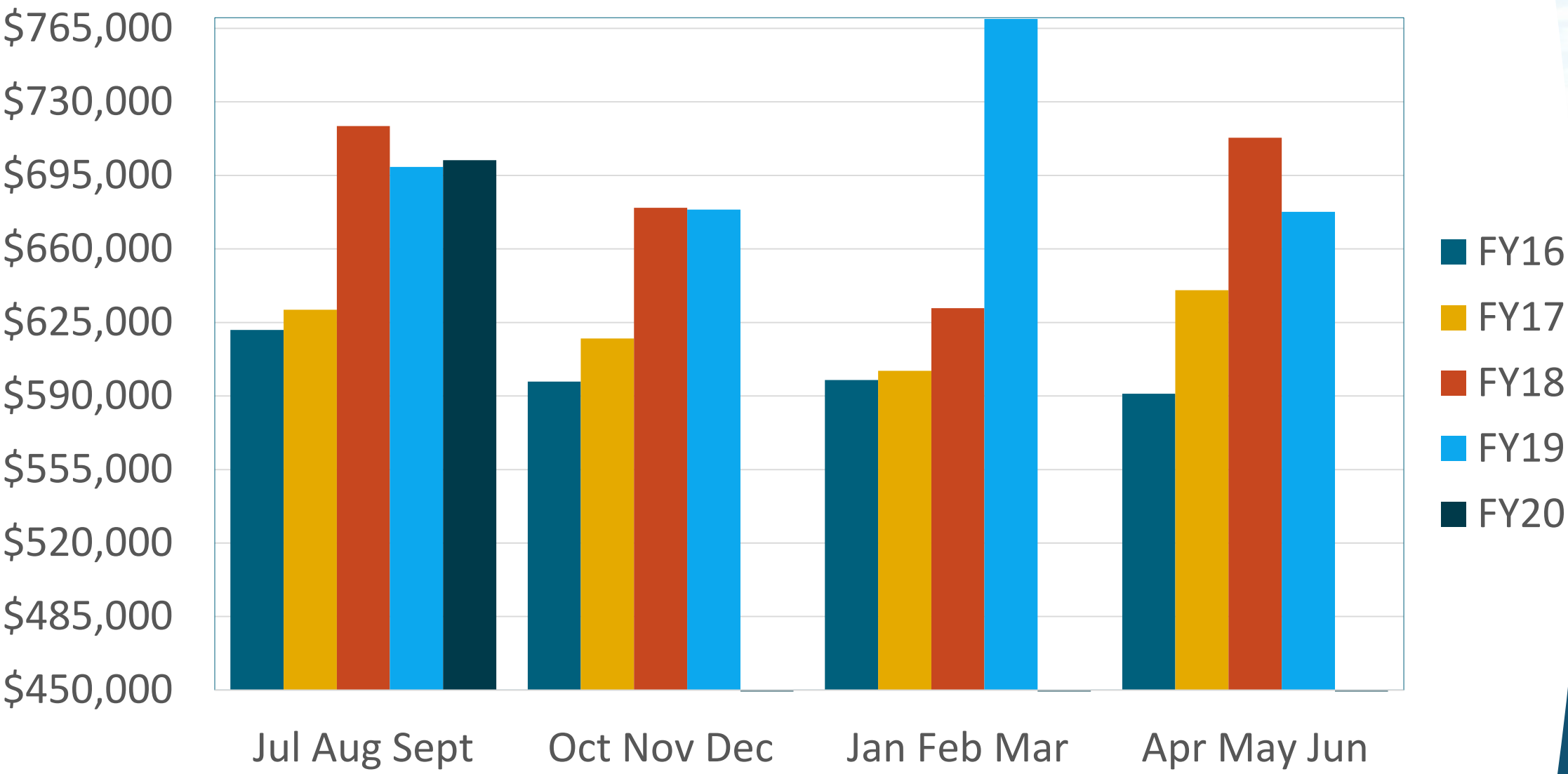


Economy-Utah

- September, the state's year-over-year employment growth was the third highest of any state at 3%
- Unemployment rate also declined from 2.8% to 2.7%
 - lowest level since 2007
- In 2019, home price appreciation across the state has slowed, but remains one of the highest in the country at 9.1%



Clearfield Quarterly Point of Sale



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