



Quarterly Financial Report

City of Florissant, Missouri

Fourth Quarter Ended November 30, 2014

December 10, 2013

OVERVIEW

The final revenue numbers for the 2014 fiscal year are truly remarkable given all the troubles St. Louis County in general and North County specifically have faced over the last four months. The general fund sales tax, which has a budget of \$7,100,000 and represents 31% of all revenue budgeted in the general fund, finished the year with revenue of \$7,824,297. This represents the best year ever in the history of the general fund sales tax going back to 1979. Prior to this year the best year for sales tax receipts was 2007 when sales tax generated \$7,439,343.

Sales tax collections in both the Capital Improvement and the Park Improvement also set records. The Capital Improvement Sales Tax, with collections beginning in 1997, had the best year in it's history with receipts of \$3,356,500. The Park Improvement Sales Tax, with collections beginning in 1999, also had the best year in it's history with receipts of \$3,141,740.

The three major funds, which include the General, Capital Improvement and Park Improvement funds, all comfortably exceeded their budget goals.

GENERAL FUND

GASOLINE TAX includes the motor vehicle fuel tax and the motor vehicle fee increases.

Gasoline tax receipts finished at \$1,566,458 which is \$41,458 over the budget of \$1,525,000 and \$33,118 more than last year. While this is encouraging, in comparison to 2012, revenue is up only \$4,328. The 2010 census led directly to a significant decrease in revenue as the underlying city and state populations changed. Distributions beginning in 2012 reflect this change. Compared to 2011, gasoline tax revenue is down \$163,065.

Gasoline Tax:

Year	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
Actual	1,652,297	1,757,886	1,729,523	1,562,130	1,533,340	1,566,458
Budget	1,750,000	1,600,000	1,750,000	1,625,000	1,550,000	1,525,000
(+)/(-) Prior	-5,956	105,589	-28,363	-167,393	-28,790	33,118
(+)/(-) Budget	-97,703	157,886	-20,477	-62,870	-16,660	41,458

UTILITY LICENSE TAX revenue finished at \$6,348,324 which is \$148,324 over the budget of \$6,200,000 and up \$34,621 from last year. Compared to 2013, electric increased \$36,603, gas increased \$92,503, water increased \$37,699, and telephone decreased \$132,184. Telephone gross receipts reached a peak of \$1,838,755 in 2011 and have dropped \$347,858 or 18.9 since that time.

Utility License Tax:

Year	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
Actual	4,119,805	5,729,070	6,467,222	6,291,224	6,313,703	6,348,324
Budget	4,400,000	5,950,000	5,700,000	6,000,000	6,100,000	6,200,000
(+)/(-) Prior	294,347	1,609,265	738,152	-175,998	22,479	34,621
(+)/(-) Budget	-280,195	-220,930	767,222	291,224	213,703	148,324

ROAD AND BRIDGE TAX represents a portion of the countywide 10.5 cent property tax received by the city. Revenue finished \$23,711 under the budget of \$575,000 and is down \$35,598 or 6.1% when compared to last year. This continues a slide that began after 2008 when road and bridge tax peaked at \$700,642.

Road and Bridge Tax:

Year	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
Actual	671,981	635,055	637,905	579,749	586,887	551,289
Budget	690,000	650,000	625,000	600,000	575,000	575,000
(+)/(-) Prior	-28,661	-36,926	2,850	-58,156	7,138	-35,598
(+)/(-) Budget	-18,019	-14,945	12,905	-20,251	11,887	-23,711

SALES TAX is received from two sources, the countywide 1% sales tax and the statewide motor vehicle sales tax. The countywide 1% sales tax is distributed based on a formula which reflects the city's population as part of a pooled population of other cities and St. Louis County. Revenue of \$7,824,297 is \$724,297 over the budget of \$7,100,000 and up \$638,080 or 8.9% when compared to last year. The 1% countywide sales tax was up \$575,723 or 8.4% while the motor vehicle sales tax was up \$62,357 or 18.2%.

Sales tax revenue has been very cyclical over time, driven primarily by decennial changes to the city's and the underlying pool populations. Changes in consumer spending patterns have proved detrimental to sales tax receipts as consumers have moved a greater number of purchases to the internet where many purchases are not subject to sales tax and away from local retailers who are required to collect sales tax.

Sales Tax:

Year	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
Actual	6,787,316	6,705,743	7,084,234	7,031,418	7,186,217	7,824,297
Budget	7,500,000	6,900,000	6,600,000	6,600,000	7,000,000	7,100,000
(+)/(-) Prior	-625,336	-81,573	378,491	-52,816	154,799	638,080
(+)/(-) Budget	-712,684	-194,257	484,234	431,418	186,217	724,297

TOTAL GENERAL FUND REVENUE of \$23,979,745 exceeded the budget by \$1,005,745 and was \$213,167 or 0.9% more than last year. 2013 revenue included \$354,443 from the Reliance Insurance settlement and \$62,773 from closing out the Home Equity Assurance Program. Without this one time money, general fund revenue would have been \$630,383 or 2.7% more than last year. Overall, the revenue picture for 2014 is extremely encouraging. Sales tax performed phenomenally while utility tax and building permits exceeded budget allocations by \$148,324 and \$163,405 respectively. Municipal court revenue was down \$399,306 and missed the budget by \$210,012. Cable TV continue to remain strong, increasing \$71,496 or 11.2%.

Total General Fund Revenue:

Year	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
Actual	19,918,698	23,360,798	24,974,851	23,925,553	23,766,578	23,979,745
Budget	21,983,000	22,399,483	23,654,328	23,104,751	22,858,208	22,974,000
(+)/(-) Prior	-2,125,365	3,442,100	1,614,053	-1,049,298	-158,975	213,167
(+)/(-) Budget	-2,064,302	961,315	1,320,523	820,802	908,370	1,005,745

CAPITAL IMPROVEMENT FUND

CAPITAL IMPROVEMENT SALES TAX is distributed based on a formula that reflects the city's population as compared to a pooled population comprised of other cities in St. Louis County. This sales tax finished at \$3,356,500 which is \$256,500 over the budget of \$3,100,000 and \$127,960 or 4.0% more than last year. The last and only time receipts ever exceeded \$3,300,000 was in 2007 when revenue finished at \$3,326,271.

Capital Improvement Sales Tax:

Year	2009	2010	2011	2012	2013	2014
Actual	3,107,183	3,034,176	3,163,088	3,168,808	3,228,540	3,356,500
Budget	3,250,000	3,050,000	3,000,000	2,950,000	3,100,000	3,100,000
(+)/(-) Prior	-156,649	-73,007	128,912	5,720	59,732	127,960
(+)/(-) Budget	-142,817	-15,824	163,088	218,808	128,540	256,500

PARK IMPROVEMENT FUND

PARK IMPROVEMENT SALES TAX is the only point-of-sale city sales tax which means it is distributed back to the city based on sales occurring within the corporate limits of the city and is not shared with any other city. Park sales tax totaled \$3,141,740 which is \$191,740 over the budget of \$2,950,000 and \$102,908 or 3.4% more than last year. The last and only time receipts ever exceeded \$3,100,000 was in 2008 when revenue finished at \$3,101,809.

Park Sales Tax:

Year	2009	2010	2011	2012	2013	2014
Actual	3,020,844	2,854,608	2,965,574	3,002,073	3,038,832	3,141,740
Budget	3,100,000	2,950,000	2,850,000	2,850,000	2,900,000	2,950,000
(+)/(-) Prior	-80,965	-166,236	110,966	36,499	36,759	102,908
(+)/(-) Budget	-79,156	-95,392	115,574	152,073	138,832	191,740

CONSUMMATUM EST

Information presented in this quarterly financial report is derived from the *Statement of Cash Receipts and Disbursements*, more commonly known as the monthly operating report, for the period ending November 30, 2014. Editorial comments, judgments and opinions expressed in this report are those of the Director of Finance and are intended solely to provide a financial update to the Mayor, City Council, residents of the City of Florissant, and any other interested parties. Any other use of this report or of any pictures, descriptions or accounts of this report, without prior written consent, is prohibited.

Questions concerning any of the information contained in this quarterly financial report or in the monthly operating reports should be addressed to the Director of Finance, 955 rue St. Francois, Florissant, Missouri 63031. Copies of the *Statement of Cash Receipts and Disbursements* may be found on the city's web site at www.florissantmo.com.

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