

CITY OF CANNON BEACH

Financial Report 2nd Quarter, October - December 2017 FYE 2018

Volume 4, Issue 2

March 6, 2018

Cash Position

General Fund	696,208	RV Park Fund	575,152
Tourism and Arts Fund	218,851	Recycling Fund	58,292
Building Official Fund	72,270	Water Fund	268,619
Affordable Housing Fund	27,708	Wastewater Fund	391,671
Debt Service Fund	475,051	Storm Drain Fund	40,609
Roads Fund	774,073	Water Reserve	352,286
Bridge Reserve	8,592	Wastewater Reserve	218,805
RV Park Reserve	9,485	Storm Drain Reserve	7,115
Road Reserve	-	Recycling Reserve	76,325
Ecola Forest Reserve Fund	6,394		
General Reserve	913,821		
Payroll Liability Fund	117,432	Administrative Services Fund	11,530
Total Cash on Hand	\$ 5,320,289	As of December 31, 2017	
	\$ 4,763,327	As of December 31, 2016	

Debt Outstanding

GO Bonds 2010 (EFR) payoff 6/1/27	\$2,105,000
GO Bonds 2012 (WW) payoff 6/1/25	2,305,000
Total	\$4,410,000

water charges were \$460,231 and 54.5% of the budget. Year to date program expenses total \$424,505 and are 48.1% of the budgeted amount. Year to date revenues exceed year to date expenses by \$87,221 and increases fund balance by same.

Wastewater Fund: Wastewater charges are \$667,590 year to date and are 58.9% of the budgeted amount. Prior year to date wastewater charges were \$616,278 and was 56.0% of the budgeted amount. Year to date program expenses are \$1,086,595 and are 43.7% of the budgeted amount. Year to date revenues exceed year to date expenses by \$196,915 and increases fund balance by same.

Storm Drain Fund: Storm drain charges are \$73,247 year to date and are 50.2% of the budgeted amount. Prior year to date storm drain charges were \$71,214 and was 50.2% of the budgeted amount. Program expenses are \$86,830 and are 45.9% of the budgeted amount. Year to date revenues are less than year to date expenses by \$11,694 and decreases fund balance by same.

Roads Fund: Year to date revenues amount to \$834,932 and are 87.3% of the budgeted amount. Property tax, state highway funds, and transfers from the general fund contribute the majority of the revenue in the amounts of \$212,006, \$43,864, and \$579,000, respectively. Program expenses are \$215,353 and are 23.0% of the budgeted amount. Year to date revenues exceed year to date expenses by \$619,579 and increases fund balance by same.

Debt Service Fund: Property taxes collected and transfers in from the General Fund, year to date, amount to \$313,344 and \$163,458, respectively. Interest payments were made in the amount of \$79,162. Fund balance increased by \$397,640. Payments are made in December and June each year. The June payments include principal and interest.

Reserve Funds: The Water Reserve had transfers in from the General Fund of \$250,000. The Wastewater Reserve had transfers in from the General Fund of \$275,525 and expenditures of \$142,282. A transfer from the GF was made to the General Reserve Fund in the amount of \$400,000.

Transient Room Tax: Quarter 1 tax increased 7.75% from the prior quarter 1 2017 or \$133,212 and exceeds the budget by \$30,012. See page 6.

Financial Narrative for the 2nd Quarter, FYE 2018

Note: Revenues and expenses should track at 6/12 or 50% of the budget. Data is presented on the budgetary/modified accrual basis.

Cash increased \$556,962 from the 2nd quarter ending last year.

General Fund: Total revenues, year to date, are \$2,625,838 and are 47.4% of the budget.

Revenues during the 2nd quarter are \$2,392,734 compared to the prior year quarter amount of \$2,357,812 and are up by \$34,922. The city received two distributions from marijuana in the amount of \$6,058. This is part of the state shared revenues and does not include the 3% from the local tax. The 1st 3% tax will be received in March.

At the end of the quarter cash balances were held as follows: LGIP, \$5,204,038, Columbia Bank, \$106,022, Express Bill Pay, \$9,858, and cash on hand, \$371.

Expenses in the current quarter amount to \$2,595,153 compared to the prior quarter amount of \$1,678,014 an increase of \$917,139. This increase is mostly a result of transfers which increased from the prior quarter by \$959,483.

Total year to date expenditures in all departments amount to \$3,601,755 and are at 54.2% of the budget. Departments are all under budget except non-departmental where 100% of the budgeted transfers have been made.

Fund balance decreased by \$975,917 current year to date.

TAF: The ending fund balance as of 12/31/17 is \$218,851. Awards of \$110,994 were made in the current quarter. See page 7.

Building Department: Building, Mechanical, Plumbing permits, Plan Review fees, and Building Inspector revenue from Manzanita, year to date, are \$49,638, \$2,882, \$8,989, \$27,139, and \$19,500, respectively, and total \$108,148. Total program expenses year to date are \$105,140 and are 47.7% of the budget. Fund balance increased year to date by \$4,570.

Affordable Housing: Construction excise tax in the amount of \$4,890 was received consisting of \$4,459 in residential and \$431 in commercial improvements.

RV Park: Year to date revenue is \$1,026,233 and is at 68.4% of the budget compared to the prior year to date amount of \$876,970. Year to date program expenses total \$812,117 and are 56.1% of the budget compared to last year to date expenses of \$972,171 and were 56.0% of the budget. Fund balance increased \$214,116 year to date.

Recycling Fund: Recycle surcharge and recycle sales year to date are \$93,800 and \$8,964, respectively and \$87,797 and \$8,868, last year to date. Year to date program expenses are \$98,157 and are 46.4% of the budgeted amount. Fund balance increased year to date by \$4,607.

Water Fund: Water charges are \$502,200 year to date and are 58.7% of the budgeted amount. Prior year to date

General Fund Revenue

2nd Quarter 2017

Revenue	October - December		Current Fiscal Year to Date	2017-2018 Budget	% of Current Budget
	2017	2016			
1 Property taxes-current	571,395	537,626	571,395	598,065	95.54
2 Property taxes-prior	8,047	7,375	10,494	20,000	52.47
3 Transient room tax 6%	1,202,099	1,124,961	1,202,123	2,714,416	44.29
4 Transient room tax 1% - 07/01/10	60,105	56,185	60,106	135,208	44.45
5 Transient room tax 1% - 10/01/15	200,350	187,300	200,354	451,923	44.33
6 Short Term Room Tax 6%	185,065	163,420	187,784	367,351	51.12
7 Short Term Room Tax 1% - 07/01/10	9,253	7,704	9,389	17,233	54.48
8 Short Term Room Tax 1% - 10/01/15	30,845	27,237	31,298	61,227	51.12
9 Business Licenses	5,648	3,081	70,273	68,500	102.59
10 Gaming License				25	0.00
11 Alarm Fees	460	300	625	1,000	62.50
12 Franchise Fees	39,096	36,181	54,409	196,000	27.76
13 Liquor Taxes	8,496	6,191	10,716	26,454	40.51
14 OLCC License Renewal				245	0.00
15 Cigarette Taxes	381	560	769	2,052	37.48
16 State revenue sharing	9,660	8,783	9,659	36,000	26.83
17 Marijuana Tax	6,058		6,058		0.00
18 Other Grant Funds					0.00
19 Land Leases	10,324	10,125	20,449	39,858	51.30
20 Fire District Share-Dispatch	-		15,251	15,100	101.00
21 Interest Income	18,436	11,392	30,201	40,000	75.50
22 Vehicle Impound Fees	-	150	200	700	28.57
23 Contributions	(6,750)	-	4,000	-	0.00
24 Miscellaneous Income	1,815	2,645	2,949	10,000	29.49
25 Transfers In		150,000			0.00
HRAP					
26 Grants	7,100		7,100	50,000	14.20
27 Day Camp Revenue			385	4,000	9.63
28 HRAP Eco Tours	93		1,802	3,000	60.07
29 Donations-Friends of HRAP				30,000	0.00
30 Donations-Misc	20		20	-	0.00
Farmer's Market					
31 Vendor Fees			4,700	12,000	39.17
32 Fundraising Children's Program					0.00
33 Farmer's Market Sales	90	(6)	2,312	2,000	115.60
34 Entertainment Donations	100		200	750	26.67
Municipal Court					
35 Fines	12,723	10,076	41,305	51,000	80.99
Planning					
36 Short Term Rental Permit	450	300	15,300	18,000	85.00
37 Sign Permit	100	150	350	400	87.50
38 Planning	3,875	2,925	6,275	14,800	42.40
39 Local Planning Fee	200	1,939	2,734	11,000	24.85
40 Tree Permit	900		1,450		0.00
41 Grant-LCDC	1,000		1,000	-	0.00
42 Grant-ODOT				132,000	0.00
Ecola Forest Reserve					
43 OWEB Grant - Federal				134,230	0.00
44 OWEB Grant - State				189,240	0.00
PW Parking					
45 Parking Lot Maintenance			35,423	35,423	100.00
Police					
46 BVP Grant		837			0.00
47 OR Impact Grant	328	130	328	1,200	27.33
48 K-9 Donations	700	245	1,703	1,000	170.30
49 CB National Night Out			150	150	100.00
EPREP					
50 Container Revenue			417	1,500	27.80
51 Storage Fee Revenue			110	1,200	9.17
52 OEM Grant (FOG)	4,272		4,272	5,000	85.44
53 OEM Grant (Disaster Recovery)				28,000	0.00
54 NAACHO Grant (Vulnerable Pop)				15,000	0.00
55 Total revenues	2,392,734	2,357,812	2,625,838	5,542,250	47.38

General Fund Expenditures by Department

2nd Quarter 2017

		October - December		Current	2017-2018	% of
		2017	2016	Fiscal Year	Budget	Current
				to Date		Budget
	Executive					
1	Building Maintenance	16,636	16,089	27,228	135,558	20.09
2	Community Programs	200,518	108,346	295,124	660,205	44.70
3	HRAP	65,656	50,188	145,502	296,124	49.14
4	Farmer's Market	9,087	10,878	19,008	40,853	46.53
5	Municipal Court	4,480	5,811	11,257	38,366	29.34
6	Total Executive	296,377	191,312	498,119	1,171,106	42.53
7	Planning	85,371	68,216	151,768	454,122	33.42
	Public Works					
8	Ecola Forest Reserve	2,914	942	8,007	387,437	2.07
9	Existing School Site		4,200		25,000	0.00
10	Parks	43,357	46,451	119,836	279,164	42.93
11	Parking	4,180	3,610	8,042	34,150	23.55
12	Public Restrooms-Litter	23,547	51,936	100,935	169,500	59.55
13	Total Public Works	73,998	107,139	236,820	895,251	26.45
	Public Safety					
14	Police	296,814	352,378	632,538	1,319,689	47.93
15	Lifesaving	28,006	50,516	83,189	147,290	56.48
17	EPREP	38,987	17,966	61,002	207,975	29.33
18	Total Public Safety	363,807	420,860	776,729	1,674,954	46.37
	Non-Departmental					
19	Administrative Services	107,617	181,987	270,336	542,729	49.81
20	Capital Outlay					
21	Contingency				236,908	0.00
22	Transfers	1,667,983	708,500	1,667,983	1,667,983	100.00
23	Total Non-Departmental	1,775,600	890,487	1,938,319	2,447,620	79.19
24	Total Expenditures	2,595,153	1,678,014	3,601,755	6,643,053	54.22
General Fund Summary						
			Fiscal Year	Fiscal Year	2017/2018	
			Ending 2018	Ending 2017	Budget	
25	Beginning Fund Balance-July 1		\$ 1,641,372	\$ 1,522,449	\$ 1,325,000	
26	Revenues year to date		2,625,838	2,564,369	5,542,250	
27	Expenditures year to date		3,601,755	2,936,749	6,643,053	
28	Ending Fund Balance-December 31		\$ 665,455	\$ 1,150,069	\$ 224,197	

Other Funds - Revenues with Expenditures (by object class)

2nd Quarter 2017

	Tourism and Arts Fund					Building Official Fund			
	Current Quarter	Year to Date	Budget	% of Budget		Current Quarter	Year to Date	Budget	% of Budget
1 Beginning Fund Balance	168,009	167,689	-	-		76,611	66,681	55,000	121.24
2 Plus: Revenues	161,836	162,156	360,708	44.95		42,647	109,710	188,000	58.36
Less:									
3 Personnel Services						38,837	74,875	152,251	49.18
4 Materials and Services	110,994	110,994	360,708	30.77		9,170	30,265	68,201	44.38
5 Program Expenses Subtotal	110,994	110,994	360,708	30.77		48,007	105,140	220,452	47.69
6 Contingency								22,548	-
7 Ending Fund Balance	218,851	218,851	-	-		71,251	71,251	-	-
	Affordable Housing Fund					RV Park Fund			
	Current Quarter	Year to Date	Budget	% of Budget		Current Quarter	Year to Date	Budget	% of Budget
8 Beginning Fund Balance	23,368	-	-	-		539,911	311,899	100,000	311.90
9 Plus: Revenues	4,890	28,258	429,750	6.58		292,774	1,026,233	1,500,000	68.42
Less:									
10 Personnel Services	-	-	-	-		499	969	5,212	18.59
11 Materials and Services	550	550	77,097	0.71		306,171	811,148	1,443,481	56.19
12 Capital Outlay	-	-	295,000	-		-	-	-	-
13 Program Expenses Subtotal	550	550	372,097	0.15		306,670	812,117	1,448,693	56.06
14 Debt Service			45,325	-					
15 Transfers Out		-	-	-			-	6,438	-
16 Contingency			12,328	-				144,869	-
17 Ending Fund Balance	27,708	27,708	-	-		526,015	526,015	-	-
	Recycling Fund					Water Fund			
	Current Quarter	Year to Date	Budget	% of Budget		Current Quarter	Year to Date	Budget	% of Budget
18 Beginning Fund Balance	76,518	72,701	30,000	242.34		327,209	234,455	120,000	195.38
19 Plus: Revenues	51,832	102,764	181,400	56.65		196,874	511,726	882,000	58.02
Less:									
20 Personnel Services	29,017	53,991	116,943	46.17		84,286	155,400	321,378	48.35
21 Materials and Services	22,025	44,166	94,441	46.77		118,121	267,363	560,663	47.69
22 Capital Outlay				-		-	1,742	-	-
23 Program Expenses Subtotal	51,042	98,157	211,384	46.44		202,407	424,505	882,041	48.13
24 Debt Service							-	-	-
25 Contingency			16	-				119,959	-
26 Ending Fund Balance	77,308	77,308	-	-		321,676	321,676	-	-

Other Funds - Revenues with Expenditures (by object class)

2nd Quarter 2017

	Wastewater Fund					Storm Drain Fund			
	Current Quarter	Year to Date	Budget	% of Budget		Current Quarter	Year to Date	Budget	% of Budget
1 Beginning Fund Balance	454,023	275,702	140,000	196.93		70,458	64,715	70,000	92.45
2 Plus: Revenues	262,413	671,297	1,139,535	58.91		36,677	75,136	147,889	50.81
Less:									
3 Personnel Services	101,054	184,548	371,208	49.72		16,750	30,091	74,657	40.31
4 Materials and Services	142,765	286,316	715,387	40.02		37,364	56,739	114,712	49.46
5 Capital Outlay	-	3,518	-	-					-
6 Program Expenses Subtotal	243,819	474,382	1,086,595	43.66		54,114	86,830	189,369	45.85
7 Contingency			192,940	-				28,520	-
8 Ending Fund Balance	472,617	472,617	-	-		53,021	53,021	-	-
	Roads Fund					Debt Service			
	Current Quarter	Year to Date	Budget	% of Budget		Current Quarter	Year to Date	Budget	% of Budget
9 Beginning Fund Balance	69,793	154,883	75,000	206.51		78,886	77,412	55,000	140.75
10 Plus: Revenues	816,478	834,932	956,081	87.33		475,328	476,802	503,325	94.73
Less:									
11 Personnel Services	54,571	91,130	221,486	41.14					
12 Materials and Services	57,238	124,223	664,886	18.68					
13 Capital Outlay	-	-	50,000	-					
14 Program Expenses Subtotal	111,809	215,353	936,372	23.00		-	-	-	-
15 Debt Service						79,162	79,162	543,325	14.57
16 Contingency			94,709	-					
17 Ending Fund Balance	774,462	774,462	-	-		475,052	475,052	15,000	3,167.01
	Administrative Services								
	Current Quarter	Year to Date	Budget	% of Budget					
18 Beginning Fund Balance	-	-	-	-					
19 Plus: Revenues	323,521	766,744	1,553,946	49.34					
Less:									
20 Executive	110,647	200,980	496,851	40.45					
21 Finance	109,591	182,784	397,499	45.98					
22 IT	36,965	112,568	187,786	59.94					
23 Central Services	15,117	146,520	189,662	77.25					
24 Public Works	51,201	123,892	282,148	43.91					
25 Ending Fund Balance	-	-	-	-					

Transient Room Tax

2nd Quarter 2017

City of Cannon Beach						
Transient Room Tax						
		Quarter Ending				Grand
		9/30/17	12/31/17	3/31/18	6/30/18	Total
Motel/Hotel Tax		1,602,832.64	-	-	-	1,602,832.64
S/T vacation rentals		250,377.39	-	-	-	250,377.39
Total		1,853,210.03	-	-	-	1,853,210.03

City of Cannon Beach								
Transient Room Tax								
Total Collections and Projected Amounts-All Funds								
		July - Sept	Oct - Dec	Jan - Mar	Apr - July	General Fund and TAF		Budget to Actual
	Fiscal Year End	Qtr 1	Qtr 2	Qtr 3	Qtr 4	Total	Budget	Variance
1	2018 Budget	1,823,198	618,772	611,333	1,054,763	4,108,066	projected 4,108,065	
2	2018 Actual	1,853,210	-			1,853,210	4,108,065	(2,254,855)
3	2017	1,719,998	583,747	519,371	1,021,108	3,844,224	3,280,816	563,408
4	2016	1,444,920	564,953	559,931	966,077	3,535,881	3,118,010	417,871
5	2015	1,335,588	481,065	444,857	783,542	3,045,052	2,811,000	234,052
6	2014	1,279,658	427,965	383,196	670,283	2,761,102	2,673,000	88,102
7	2013	1,248,163	404,291	352,632	642,276	2,647,362	2,496,000	151,362
8	2012	1,193,952	374,198	330,621	566,291	2,465,062	2,387,000	78,062
9	2011	1,118,912	364,361	305,011	547,284	2,335,568	2,415,000	(79,432)
Percentage increase over prior quarter								
	Fiscal Year End	July - Sept	Oct - Dec	Jan - Mar	Apr - July	Total		
		Qtr 1	Qtr 2	Qtr 3	Qtr 4	Total		
10	2018	7.745%	-100.000%	-100.000%	-100.000%	-51.792%		
11	2017	19.0376%	3.3266%	-7.2437%	5.6963%	8.7204%		
12	2016	8.1861%	17.4380%	25.8676%	23.2961%	16.1189%		
13	2015	4.3707%	12.4076%	16.0912%	16.8972%	10.2839%		
14	2014	2.5233%	5.8557%	8.6674%	4.3606%	4.2964%		
15	2013	4.5405%	8.0420%	6.6575%	13.4180%	7.3954%		
16	2012	6.7065%	2.6998%	8.3964%	3.4730%	5.5444%		

Transient Room Tax—Tourism and Arts Fund

2nd Quarter 2017

City of Cannon Beach									
Fiscal Year 2017-2018									
Tourism and Arts Fund (012)									
		Council	Percent						
		Approved	of	Budgeted	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	
		Total	Total	Revenue	Distributions				Total
1	CB Arts Association - Artist Program	20,500	7.39%		8,200.00	4,100.00	3,075.00	5,125.00	20,500
2	CB Chamber - CB Fatbike Festival	15,325	5.52%		6,130.00	3,065.00	2,298.75	3,831.25	15,325
3	CB Chamber - North Coast Partnership	16,250	5.86%		6,500.00	3,250.00	2,437.50	4,062.50	16,250
4	CB Chamber - Tourism Event Video	22,400	8.07%		8,960.00	4,480.00	3,360.00	5,600.00	22,400
5	Clatsop Animal Assistance - Savor CB	42,624	15.36%		17,049.60	8,524.80	6,393.60	10,656.00	42,624
6	CB Gallery Group - Spring Unveiling, Plein Air, & More	46,333	16.70%		18,533.20	9,266.60	6,949.95	11,583.25	46,333
7	CB History Center - Cottage Tour	24,500	8.83%		9,800.00	4,900.00	3,675.00	6,125.00	24,500
8	Coaster Theatre - Special Events	39,053	14.07%		15,621.20	7,810.60	5,857.95	9,763.25	39,053
9	CB Library - Women's Only Weekend	6,500	2.34%		2,600.00	1,300.00	975.00	1,625.00	6,500
10	North Coast Land Conservancy - Coast Walk Oregon	10,000	3.60%		4,000.00	2,000.00	1,500.00	2,500.00	10,000
11	Tolovana Arts Colony - CB Comedy Festival	4,000	1.44%		1,600.00	800.00	600.00	1,000.00	4,000
12	Tolovana Arts Colony - Get Lit	30,000	10.81%		12,000.00	6,000.00	4,500.00	7,500.00	30,000
	Totals	277,485	100%	360,708	110,994.00	55,497.00	41,622.75	69,371.25	277,485
Breakdown of Distribution %					Receipts from 1%				Total
13	1st Qtr	110,994.00	40%	Hotel/Motel	200,296.78	58.65	-	-	200,355.43
14	2nd Qtr	55,497.00	20%	Short Term	28,536.76	2,759.28	-	-	31,296.04
15	3rd Qtr	41,622.75	15%	rounding	-0.17				
16	4th Qtr	69,371.25	25%						
17	Total	277,485.00	100%	Total	228,833.37	2,817.93	-	-	231,651.47
18				less: 30%	68,650.01	845.38	-	-	69,495.44
19	Total available				160,183.36	1,972.55	-	-	162,156.03
20	Fund Balance at July 1, 2017								167,689
21	Plus: 1% transient room tax								162,156
22	Less: Distributions								110,994
23	Ending Fund Balance 12/31/17								218,851

For budget details, please refer to the City of Cannon Beach Adopted Budget for fiscal year ending June 30, 2017. Budget amounts reflect budget adjustments approved by the Council during the fiscal year. Information and data presented in this report is unaudited.