

— O H I O —

# HUDSON

FINANCE • 115 Executive Parkway, Suite 400 • Hudson, Ohio 44236 • (330) 342-1785

DATE: August 10, 2016

TO: City Council Members, Mayor and City Manager

FROM: Jeffrey F. Knoblauch, Finance Director 

RE: July 2016 Financial Report

Attached are the July month end financial reports. The reports include the following:

1. A Statement of Cash from Revenue and Expense
2. An Executive Summary of the City's major funds: including the General Fund, Street M&R (Service), Cemetery, Parks, Cable TV, Fire, Emergency Medical Services, Water, Wastewater, Electric, Storm Water, Golf Course and Fleet Maintenance Funds. This report shows variance ratios of year-to-date revenues and expenditures compared to previous year-to-date and current budget figures.
3. Bank Report has been included to summarize the investment instruments on which the City earns interest income.
4. Variance Notes have been included to highlight variations from budget projections listed on the Executive Summary. **The notes now include a separate section on the Velocity Broadband year to date financial results.**
5. Utility Billing Delinquency Report has been included to show the past due balance totals for our utility customers along with the balances that have been turned over to collections and certified to Summit County and placed as a lien on the property. Also included is the balances written off due to bankruptcy, collection company fees and smaller, immaterial amounts. We added a new section that breaks out the delinquencies by the number of accounts by dollar amount.
6. Bank Reconciliation has been included to show the City's accounts and related reconciling items.

Note: As requested, at the bottom of the Utility Billing Delinquency Report, we added the year to date amount received from the collection companies. We currently use Babcock & Wasserman Co, LPA as our collection agency at a discounted rate of 18%.

## City of Hudson Statement of Cash Position with MTD Totals

From: 1/1/2016 to 7/31/2016  
Funds: 101 to 822

Include Inactive Accounts: No  
Page Break on Fund: No

Fund	Description	Beginning Balance	Net Revenue MTD	Net Revenue YTD	Net Expenses MTD	Net Expenses YTD	Unexpended Balance	Encumbrance YTD	Ending Balance
101	GENERAL FUND	\$5,531,016.64	\$1,817,119.22	\$12,780,836.55	\$1,102,746.25	\$12,025,443.57	\$6,286,409.62	\$1,106,043.24	\$5,180,366.38
103	INCOME TAX FUND	\$3,447,972.57	\$0.00	\$0.00	\$0.00	\$0.00	\$3,447,972.57	\$0.00	\$3,447,972.57
105	EMERGENCY MANAGED RESERVE FUND	\$434,843.80	\$0.00	\$0.00	\$0.00	\$0.00	\$434,843.80	\$0.00	\$434,843.80
201	STREET MAINT & REPAIR	\$213,807.75	\$71,900.03	\$1,597,914.65	\$359,027.85	\$1,595,819.96	\$215,902.44	\$240,726.61	(\$24,824.17)
202	STATE HIGHWAY IMPROVEMENT	\$55,024.96	\$6,462.17	\$44,521.78	\$65,000.00	\$65,000.00	\$34,546.74	\$0.00	\$34,546.74
203	CEMETERY	\$170,342.58	\$36,544.15	\$167,384.92	\$17,862.45	\$122,266.01	\$215,461.49	\$18,670.22	\$196,791.27
204	PARK DEVELOPMENT	\$97,277.03	\$0.00	\$0.00	\$0.00	\$0.00	\$97,277.03	\$0.00	\$97,277.03
205	HUDSON PARKS	\$2,686,924.01	\$128,664.01	\$1,014,166.41	\$145,760.92	\$908,165.91	\$2,792,924.51	\$605,421.65	\$2,187,502.86
206	HUDSON CABLE 25	\$45,727.65	\$340.00	\$162,946.91	\$24,145.60	\$240,706.88	(\$32,032.32)	\$5,960.21	(\$37,992.53)
208	STATE PERMISSIVE AUTO	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
209	DRUG LAW ENFOR(DARE)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
210	COUNTY PERMISSIVE AUTO	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
213	LAW ENFORCMENT/EDUCAT ION	\$116,711.48	\$250.00	\$1,222.00	\$0.00	\$1,637.04	\$116,296.44	\$125.62	\$116,170.82
215	COURT COMPUTER FUND	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
221	FIRE DISTRICT	\$1,935,667.67	\$133,039.87	\$1,033,424.94	\$82,400.77	\$822,241.60	\$2,146,851.01	\$82,629.66	\$2,064,221.35
224	EMERGENCY MEDICAL SERVICE	\$123,039.78	\$282,613.64	\$1,185,643.67	\$123,142.36	\$1,034,770.01	\$273,913.44	\$126,624.89	\$147,288.55
225	ECONOMIC DEVELOPEMENT FUND	\$58,408.62	\$0.00	\$0.00	\$0.00	\$2,500.00	\$55,908.62	\$386.00	\$55,522.62
230	HUDSON TEEN PROGRAM	\$26,716.66	\$0.00	\$6,046.00	\$908.55	\$908.55	\$31,854.11	\$3,968.42	\$27,885.69
232	FEMA FUND	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
234	DUI TASK FORCE	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
301	BOND RETIREMENT	\$523,945.99	\$0.00	\$898,542.00	\$0.00	\$206,482.83	\$1,216,005.16	\$0.00	\$1,216,005.16
307	FIRE/EMS DEBT SERVICE	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
310	GEN.OBLIG.BOND FD- SO.INDUST.	\$315,976.29	\$0.00	\$299.21	\$0.00	\$2,379.45	\$313,896.05	\$0.00	\$313,896.05
315	PARK ACQUISITION DEBT	\$19,998.44	\$120,781.19	\$405,631.71	\$0.00	\$34,397.32	\$391,232.83	\$0.00	\$391,232.83
316	VILLAGE SOUTH BOND	\$18,031.09	\$54,728.96	\$183,801.84	\$0.00	\$15,740.97	\$186,091.96	\$0.00	\$186,091.96

**Statement of Cash Position with MTD Totals**

**From: 1/1/2016 to 7/31/2016**

Fund	Description	Beginning Balance	Net Revenue MTD	Net Revenue YTD	Net Expenses MTD	Net Expenses YTD	Unexpended Balance	Encumbrance YTD	Ending Balance
	DEBT								
318	SPECIAL ASSESSMENT	\$137,065.38	\$0.00	\$54,179.62	\$0.00	\$9,700.12	\$181,544.88	\$0.00	\$181,544.88
320	LIBRARY CONST. DEBT	\$34,703.12	\$175,510.15	\$589,433.54	\$0.00	\$61,263.29	\$562,873.37	\$0.00	\$562,873.37
321	DOWNTOWN TIF FUND	\$47,737.49	\$0.00	\$0.00	\$0.00	\$0.00	\$47,737.49	\$0.00	\$47,737.49
401	PERMISSIVE CAPITAL FUND	\$196,455.90	\$15,767.63	\$98,705.82	\$245,000.00	\$245,000.00	\$50,161.72	\$0.00	\$50,161.72
402	BROADBAND CAPITAL	\$80,908.00	\$2,100,000.00	\$2,100,176.49	\$1,016,001.02	\$1,344,174.71	\$836,909.78	\$377,934.53	\$458,975.25
415	GOLF CONSTRUCTION	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
430	STREET SIDEWALK CONSTRUCTION	\$679,358.02	\$0.00	\$1,503,796.00	\$182,087.11	\$975,519.93	\$1,207,634.09	\$3,123,067.47	(\$1,915,433.38)
431	STORM SEWER IMPROVEMENTS	\$456,546.95	\$0.00	\$280,416.00	\$477.08	\$4,569.65	\$732,393.30	\$42,612.93	\$689,780.37
440	CITY ACQUISITION & CONSTRUCT	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
441	Downtown Phase II	\$90,291.16	\$0.00	\$247.35	\$31,371.75	\$218,964.91	(\$128,426.40)	\$79,293.47	(\$207,719.87)
445	Road Reconstruction Fund	\$296,373.84	\$215.05	\$1,982.84	\$0.00	\$131,927.07	\$166,429.61	\$164,767.06	\$1,662.55
450	WATER CAP PROJ-DEBT	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
452	WASTEWATER CAPITAL PROJECTS	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
456	POLICE STATION AQUISITION	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
471	MILFORD/SR 91 CONNECTOR	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
475	BARLOW ROAD WIDENING	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$1,190,227.03	(\$1,190,227.03)
476	ATTERBURY BLVD RECONSTRUCTION	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
477	ATTERBURY BRIDGE REPLACEMENT	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
480	FIRE CAPITAL REPLACEMENT FUND	\$302,088.35	\$643.72	\$204,011.47	\$0.00	\$7,942.25	\$498,157.57	\$77.00	\$498,080.57
490	YOUTH DEVL P CENTER	\$9,950.29	\$233,346.97	\$233,418.47	\$468,300.00	\$468,300.00	(\$224,931.24)	\$4,273.52	(\$229,204.76)
501	WATER FUND	\$690,864.77	\$170,559.92	\$1,127,762.49	\$87,581.62	\$793,696.52	\$1,024,930.74	\$1,120,795.35	(\$95,864.61)
502	WASTEWATER FUND	\$715,830.62	\$2,582.92	\$412,580.24	\$286,987.09	\$946,969.01	\$181,441.85	\$0.00	\$181,441.85
503	ELECTRIC FUND	\$13,710,002.88	\$1,806,137.53	\$12,056,615.53	\$1,686,847.68	\$15,807,650.75	\$9,958,967.66	\$7,353,556.53	\$2,605,411.13
504	STORM WATER UTILITY	\$725,420.01	\$450.00	\$1,037,924.00	\$126,583.03	\$846,699.45	\$916,644.56	\$622,486.56	\$294,158.00
505	GOLF COURSE	\$105,285.38	\$239,842.71	\$828,493.48	\$127,882.09	\$817,548.89	\$116,229.97	\$128,696.82	(\$12,466.85)
508	UTILITY DEPOSITS	\$326,832.33	\$7,000.00	\$36,550.00	\$4,250.02	\$16,223.61	\$347,158.72	\$0.00	\$347,158.72
601	EQUIP RESERVE & FLEET MAINT	\$592,884.13	\$47,980.14	\$347,234.83	\$91,044.54	\$899,949.64	\$40,169.32	\$624,088.18	(\$583,918.86)
602	SELF-INSURANCE	\$19,062.78	\$14,390.69	\$98,173.57	\$16,275.50	\$89,555.22	\$27,681.13	\$0.00	\$27,681.13
603	FLEXIBLE BENEFITS	\$14,156.50	\$9,947.24	\$73,122.76	\$10,459.95	\$84,905.12	\$2,374.14	\$0.00	\$2,374.14
604	INFORMATION SERVICES	\$65,463.44	\$146,852.99	\$411,587.27	\$30,372.16	\$300,095.24	\$176,955.47	\$39,666.74	\$137,288.73

**Statement of Cash Position with MTD Totals**

**From: 1/1/2016 to 7/31/2016**

Fund	Description	Beginning Balance	Net Revenue MTD	Net Revenue YTD	Net Expenses MTD	Net Expenses YTD	Unexpended Balance	Encumbrance YTD	Ending Balance
605	Medical Self Insurance Fund	\$216,459.78	\$20,040.13	\$216,731.66	\$19,884.56	\$188,678.36	\$244,513.08	\$0.00	\$244,513.08
701	POLICE PENSION	\$0.00	\$56,616.18	\$190,139.87	\$0.00	\$2,222.02	\$187,917.85	\$0.00	\$187,917.85
704	HUDSON CEMETERY IMPR TRUST	\$4,163.38	\$0.00	\$0.00	\$0.00	\$0.00	\$4,163.38	\$0.00	\$4,163.38
705	TREE TRUST	\$44,662.81	\$0.00	\$3,000.00	\$0.00	\$7,500.00	\$40,162.81	\$0.00	\$40,162.81
709	PERF BOND/UNCLAIMED FUNDS	\$31,789.52	\$0.00	\$0.00	\$0.00	\$0.00	\$31,789.52	\$0.00	\$31,789.52
710	WILLOWS OF HUDSON II INSPECTN	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
712	CHADDS FORD INSPECTION FUND	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
713	CHADDS FORD SETTLEMENTS ADDTN	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
724	MORNING SONG INSPECTIONS	\$1,841.39	\$0.00	\$0.00	\$0.00	\$0.00	\$1,841.39	\$0.00	\$1,841.39
727	CONTRACTOR'S DEPOSITS	\$401,701.80	\$3,118.00	\$10,559.00	\$5,979.98	\$72,377.81	\$339,882.99	\$279,283.78	\$60,599.21
729	DEVELOPERS SEWER TAP IN FEES	\$3,100.00	\$0.00	\$0.00	\$0.00	\$0.00	\$3,100.00	\$0.00	\$3,100.00
730	CULVERT BONDS	\$440,823.36	\$14,350.00	\$67,700.00	\$1,800.00	\$27,000.00	\$481,523.36	\$222,542.38	\$258,980.98
731	EMERGENCY MEDICAL SVC. TRUST	\$9,195.99	\$315.40	\$2,175.80	\$71.91	\$491.93	\$10,879.86	\$983.07	\$9,896.79
732	TREE COMMISSION PLAQUE FUND	\$98.00	\$0.00	\$0.00	\$0.00	\$0.00	\$98.00	\$0.00	\$98.00
734	CLOCK TOWER REPAIR TRUST	\$425.00	\$0.00	\$0.00	\$0.00	\$0.00	\$425.00	\$0.00	\$425.00
735	PLAYGROUND TRUST	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
736	BANDSTAND TRUST	\$15,331.57	\$19.98	\$130.13	\$2,917.00	\$2,917.00	\$12,544.70	\$0.00	\$12,544.70
737	CLOCK TOWER TRUST	\$6,792.27	\$8.84	\$57.62	\$0.00	\$0.00	\$6,849.89	\$0.00	\$6,849.89
738	POOR ENDOWMENT NONEX TRUST	\$41,276.25	\$53.80	\$350.34	\$0.00	\$0.00	\$41,626.59	\$0.00	\$41,626.59
740	LIBRARY LEVY FUND	\$0.00	\$422,711.02	\$1,419,865.51	\$422,711.02	\$1,419,865.51	\$0.00	\$476,734.45	(\$476,734.45)
742	DEAN MAY TRUST	\$1,815.29	\$0.07	\$0.41	\$0.00	\$0.00	\$1,815.70	\$0.00	\$1,815.70
750	DEDICATED TAX REVENUE FUND	\$0.00	\$116,881.11	\$912,330.99	\$116,881.11	\$889,260.57	\$23,070.42	\$452,218.22	(\$429,147.80)
760	FIRE/EMS SERVICE DISTRIBUTION	\$200,577.04	\$16.45	\$117.65	\$0.00	\$0.00	\$200,694.69	\$0.00	\$200,694.69
770	VETERANS MEMORIAL GARDEN FUND	\$17,121.18	\$21.88	\$144.89	\$0.00	\$445.00	\$16,821.07	\$55.00	\$16,766.07
802	FIRE CLAIM FUND	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
805	STORM SEWER ASSESSMENTS	\$329,046.53	\$0.00	\$0.00	\$0.00	\$0.00	\$329,046.53	\$25,278.00	\$303,768.53
<b>Grand Total:</b>		<b>\$36,884,935.51</b>	<b>\$8,257,823.76</b>	<b>\$43,802,098.23</b>	<b>\$6,902,760.97</b>	<b>\$43,759,873.68</b>	<b>\$36,927,160.06</b>	<b>\$18,519,194.61</b>	<b>\$18,407,965.45</b>

**City of Hudson**  
**Executive Summary**  
**July 2016 Financial Report**

Category	2015 YTD Actual	2016 YTD Actual	2015 vs. 2016 YTD Variance	2016 YTD Budget	2016
					Bud. vs. Actual Variance
<b>General Fund Revenue</b>					
Property Taxes	\$1,914,296	\$1,878,974	(\$35,322)	\$1,840,246	\$38,728
Income Taxes	\$8,852,174	\$9,624,037	\$771,863	\$9,029,217	\$594,820
Local Government Funds	\$264,662	\$237,183	(\$27,479)	\$239,030	(\$1,847)
Kilowatt-Hour Tax	\$395,008	\$295,591	(\$99,417)	\$425,590	(\$129,999)
Zoning and Building Fees	\$95,055	\$102,076	\$7,021	\$52,470	\$49,606
Broadband Service	\$0	\$46,996	\$46,996	\$58,663	(\$11,667)
Fines, Licenses & Permits	\$36,951	\$50,627	\$13,676	\$34,980	\$15,647
Interest Income	\$136,108	\$268,377	\$132,269	\$147,379	\$120,998
Transfers In, Advances and Reimb.	\$193,762	\$156,480	(\$37,282)	\$118,915	\$37,565
Miscellaneous	\$109,055	\$120,496	\$11,441	\$44,308	\$76,188
Total Revenue	\$11,997,071	\$12,780,837	\$783,766	\$11,990,799	\$790,038
General Fund Cash Balance, January 1	\$9,423,179	\$8,978,990	(\$444,189)	\$8,978,990	\$0
Total Available	\$21,420,250	\$21,759,827	\$339,577	\$20,969,789	\$790,038
<b>General Fund Expenditures</b>					
Police	\$2,546,819	\$2,711,316	\$164,497	\$2,689,861	\$21,455
County Health District	\$152,675	\$158,234	\$5,559	\$158,234	\$0
Community Development	\$570,380	\$517,075	(\$53,305)	\$565,236	(\$48,161)
Economic Development	\$130,438	\$137,246	\$6,808	\$148,417	(\$11,171)
Street Trees and ROW	\$191,208	\$217,689	\$26,481	\$234,921	(\$17,232)
RITA Fees	\$270,569	\$291,064	\$20,495	\$257,748	\$33,316
Mayor & Council	\$99,375	\$104,936	\$5,561	\$109,008	(\$4,072)
City Solicitor	\$128,679	\$169,162	\$40,483	\$177,406	(\$8,244)
Administration	\$727,256	\$605,945	(\$121,311)	\$682,178	(\$76,233)
Finance	\$506,232	\$560,663	\$54,431	\$553,296	\$7,367
Broadband Service	\$0	\$166,263	\$166,263	\$257,005	(\$90,742)
Engineering	\$669,003	\$702,892	\$33,889	\$743,317	(\$40,425)
Public Properties	\$582,918	\$512,400	(\$70,518)	\$685,728	(\$173,328)
Public Works Administration	\$298,158	\$295,233	(\$2,925)	\$258,635	\$36,598
Transfers and Advances Out	\$4,691,490	\$5,531,248	\$839,758	\$4,784,805	\$746,443
Total Expenditures	\$11,565,200	\$12,681,366	\$1,116,166	\$12,305,794	\$375,572
Month End General Fund Cash Balance	\$9,855,050	\$9,078,461	(\$776,589)	\$8,663,996	\$414,465
<b>Other Operating Funds:</b>					
<u>Revenue</u>					
Street Maintenance and Repair	\$1,698,439	\$1,781,248	\$82,809	\$1,789,810	(\$8,562)
Cemeteries	\$165,343	\$167,385	\$2,042	\$158,376	\$9,009
Parks	\$926,166	\$1,014,166	\$88,000	\$938,368	\$75,798
Cable TV	\$239,626	\$162,947	(\$76,679)	\$151,166	\$11,781
Fire Department	\$942,094	\$1,033,425	\$91,331	\$959,837	\$73,588
Emergency Medical Service	\$785,222	\$1,012,853	\$227,631	\$973,731	\$39,122
Utilities:					
Water	\$1,136,349	\$1,127,762	(\$8,587)	\$1,067,227	\$60,535
Wastewater	\$2,221,191	\$412,580	(\$1,808,611)	\$407,500	\$5,080
Electric	\$11,194,083	\$12,056,616	\$862,533	\$11,234,560	\$822,056
Stormwater	\$702,700	\$1,037,924	\$335,224	\$1,035,330	\$2,594
Ellsworth Meadows Golf Course	\$820,792	\$828,493	\$7,701	\$762,000	\$66,493
Equipment Reserve (Fleet)	\$465,074	\$347,235	(\$117,839)	\$402,948	(\$55,713)
Total Revenues	\$21,297,079	\$20,982,634	(\$314,445)	\$19,880,854	\$1,101,780
Other Operating Fund Cash Balance, January 1	\$20,751,870	\$21,715,799	\$963,929	\$21,715,799	\$0
Total Available - Other Operating Funds	\$42,048,949	\$42,698,433	\$649,484	\$41,596,653	\$1,101,780
<u>Expenditures</u>					
Street Maintenance and Repair	\$1,840,541	\$1,595,820	(\$244,721)	\$1,539,116	\$56,704
Cemeteries	\$146,685	\$122,266	(\$24,419)	\$141,228	(\$18,962)
Parks	\$629,535	\$908,166	\$278,631	\$923,298	(\$15,132)
Cable TV	\$177,556	\$240,707	\$63,151	\$236,469	\$4,238
Fire Department	\$853,332	\$822,242	(\$31,090)	\$956,225	(\$133,983)
Emergency Medical Services	\$793,377	\$1,034,770	\$241,393	\$862,809	\$171,961
Utilities:					
Water	\$854,129	\$793,697	(\$60,432)	\$884,187	(\$90,490)
Wastewater	\$2,714,939	\$946,969	(\$1,767,970)	\$890,545	\$56,424
Electric	\$10,870,434	\$15,807,651	\$4,937,217	\$15,982,731	(\$175,080)
Stormwater	\$617,144	\$846,699	\$229,555	\$834,345	\$12,354
Ellsworth Meadows Golf Course	\$791,747	\$817,549	\$25,802	\$763,987	\$53,562
Equipment Reserve (Fleet)	\$715,901	\$899,950	\$184,049	\$1,133,720	(\$233,770)
Total Expenditures	\$21,005,320	\$24,836,486	\$3,831,166	\$25,148,659	(\$312,173)
Month End Other Operating Funds Cash Balance	\$21,043,629	\$17,861,947	(\$3,181,682)	\$16,447,994	\$1,413,953

# City of Hudson Bank Report

Banks: to YDC Demo Note  
As Of: 1/1/2016 to 7/31/2016

Include Inactive Bank Accounts: No

Bank	Beginning Bal.	MTD Revenue	YTD Revenue	MTD Expense	YTD Expense	YTD Other	Ending Bal.
GENERAL CITY INVESTMENTS	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Ambulance Note	\$0.00	\$172,791.00	\$172,791.00	\$0.00	\$0.00	\$0.00	\$172,791.00
Broadband Services Note	\$800,000.00	\$2,100,000.00	\$2,100,000.00	\$800,000.00	\$800,000.00	\$0.00	\$2,100,000.00
CASH DRAWER/PETTY CASH	\$1,400.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$1,400.00
LORAIN NATIONAL BANK	\$2,000,000.00	\$0.00	\$0.00	\$0.00	\$0.00	(\$1,000,000.00)	\$1,000,000.00
DOLLAR BANK CD	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
PRIMARY CHECKING ACCT	\$4,402,601.85	\$5,478,317.73	\$34,466,429.02	\$4,015,859.55	\$26,432,616.21	(\$8,732,980.92)	\$3,703,433.74
First Merit CD - ODNR (Brine Well)	\$5,000.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$5,000.00
DEAN MAY	\$1,815.29	\$0.07	\$0.41	\$0.00	\$0.00	\$0.00	\$1,815.70
INVESTMENT POOLED MONIES	\$20,802,399.72	\$0.00	\$8,759.02	\$0.00	\$0.00	\$993,057.58	\$21,804,216.32
CD INVESTMENTS	\$8,204,507.61	\$0.00	\$0.00	\$0.00	\$0.00	(\$500,000.00)	\$7,704,507.61
FIRE AND EMS SERVICE AWARDS	\$200,544.04	\$16.45	\$117.65	\$0.00	\$0.00	\$0.00	\$200,661.69
Payroll - First Merit	\$0.00	\$0.00	\$0.00	\$1,346,869.91	\$9,239,923.34	\$9,239,923.34	\$0.00
YDC Demo Note	\$466,667.00	\$233,334.00	\$233,334.00	\$466,667.00	\$466,667.00	\$0.00	\$233,334.00
<b>Grand Total:</b>	<b>\$36,884,935.51</b>	<b>\$7,984,459.25</b>	<b>\$36,981,431.10</b>	<b>\$6,629,396.46</b>	<b>\$36,939,206.55</b>	<b>\$0.00</b>	<b>\$36,927,160.06</b>

**CITY OF HUDSON  
VARIANCE NOTES FOR JULY 2016 FINANCIAL REPORT**

**REVENUE:**

**2015 Year-To-Date (YTD) vs. 2016 YTD Actual**

*Income Tax* revenues are \$772,000 higher in 2016 and \$595,000 above estimate. Through the end of July 2016, Withholding taxes are up 7%, Individual taxes are up 1.6% and Net Profit taxes are up 40.6%. Including Parks, Fire, EMS and Hudson Schools, income taxes are up \$795,000 or 8.7%; we estimated a 2% increase over 2015. There were large net profit settlements in February 2016 that caused the large fluctuation as compared to 2015.

**The withholding tax increase may be due in part to changes from the new state law that requires companies that previously filed on a quarterly basis to file on a monthly basis. We should know the full impact by August.**

	<u>2015</u>	<u>2016</u>	<u>Diff</u>	<u>%</u>
<b><u>RITA</u></b>				
Withholding	\$ 7,887,762	\$ 8,437,560	\$ 549,798	7.0%
Individual	\$ 2,844,066	\$ 2,890,902	\$ 46,836	1.6%
Net Profit	\$ 1,070,367	\$ 1,504,601	\$ 434,234	40.6%
<b>Total RITA</b>	<b>\$ 11,802,195</b>	<b>\$ 12,833,063</b>	<b>\$ 1,030,868</b>	<b>8.7%</b>
Refund	\$ 278,820	\$ 314,545	\$ 35,725	12.8%
Feb Muni	\$ 20,855	\$ 5,303	\$ (15,552)	-74.6%
May/June Muni Tax	\$ 12,660	\$ 18,112	\$ 5,452	43.1%
<b>Total All</b>	<b>\$ 12,114,530</b>	<b>\$ 13,171,023</b>	<b>\$ 1,056,493</b>	<b>8.7%</b>

*Interest Income* is \$132,000 higher in 2016 primarily due to large maturities in 2016 as compared to 2015.

*Kilowatt Hour Tax* is \$99,000 lower in 2016 due to reduced KWh consumption in the first quarter primarily due to winter mild temperatures. Consumption through July was down 5.4% over prior year. In addition, the posting for July was not made until August.

*Cable TV* is \$77,000 lower in 2016 due to timing of quarterly franchise fee payment; it was received earlier in 2015 for \$82,000.

*EMS* revenue increased \$228,000 mainly due to the \$173,000 advance from the General Fund to pay for the new ambulance and \$49,000 increased income taxes over 2015.

*Wastewater* revenue decreased \$1,809,000 over 2015 due to the transfer of the operations to Summit County.

*Storm Water* revenues increased \$335,000 over 2015 primarily due to increased transfer to the fund as part of first quarter appropriations for the Ranett Ave and Middleton Rd projects.

*Electric* revenue is \$862,000 over 2015 due to increased cost of power and transmission costs passed onto customers.

*Fleet* revenue decreased \$117,000 over 2015 to decreased repair costs of \$30,000 and fuel costs of \$41,000.

## **EXPENDITURES:**

### **2015 YTD Actual vs. 2016 YTD Actual**

Total *General Fund* expenditures increased \$1,116,000 through July 2016 as compared to July 2015. The largest increase was \$840,000 in transfers out. This was due to funding a number of projects as discussed during the budget process and first quarter appropriations including a number of storm water and resurfacing projects. *Community Development* decreased \$53,000 primarily due to \$75,000 in reduced professional services that were expensed in 2015 on the city's Comprehensive Plan update. *Administration* decreased \$121,000 primarily due to job creation tax credit payments in June 2015 of \$136,000. *Public Properties* decreased \$71,000 mainly due to decreased contracted snow removal and decreased building improvements. We also had \$166,000 in *Broadband* operating costs for 2016.

*Street Maintenance & Repair* expenditures are \$245,000 lower in 2016 primarily due to decreased snow removal related costs from the mild winter.

*Parks Fund* expenditures are \$278,000 higher in 2016 primarily due to payments for playground equipment, light fixtures and restroom capital expenditures.

*Cable TV Fund* expenditures are \$63,000 higher in 2016 due to \$65,000 in control room, HD and streaming video equipment purchases.

*EMS Fund* expenditures are \$241,000 higher in 2016 mainly due the payment for the replacement ambulance \$172,000 and \$71,000 in increased personnel expense.

*Wastewater Fund* expenditures are \$1,768,000 lower in 2016 due the transfer of operations to Summit County.

*Electric Fund* expenditures are \$4,900,000 higher in 2016 primarily due to purchase of Ramco property for \$3.9 million and \$834,000 in increased cost of power.

*Storm Water Fund* expenditures are \$230,000 higher in 2016 due to payments on several small projects plus additional staffing charged to the fund.

*Fleet Fund* expenditures are \$184,000 higher in 2016 due to \$265,000 in additional replacement vehicle cost offset by the reduced maintenance and fuel charges.

### **2016 YTD Actual vs. 2016 Budget**

Revenues are generally within a reasonable variance range. Income taxes continue to be higher than estimated and will continue to be monitored to determine timing differences. This impacts all the funds that receive income taxes. Interest income is notably favorable mainly due to a larger maturities. As expected, electric revenue is above estimate as a result of increased cost of power. Ellsworth revenue is running above estimate from improved weather and earlier league prepay sales. Fleet revenue is below estimate due in large part to reduced chargeback from decreased fuel and maintenance costs.

General Fund expenditures are generally favorable. The most notable department under budget is Public Properties primarily due to less than budgeted cost of snow removal. The transfers out of the General Fund increased significantly as discussed at first quarter appropriations. EMS is over budget due to increased personnel costs from the need for additional paid part-time paramedics. Fleet expense budget is well below budget due to reduced maintenance and repair and fuel costs.

## Broadband Services - Summary Report

As of July 31, 2016

<b>Operating Results</b>		
Customer Sales	\$ 46,996	
Operating Expenses	\$ (166,263)	
Operating Income (Loss)	\$ (119,267)	
<b>Capital Fund</b>		
January 1, 2016 Balance	\$ 80,908	
Available Capital	\$ 1,300,000	
Interest Earnings	\$ 176	
YTD Expenses	\$ (544,175)	
Remaining Available Capital	\$ 836,909	
<b>Number of Customers</b>	<b>49</b>	<b>As of July 31, 2016</b>
<b>Number of Customers</b>	<b>34</b>	<b>As of June 30, 2016</b>
<b>Increase over prior month</b>	<b>15</b>	



**BANK RECONCILIATION**  
July-16

FIRST MERIT BANK BAL	4,475,135.68	✓
SWEEP	0.00	
FIRST MERIT BANK BALANCE	4,475,135.68	

**ADJUSTMENTS TO BANK**

DEPOSIT ON STMT-NOT BOOKS-UB	0.00	
SWEEP INTEREST	0.00	
payroll bank rec - outstanding items	(109,469.10)	PAYROLL
OUTSTANDING CHECKS-FIRST MERIT	(671,503.82)	

7/15/16 nsf Not Posted	178.36	
7/29 UB CC Posted August	(442.16)	
Ambulance Fees Posted Twice	1,165.79	
7/15 House of Larose Refund	(22.39)	

**DEPOSITS IN TRANSIT**

7/28 Golf CC	2,799.24	
7/29 Golf CC	2,920.96	
7/29 Golf Deposit	2,671.18	

<b>TOTAL ADJUSTMENTS TO BANK BALANCE</b>	<b>(771,701.94)</b>	
<b>ADJUSTED BANK BALANCE</b>	<b>3,703,433.74</b>	

<b>BOOK BALANCE</b>	<b>3,703,433.74</b>	✓
UNRECONCILED	0.00	

**CDARS-LORAIN NATIONAL BANK**

BALANCE PER BANK	500,000.00	
MATURITY POSTED FOLLOWING MONTH	0.00	
INTEREST POSTED FOLLOWING MONTH	0.00	
CD IN TRANSIT	500,000.00	✓
<b>ADJUSTED BANK BALANCE</b>	<b>1,000,000.00</b>	

<b>BOOK BALANCE</b>	<b>1,000,000.00</b>	✓
UNRECONCILED	0.00	

**NORTHWEST SAVINGS FIRE/EMS**

BALANCE PER BANK	200,678.69	
OUTSTANDING CHECKS	0.00	
CHECKS POSTED THE FOLLOWING MONTH	0.00	
STOP PAYMENT POSTED FOLLOWING MONTH	0.00	
INTEREST POSTED FOLLOWING MONTH	17.00	
<b>ADJUSTED BANK BALANCE</b>	<b>200,661.69</b>	

<b>BOOK BALANCE</b>	<b>200,661.69</b>	✓
UNRECONCILED	0.00	

**MBS GENERAL INVESTMENTS**

BALANCE PER BANK	21,804,216.32	
BANK TRANSFER POSTED FOLLOWING MONTH	0.00	
INTEREST POSTED FOLLOWING MONTH	0.00	
<b>ADJUSTED BANK BALANCE</b>	<b>21,804,216.32</b>	

<b>BOOK BALANCE</b>	<b>21,804,216.32</b>	✓
UNRECONCILED	0.00	

**YDC DEMO NOTE**

BALANCE PER BANK	233,334.00	
OUTSTANDING CHECKS	0.00	
INTEREST POSTED FOLLOWING MONTH	0.00	
<b>ADJUSTED BANK BALANCE</b>	<b>233,334.00</b>	

<b>BOOK BALANCE</b>	<b>233,334.00</b>	✓
UNRECONCILED	0.00	

*Handwritten signature and date: 8/10/16*

**BANK RECONCILIATION**  
July-16

<b>MORGAN BANK CD INVESTMENTS</b>	
BALANCE PER BANK	7,704,507.61
POSTING ERROR	0.00
CD IN TRANSIT	
INTEREST POSTED FOLLOWING MONTH	0.00
<b>ADJUSTED BANK BALANCE</b>	<b>7,704,507.61</b>
<b>BOOK BALANCE</b>	<b>7,704,507.61</b>
UNRECONCILED	0.00

<b>First Merit CD - ODNR (Brine Well)</b>	
BALANCE PER BANK	5,000.00
INTEREST POSTED FOLLOWING MONTH	0.00
<b>ADJUSTED BANK BALANCE</b>	<b>5,000.00</b>
<b>BOOK BALANCE</b>	<b>5,000.00</b>
UNRECONCILED	0.00

<b>BROADBAND SERVICES NOTE</b>	
BALANCE PER BANK	2,100,000.00
INTEREST POSTED FOLLOWING MONTH	0.00
<b>ADJUSTED BANK BALANCE</b>	<b>2,100,000.00</b>
<b>BOOK BALANCE</b>	<b>2,100,000.00</b>
UNRECONCILED	0.00

<b>EMS AMBULANCE NOTE</b>	
BALANCE PER BANK	172,791.00
OUTSTANDING CHECKS	0.00
BANK CHECK IN TRANSIT	0.00
INTEREST POSTED FOLLOWING MONTH	0.00
<b>ADJUSTED BANK BALANCE</b>	<b>172,791.00</b>
<b>BOOK BALANCE</b>	<b>172,791.00</b>
UNRECONCILED	0.00

<b>CASH/CHANGE DRAWERS</b>	<b>1,400.00</b>
<b>FIRST MERIT DEAN MAY</b>	<b>1,815.70</b>
<b>TOTAL BOOK BALANCE</b>	<b>36,927,160.06</b>
<b>TOTAL BANK BALANCE</b>	<b>36,927,160.06</b>
<b>UNRECONCILED</b>	<b>0.00</b>