



# Budget Presentation 3/31/2018

Presented to:  
Amarillo City Council 6/5/2018

# General Fund Budget

# General Fund Revenue

For the six months ended March 31, 2018

Budget

• \$105.6 million

Actual

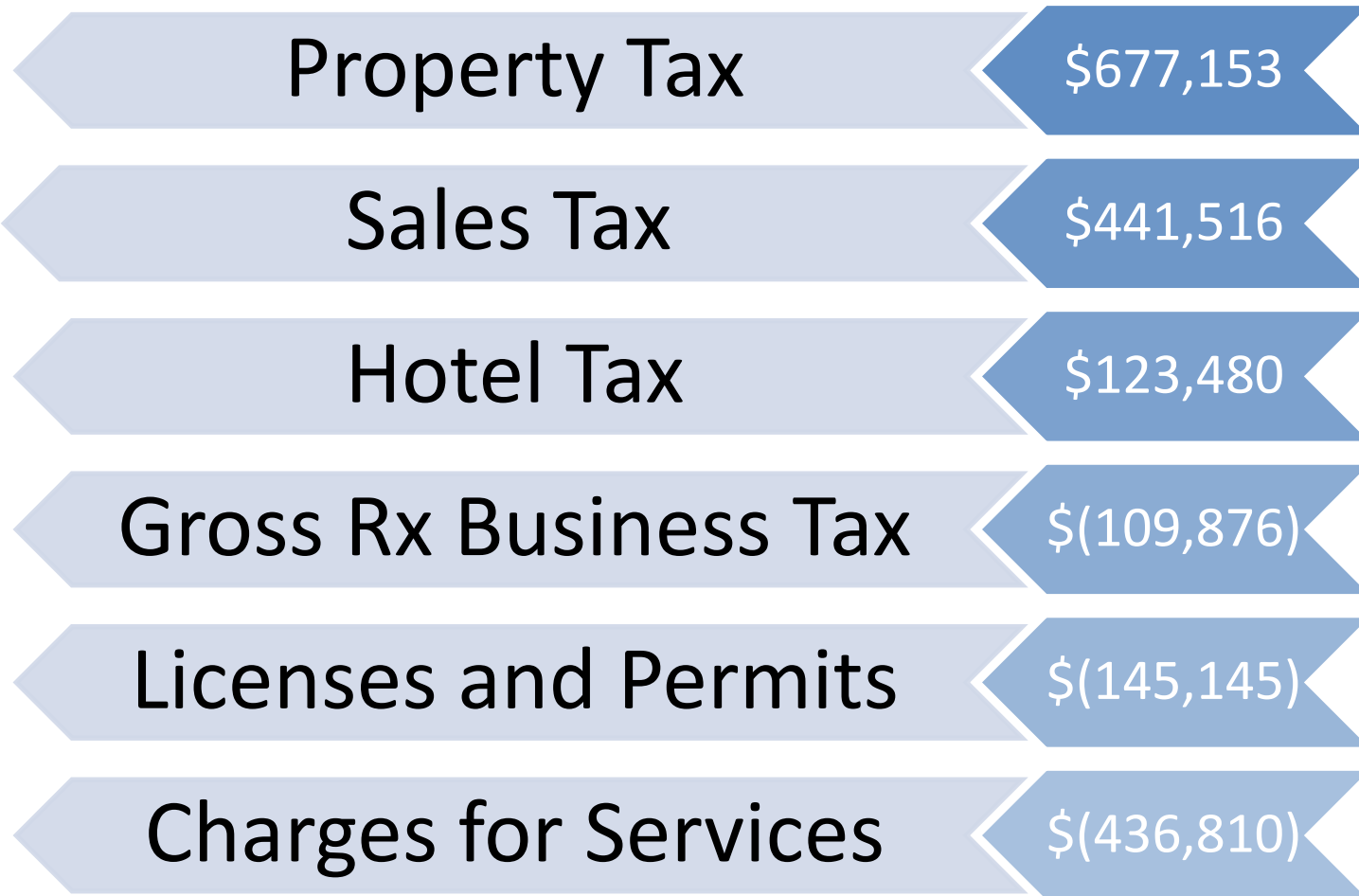
• \$105.6 million

Variance

• \$(3,912)

# General Fund Major Revenue

## Quarter End Variances



# General Fund Expenses

For the six months ended March 31, 2018

Budget

• \$88.2 million

Actual

• \$87.0 million

Variance

• \$1.2 million

Net Variance

• \$1.2 million

# Sales Tax Collections

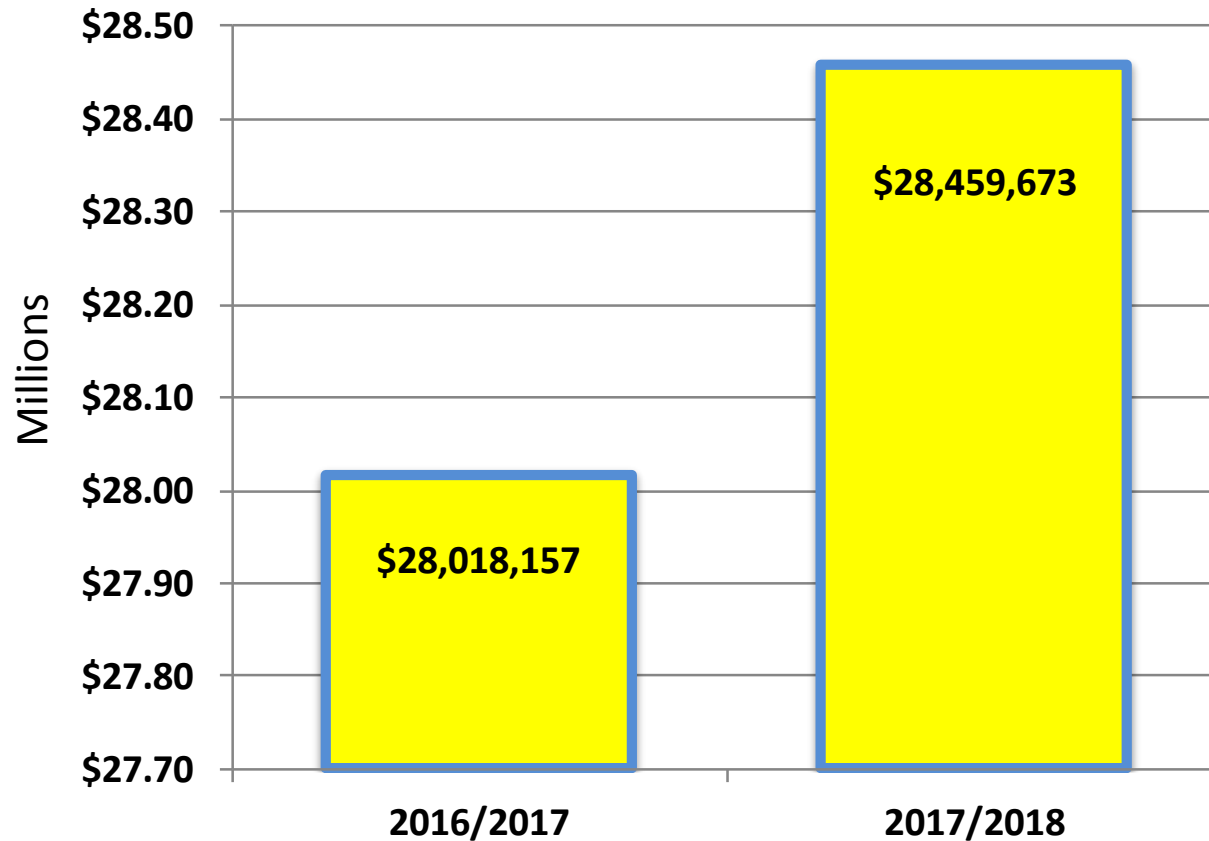
## Ten Year History

|                                |              |
|--------------------------------|--------------|
| <b>Amarillo Sales Tax Rate</b> |              |
| <b>State</b>                   | <b>6.25%</b> |
| <b>City</b>                    | <b>1.50%</b> |
| <b>AEDC</b>                    | <b>0.50%</b> |
|                                | <b>8.25%</b> |

| <b>Sales Tax Collections</b> |                   | <b>% Change</b> |
|------------------------------|-------------------|-----------------|
| <b>2008</b>                  | <b>43,813,349</b> |                 |
| <b>2009</b>                  | <b>43,633,153</b> | <b>-0.41%</b>   |
| <b>2010</b>                  | <b>41,980,827</b> | <b>-3.79%</b>   |
| <b>2011</b>                  | <b>45,619,081</b> | <b>8.67%</b>    |
| <b>2012</b>                  | <b>48,016,592</b> | <b>5.26%</b>    |
| <b>2013</b>                  | <b>51,680,575</b> | <b>7.63%</b>    |
| <b>2014</b>                  | <b>54,420,896</b> | <b>5.30%</b>    |
| <b>2015</b>                  | <b>55,476,061</b> | <b>1.94%</b>    |
| <b>2016</b>                  | <b>55,998,541</b> | <b>0.94%</b>    |
| <b>2017</b>                  | <b>55,551,450</b> | <b>-0.80%</b>   |



# Current Year Sales Tax Collections October through March



**\$441,516 increase or 1.58%**

# Sales Tax: Current Year Collections

| REVENUE SOURCE             | 2016/2017<br>ACTUAL  | 2017/2018<br>ACTUAL  | INCREASE<br>(DECREASE) |
|----------------------------|----------------------|----------------------|------------------------|
| <b>ACTUAL COLLECTIONS</b>  |                      |                      |                        |
| OCTOBER                    | 4,543,603            | 4,536,601            | (7,002)                |
| NOVEMBER                   | 4,894,022            | 5,001,798            | 107,776                |
| DECEMBER                   | 4,258,779            | 4,239,703            | (19,076)               |
| JANUARY                    | 4,391,175            | 4,466,219            | 75,044                 |
| FEBRUARY                   | 5,949,724            | 6,080,426            | 130,703                |
| MARCH                      | 3,980,854            | 4,134,926            | 154,072                |
| <b>CURRENT COLLECTIONS</b> | <b>\$ 28,018,157</b> | <b>\$ 28,459,673</b> | <b>\$ 441,516</b>      |
|                            |                      |                      | <b>1.58% increase</b>  |

|                  |            |
|------------------|------------|
| 2016/2017 Budget | 56,746,822 |
| 2016/2017 Actual | 55,551,450 |
| 2017/2018 Budget | 55,563,044 |





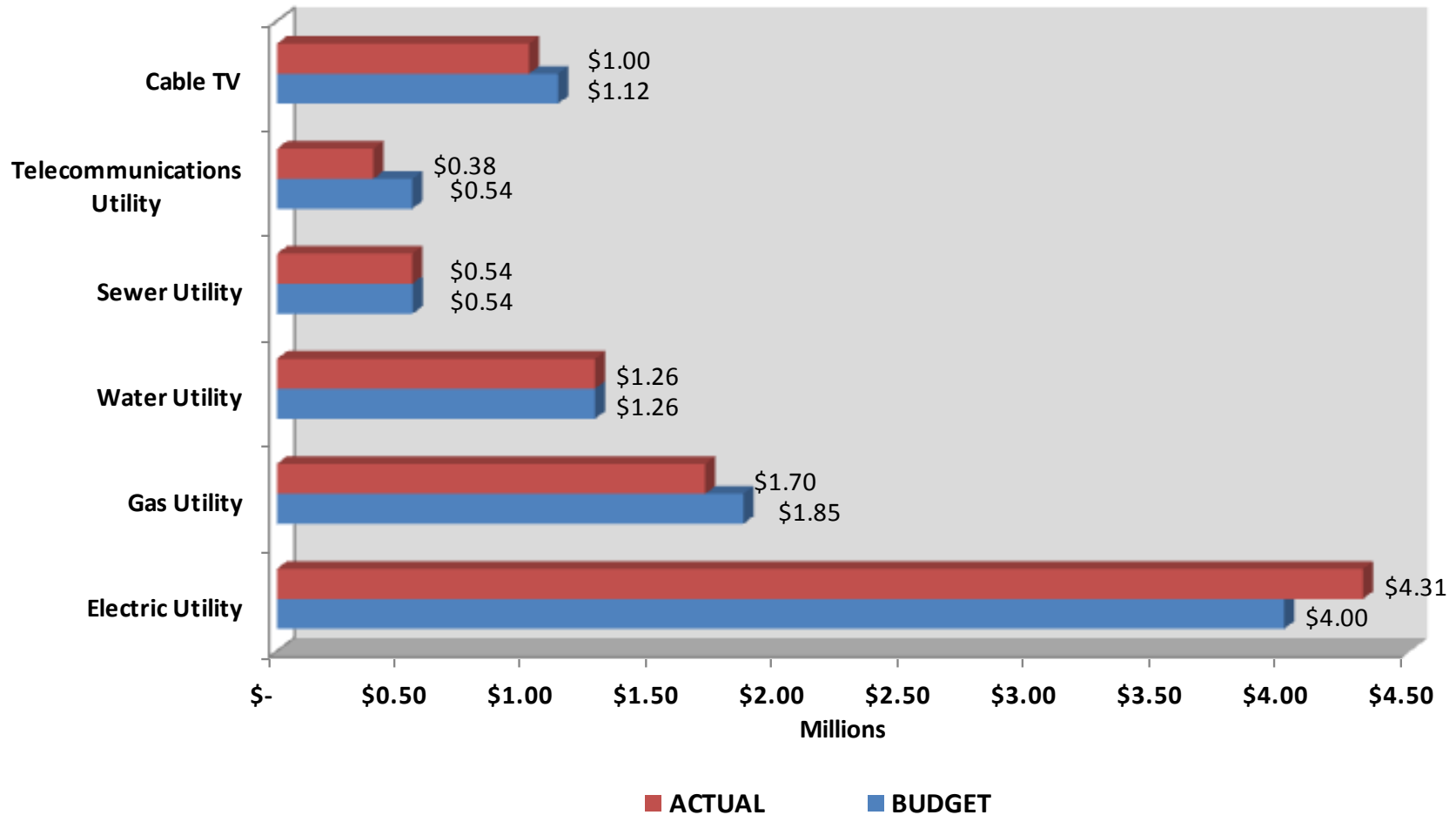
# Gross Receipts Business Tax (Franchise Fees)

- **Electric Utility – 5%**
- **Gas Utility – 5%**
- **Telephone Utilities – per line charge**
- **Cable TV – 5%**
- **City-owned utilities – Water and Sewer based on a per account charge**



# Gross Receipts Business

## Budget versus Actual – October through March



**\$109,876 under-budget or 1.18%**

# Gross Receipts Business

|                               | Actual<br>2015/16 | Budget<br>2016/17 | Actual<br>2016/17 | Budget<br>2017/18 |
|-------------------------------|-------------------|-------------------|-------------------|-------------------|
| <b>30410 Electric Utility</b> | 7,745,095         | 7,784,335         | 8,483,308         | 8,384,820         |
| <b>30420 Gas Utility</b>      | 2,540,409         | 2,612,258         | 2,998,058         | 3,196,213         |

|                                         | Actual<br>2015/16 | Budget<br>2016/17 | Actual<br>2016/17 | Budget<br>2017/18 |
|-----------------------------------------|-------------------|-------------------|-------------------|-------------------|
| <b>30430 Water Utility</b>              | 2,281,820         | 2,313,445         | 2,331,235         | 2,533,839         |
| <b>30435 Sewer Utility</b>              | 975,834           | 992,598           | 990,446           | 1,081,330         |
| <b>30440 Telecommunications Utility</b> | 1,080,156         | 1,272,000         | 1,026,621         | 1,011,771         |
| <b>30450 Cable TV</b>                   | 2,155,243         | 2,185,000         | 2,133,117         | 2,252,678         |



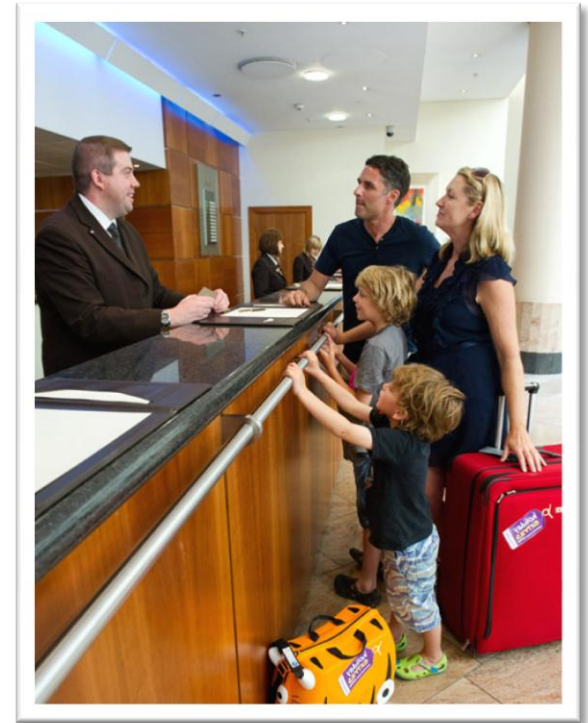
# Hotel Occupancy Tax

## HOT Tax Collections

|      |           | % Change |
|------|-----------|----------|
| 2008 | 4,331,449 |          |
| 2009 | 4,232,250 | -2.29%   |
| 2010 | 4,399,887 | 3.96%    |
| 2011 | 4,782,868 | 8.70%    |
| 2012 | 5,002,181 | 4.59%    |
| 2013 | 5,691,119 | 13.77%   |
| 2014 | 5,937,402 | 4.33%    |
| 2015 | 6,341,559 | 6.81%    |
| 2016 | 6,777,185 | 6.87%    |
| 2017 | 6,580,376 | -2.90%   |

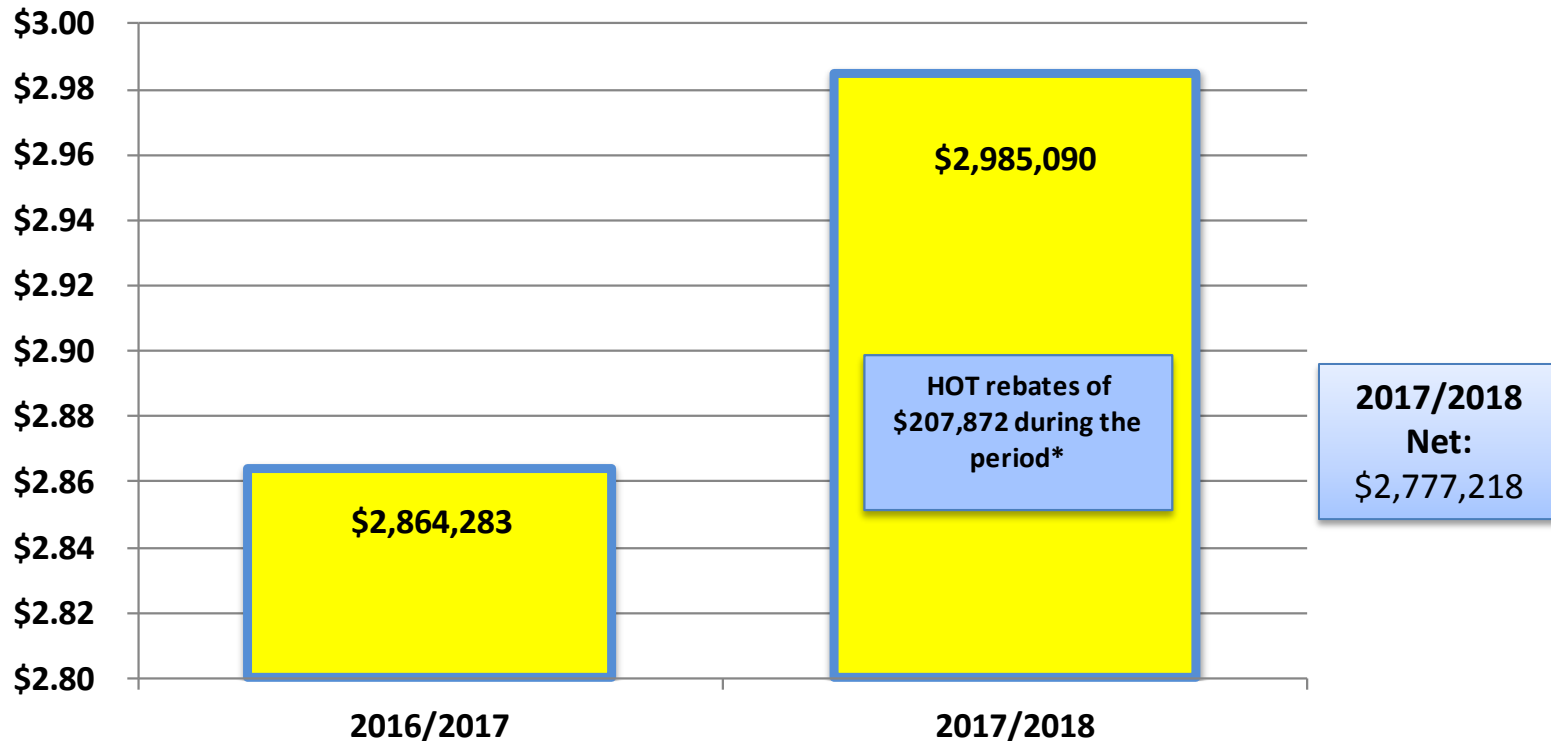
## HOT tax rate

|        |        |
|--------|--------|
| State  | 6.00%  |
| City   | 7.00%  |
| Venue* | 2.00%  |
|        | 15.00% |



\*The Amarillo-Potter Events Venue District was created by voter approval in September 1997.

# Current Year HOT Collections October through March



**\$120,807 increase or 4.22%**

**NOTE:** Per the Development Agreement, the City will refund the Local HOT Revenues submitted by Embassy Suites for a period of 20 years.

# Hotel Current Year Revenue Receipts

| REVENUE SOURCE             | 2016/2017<br>ACTUAL | 2017/2018<br>ACTUAL | INCREASE<br>(DECREASE) |
|----------------------------|---------------------|---------------------|------------------------|
| <b>ACTUAL COLLECTIONS</b>  |                     |                     |                        |
| OCTOBER                    | 538,568             | 568,641             | 30,073                 |
| NOVEMBER                   | 533,383             | 533,999             | 617                    |
| DECEMBER                   | 480,036             | 521,119             | 41,082                 |
| JANUARY                    | 464,699             | 499,153             | 34,454                 |
| FEBRUARY                   | 409,152             | 437,327             | 28,175                 |
| MARCH                      | 438,445             | 424,851             | (13,594)               |
| <b>CURRENT COLLECTIONS</b> | <b>2,864,283</b>    | <b>2,985,090</b>    | <b>120,807</b>         |

4.22% increase

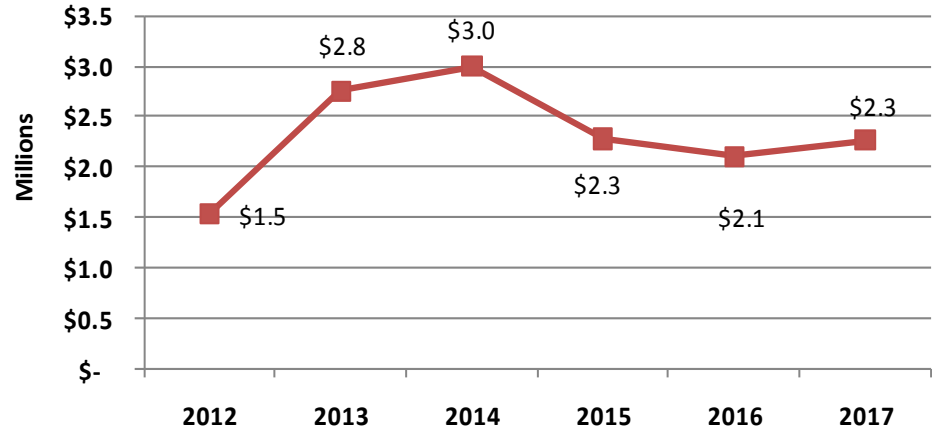


# Sanitation Sales

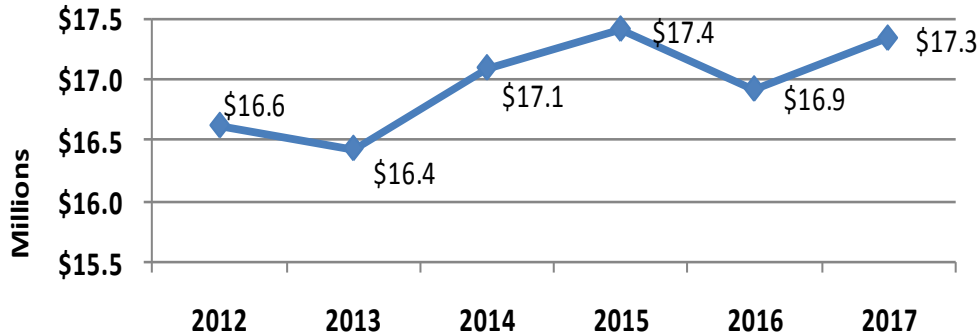
Six months ended 3/31/2018

|                                     | Budget              | Actual             | Variance            |
|-------------------------------------|---------------------|--------------------|---------------------|
| Solid Waste Collection fees earned  | \$ 8,715,453        | \$8,609,769        | \$ (105,684)        |
| Landfill fees earned                | \$ 1,209,595        | \$1,127,019        | \$ (82,576)         |
| <b>Total Sanitation fees earned</b> | <b>\$ 9,925,048</b> | <b>\$9,736,788</b> | <b>\$ (188,260)</b> |

## Landfill



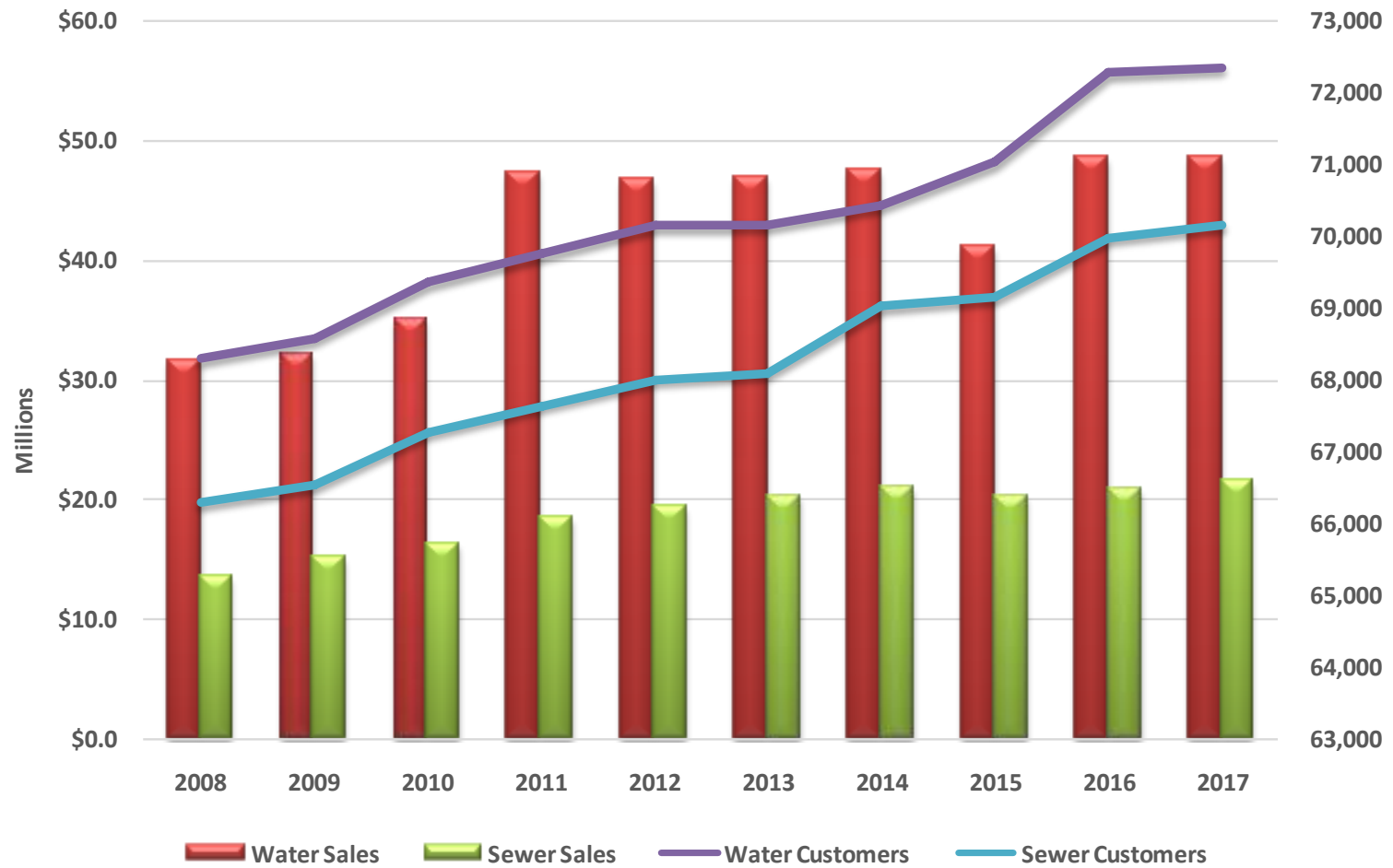
## Solid Waste Collection



|      | Collection | Landfill  |
|------|------------|-----------|
| 2012 | 16,616,253 | 1,541,988 |
| 2013 | 16,428,492 | 2,754,840 |
| 2014 | 17,088,981 | 2,997,937 |
| 2015 | 17,405,937 | 2,278,380 |
| 2016 | 16,915,730 | 2,104,694 |
| 2017 | 17,331,921 | 2,268,780 |

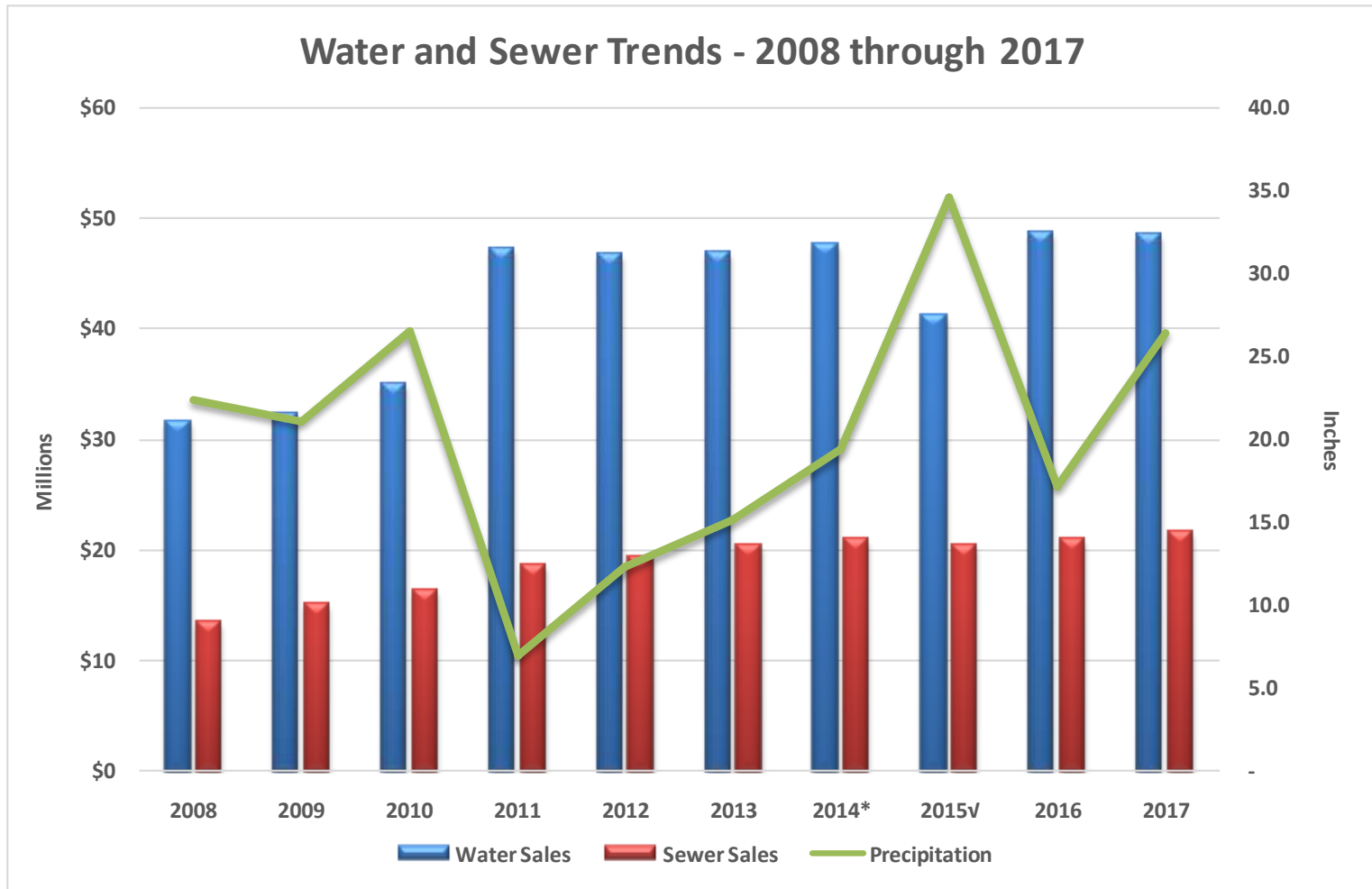
# Water and Sewer Trends

## Water and Sewer Trends - 2008 through 2017





# Water and Sewer Trends



\*Near Normal – 65<sup>th</sup> wettest and 63<sup>rd</sup> driest on record  
 v 4<sup>th</sup> wettest year on record

# Water and Sewer Sales

## Current Year Water and Sewer Review

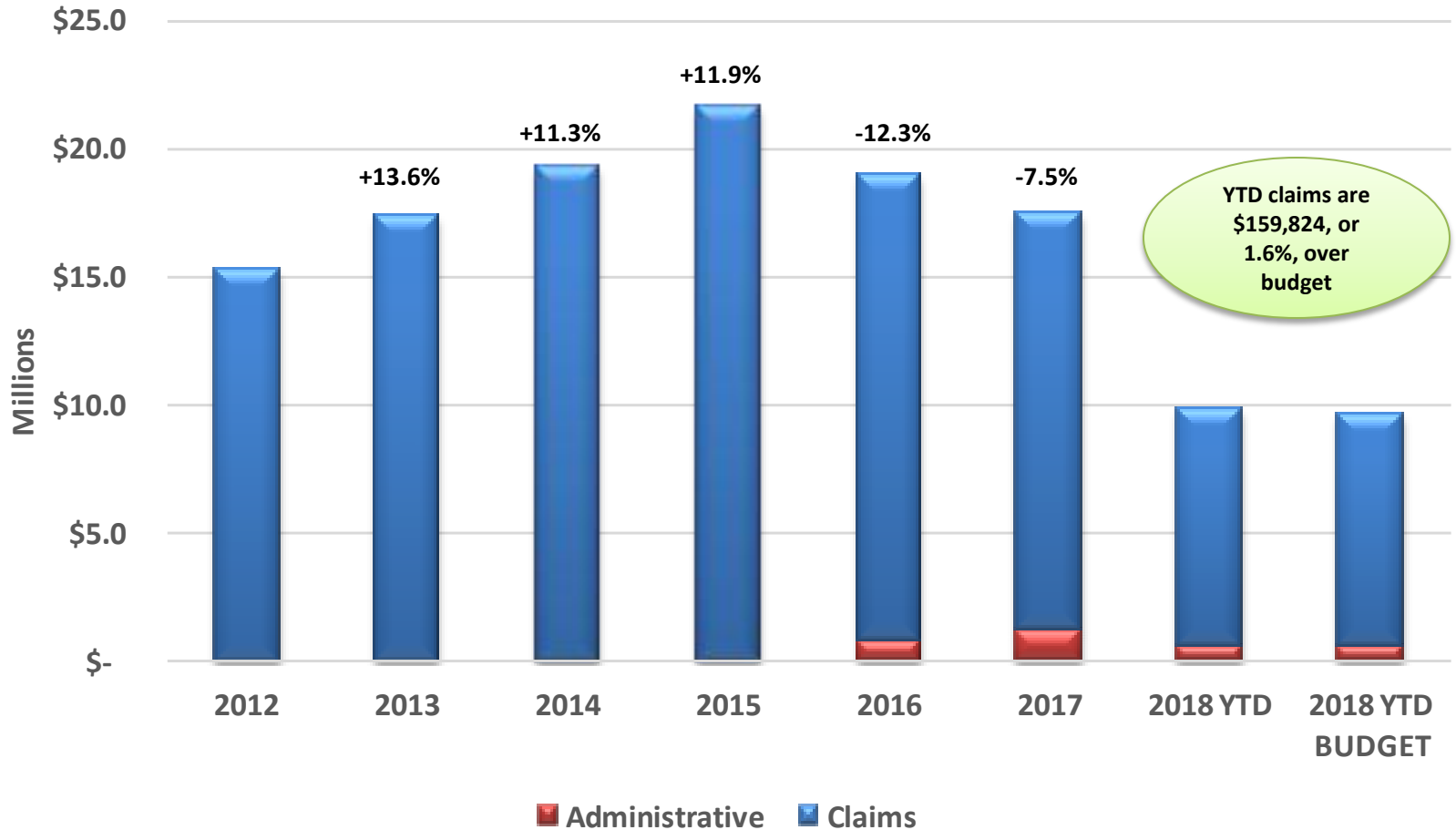
|                                | Six months ended 3/31/18 |                      |                     |
|--------------------------------|--------------------------|----------------------|---------------------|
|                                | Budget                   | Actual               | Variance            |
| Water Sales                    | \$ 21,346,663            | \$ 20,714,324        | \$ (632,339)        |
| Sewer Sales                    | 10,772,476               | 11,004,810           | 232,334             |
| <b>Total Water &amp; Sewer</b> | <b>\$ 32,119,139</b>     | <b>\$ 31,719,134</b> | <b>\$ (400,005)</b> |



|              | Water Sales       | Sewer Sales       |
|--------------|-------------------|-------------------|
| <b>2008</b>  | <b>31,678,129</b> | <b>13,493,693</b> |
| <b>2009</b>  | <b>32,260,187</b> | <b>15,132,268</b> |
| <b>2010</b>  | <b>35,062,958</b> | <b>16,295,031</b> |
| <b>2011</b>  | <b>47,322,272</b> | <b>18,555,334</b> |
| <b>2012</b>  | <b>46,807,157</b> | <b>19,377,899</b> |
| <b>2013</b>  | <b>46,968,390</b> | <b>20,419,533</b> |
| <b>2014</b>  | <b>47,606,516</b> | <b>21,024,451</b> |
| <b>2015*</b> | <b>41,199,939</b> | <b>20,340,925</b> |
| <b>2016</b>  | <b>48,676,840</b> | <b>20,860,554</b> |
| <b>2017</b>  | <b>48,620,594</b> | <b>21,570,449</b> |

**\*4th wettest year on record**

# Health Insurance Fund - Claims



| 2012       | 2013       | 2014       | 2015       | 2016       | 2017       | 2018 YTD  | 2018 YTD BUDGET |
|------------|------------|------------|------------|------------|------------|-----------|-----------------|
| 15,294,821 | 17,376,004 | 19,337,744 | 21,636,561 | 18,969,339 | 17,545,431 | 9,874,469 | 9,714,645       |

Questions?