



Interoffice Memorandum—Office of Mayor Nancy Rossi

TO: Municipal Accountability Review Board

FROM: Ronald Cicatelli

DATE: 1/7/18

SUBJECT: City of West Haven Financial Report Through (November, 2018)

ADDENDUM: Sewer Fund and Allingtown Fire Department

I am transmitting an addendum to the previously submitted General Fund monthly financial report for the period ending November 30, 2018 to include the monthly financial reports for the City's Sewer Fund and Allingtown Fire Department. Since each of their operations is special revenue funds, segregated from the General Funds, they have separate and distinct budgets.

To simplify the financial status of each of these operations, I have developed the summary below.

I. West Haven Sewer Fund A/O November 30th, 2018

Comparison with the FY18 budget through November 2017

Expenditures:

	Budget:	Expended/ Encumbered	Percent Used	Available Budget
FY19	\$ 11,797,193	\$ 4,643,882	39.36%	\$ 7,153,311
FY18	\$ 11,788,128	\$ 4,770,450	40.47%	\$ 7,071,678

Revenues:

	Budget:	Expended/ Encumbered	Percent Used	Available Budget
FY19	\$ 11,797,193	\$ 6,241,539	52.91%	\$ 5,555,654
FY18	\$ 11,788,128	\$ 6,571,391	55.75%	\$ 5,216,732

At this moment in time the percentage of budget expended is slightly under the budget expended through the same period last fiscal year (39.36% to 40.47%). Conservatively the revenues for this fiscal year are tracking slightly less than last fiscal year through the same period (52.91% to 55.75%).

However with about 41.67% of the fiscal year having expired, the FY19 expenditures are trending below budget while the FY19 revenues are tracking well ahead of budget. In short, the FY19 expenditures and revenues are tracking relatively consistently with last year's budget which ended the fiscal year with an operating surplus of approximately \$1.8M.

Given this information and the expenditure and revenue trends over the past three fiscal years, I expect that the Sewer Fund is likely to generate a healthy year end surplus.

II. Allingtown Fire Department A/O November 30, 2018

Comparison with FY18 budget through November 30, 2017

Expenditures:

	Budget:	Expended/ Encumbered	Percent Used	Available Budget
FY19	\$ 6,929,850	\$ 2,800,935	40.42%	\$ 4,128,915
FY18	\$ 7,203,708	\$ 2,450,435	34.02%	\$ 4,753,273

Revenues:

	Budget:	Expended/ Encumbered	Percent Used	Available Budget
FY19	\$ 6,929,850	\$ 3,782,493	54.58%	\$ 3,147,357
FY18	\$ 7,203,708	\$ 3,295,215	45.74%	\$ 3,908,493

It should be noted that this budget will be amended in the near future to comply with MARB recommended revisions that were proposed after the fire budget was adopted. The purpose of the amendment was to generate additional revenue to eliminate the negative fund balance for this fund. To accomplish this, authority was granted for the City to issue a supplemental tax bill for the Allingtown Fire Department District and such billing was conducted in early December. Once the impact of the supplemental tax is reconciled, this budget will have to be amended in accordance with conditions of the City Charter. Please note that this is additional revenue, since it will be utilized to offset the estimated fund deficit will have little if any effect on the operation and ultimate results of this budget.

At this stage, expenses are tracking as expected, in spite of being slightly ahead of last year at this time. Correspondingly, as the above chart reflects, revenues are tracking well ahead of last year by almost 9.0%

Given the historically strong revenue collections, and the current years revenue trend and expenditures tracking with the budget the Fire Department should end the year with a positive result of operations.