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HUDSON

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

DATE: January 9, 2017

TO: City Council Members, Mayor and City Manager

FROM: Jeffrey F. Knoblauch, Finance Director 

RE: December 2016 Financial Report

Attached are the December 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 comparing current year-to-date revenues and expenditures to prior year-to-date and current budget figures.
3. Supplemental Schedule includes comparison of income tax revenue to prior year as well a breakdown by revenue type. We also include the section on the Velocity Broadband year to date financial results.
4. Bank Report has been included to summarize the investment instruments on which the City earns interest income.
5. Bank Reconciliation has been included to show the City's accounts and related reconciling items.
6. 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.

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 12/31/2016
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	\$1,167,731.07	\$20,549,734.62	\$2,091,355.93	\$21,743,810.11	\$4,336,941.15	\$480,499.24	\$3,856,441.91
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	\$271,167.51	\$3,212,225.00	\$322,553.57	\$3,117,393.73	\$308,639.02	\$134,726.91	\$173,912.11
202	STATE HIGHWAY IMPROVEMENT	\$55,024.96	\$8,342.32	\$78,080.62	\$0.00	\$65,000.00	\$68,105.58	\$0.00	\$68,105.58
203	CEMETERY	\$170,342.58	\$7,426.94	\$243,098.55	\$15,277.89	\$237,521.60	\$175,919.53	\$3,728.13	\$172,191.40
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	\$111,986.97	\$1,622,562.92	\$368,348.51	\$1,949,107.61	\$2,360,379.32	\$135,932.78	\$2,224,446.54
206	HUDSON CABLE 25	\$45,727.65	\$35,320.00	\$358,252.71	\$17,820.08	\$352,484.93	\$51,495.43	\$7,253.23	\$44,242.20
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	\$135.00	\$2,132.91	\$0.00	\$3,875.04	\$114,969.35	\$0.00	\$114,969.35
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	\$102,992.93	\$1,633,336.52	\$114,278.99	\$1,277,047.55	\$2,291,956.64	\$303,291.48	\$1,988,665.16
224	EMERGENCY MEDICAL SERVICE	\$123,039.78	\$206,629.81	\$1,888,385.75	\$105,501.27	\$1,865,438.00	\$145,987.53	\$56,127.48	\$89,860.05
225	ECONOMIC DEVELOPEMENT FUND	\$58,408.62	\$0.00	\$0.00	\$0.00	\$2,500.00	\$55,908.62	\$0.00	\$55,908.62
230	HUDSON TEEN PROGRAM	\$26,716.66	\$0.00	\$7,406.00	\$0.00	\$4,348.55	\$29,774.11	\$460.00	\$29,314.11
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	\$149,752.00	\$1,797,079.00	\$1,590,595.99	\$1,797,078.82	\$523,946.17	\$0.00	\$523,946.17
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	\$117,441.04	\$119,820.49	\$196,455.01	\$0.00	\$196,455.01
315	PARK ACQUISITION DEBT	\$19,998.44	\$0.00	\$557,388.57	\$523,371.00	\$561,169.43	\$16,217.58	\$0.00	\$16,217.58
316	VILLAGE SOUTH BOND	\$18,031.09	\$0.00	\$252,566.66	\$239,879.00	\$257,161.11	\$13,436.64	\$0.00	\$13,436.64

Statement of Cash Position with MTD Totals

From: 1/1/2016 to 12/31/2016

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	\$120,915.57	\$109,033.13	\$120,194.10	\$137,786.85	\$0.00	\$137,786.85
320	LIBRARY CONST. DEBT	\$34,703.12	\$0.00	\$809,955.26	\$744,375.00	\$810,580.54	\$34,077.84	\$0.00	\$34,077.84
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	\$13,922.51	\$170,143.32	\$0.00	\$245,000.00	\$121,599.22	\$0.00	\$121,599.22
402	BROADBAND CAPITAL	\$80,908.00	\$0.00	\$2,100,176.49	\$141,566.58	\$1,865,097.06	\$315,987.43	\$251,859.20	\$64,128.23
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	\$1,588,145.22	\$4,261,526.22	\$348,771.09	\$2,284,354.53	\$2,656,529.71	\$2,217,296.44	\$439,233.27
431	STORM SEWER IMPROVEMENTS	\$456,546.95	\$0.00	\$280,416.00	\$0.00	\$4,569.65	\$732,393.30	\$37,784.63	\$694,608.67
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	\$215,000.00	\$265,247.35	\$46,164.75	\$283,027.01	\$72,511.50	\$69,823.22	\$2,688.28
445	Road Reconstruction Fund	\$296,373.84	\$2.51	\$2,448.64	\$0.00	\$296,694.13	\$2,128.35	\$0.00	\$2,128.35
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	\$2,300,000.00	\$2,300,000.00	\$0.00	\$927,571.45	\$1,372,428.55	\$721,454.87	\$650,973.68
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	\$591.54	\$207,560.25	\$0.00	\$7,942.25	\$501,706.35	\$77.00	\$501,629.35
490	YOUTH DEVL P CENTER	\$9,950.29	\$225,099.15	\$691,878.16	\$233,528.45	\$701,828.45	\$0.00	\$0.00	\$0.00
501	WATER FUND	\$690,864.77	\$1,136,604.93	\$3,036,994.26	\$543,247.26	\$2,480,220.82	\$1,247,638.21	\$305,701.59	\$941,936.62
502	WASTEWATER FUND	\$715,830.62	\$10,034.32	\$477,347.35	\$211,819.25	\$1,158,788.26	\$34,389.71	\$0.00	\$34,389.71
503	ELECTRIC FUND	\$13,710,002.88	\$1,612,773.55	\$21,490,067.53	\$1,629,345.19	\$24,442,565.17	\$10,757,505.24	\$1,037,630.54	\$9,719,874.70
504	STORM WATER UTILITY	\$725,420.01	\$708,487.00	\$2,290,383.00	\$1,065,157.63	\$2,633,054.81	\$382,748.20	\$311,224.58	\$71,523.62
505	GOLF COURSE	\$105,285.38	\$37,221.91	\$1,381,546.75	\$193,480.53	\$1,406,457.40	\$80,374.73	\$2,504.72	\$77,870.01
508	UTILITY DEPOSITS	\$326,832.33	\$5,150.00	\$64,850.00	\$1,500.00	\$27,573.61	\$364,108.72	\$0.00	\$364,108.72
601	EQUIP RESERVE & FLEET MAINT	\$592,884.13	\$111,900.69	\$1,442,660.57	\$238,841.71	\$1,500,261.25	\$535,283.45	\$248,553.55	\$286,729.90
602	SELF-INSURANCE	\$19,062.78	\$13,780.08	\$169,289.93	\$10,047.93	\$147,147.99	\$41,204.72	\$0.00	\$41,204.72
603	FLEXIBLE BENEFITS	\$14,156.50	\$9,205.59	\$124,598.59	\$6,559.91	\$118,125.78	\$20,629.31	\$0.00	\$20,629.31
604	INFORMATION SERVICES	\$65,463.44	\$0.00	\$538,803.02	\$57,986.77	\$552,904.17	\$51,362.29	\$9,524.10	\$41,838.19

Statement of Cash Position with MTD Totals

From: 1/1/2016 to 12/31/2016

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	\$18,253.34	\$308,780.61	\$7,355.22	\$259,377.69	\$265,862.70	\$0.00	\$265,862.70
701	POLICE PENSION	\$0.00	\$0.00	\$261,275.91	\$0.00	\$261,275.91	\$0.00	\$0.00	\$0.00
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	\$6,000.00	\$9,000.00	\$0.00	\$7,500.00	\$46,162.81	\$0.00	\$46,162.81
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	\$420.00	\$38,376.00	\$1,500.00	\$99,132.51	\$340,945.29	\$254,280.18	\$86,665.11
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	\$15,800.00	\$155,190.00	\$3,700.00	\$80,400.00	\$515,613.36	\$221,832.38	\$293,780.98
731	EMERGENCY MEDICAL SVC. TRUST	\$9,195.99	\$190.40	\$3,141.20	\$71.91	\$1,171.43	\$11,165.76	\$340.05	\$10,825.71
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	\$14.91	\$227.54	\$0.00	\$2,917.00	\$12,642.11	\$0.00	\$12,642.11
737	CLOCK TOWER TRUST	\$6,792.27	\$8.14	\$106.41	\$0.00	\$0.00	\$6,898.68	\$0.00	\$6,898.68
738	POOR ENDOWMENT NONEX TRUST	\$41,276.25	\$49.43	\$646.86	\$0.00	\$0.00	\$41,923.11	\$0.00	\$41,923.11
740	LIBRARY LEVY FUND	\$0.00	\$0.00	\$1,951,194.33	\$0.00	\$1,951,194.33	\$0.00	\$0.00	\$0.00
742	DEAN MAY TRUST	\$1,815.29	\$0.07	\$0.82	\$0.00	\$0.00	\$1,816.11	\$0.00	\$1,816.11
750	DEDICATED TAX REVENUE FUND	\$0.00	\$89,964.14	\$1,437,762.40	\$89,964.14	\$1,437,762.40	\$0.00	\$0.00	\$0.00
760	FIRE/EMS SERVICE DISTRIBUTION	\$200,577.04	\$20,471.46	\$20,656.56	\$0.00	\$8,691.19	\$212,542.41	\$0.00	\$212,542.41
770	VETERANS MEMORIAL GARDEN FUND	\$17,121.18	\$19.98	\$265.95	\$0.00	\$445.00	\$16,942.13	\$0.00	\$16,942.13
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	\$25,777.22	\$50,557.22	\$278,489.31	\$0.00	\$278,489.31
Grand Total:		\$36,884,935.51	\$10,200,595.42	\$78,615,981.89	\$11,216,216.94	\$79,528,140.08	\$35,972,777.32	\$6,811,906.30	\$29,160,871.02

City of Hudson
December 2016 Financial Report

Category	2016 YTD Actual	2016 YTD Budget	Bud. vs. Actual Variance	Comments
General Fund Revenue				
Property Taxes	\$2,745,664	\$2,729,928	\$15,736	
Income Taxes	\$15,239,687	\$14,736,874	\$502,813	Increased withholding and net profit tax collections. See attached Supplemental Schedule
Local Government Funds	\$400,694	\$410,000	(\$9,306)	
Kilowatt-Hour Tax	\$645,448	\$730,000	(\$84,552)	Less than estimated KWh usage
Zoning and Building Fees	\$165,593	\$90,000	\$75,593	Increased inspection services, permits for new housing, Comm Center fees
Broadband Service	\$129,048	\$127,000	\$2,048	
Fines, Licenses & Permits	\$87,919	\$60,000	\$27,919	Increased muni court fines (17k)
Interest Income	\$496,560	\$252,795	\$243,765	Improved maturities, increased called investments
Transfers In, Advances and Reimb.	\$421,293	\$136,281	\$285,012	Return of advance from EMS (172k) and Golf Fund (82k)
Miscellaneous	\$217,829	\$95,000	\$122,829	Tax sharing from Twinsburg (56k); estate tax (41k); BWC refund (27k)
Total Revenue	\$20,549,735	\$19,367,878	\$1,181,857	
General Fund Cash Balance, January 1	\$8,978,990	\$8,978,990	\$0	
Total Available	\$29,528,725	\$28,346,868	\$1,181,857	
General Fund Expenditures				
Police	\$4,328,498	\$4,647,538	(\$319,040)	Favorable variance on vehicle charges and various personnel related costs
County Health District	\$316,468	\$305,341	\$11,127	
Community Development	\$920,866	\$998,422	(\$77,556)	Contractual services not needed or not yet expensed (39k)
Economic Development	\$203,739	\$254,575	(\$50,836)	Contractual services not needed or not yet expensed (22k)
Street Trees and ROW	\$349,609	\$402,952	(\$53,343)	Contractual services not needed or not yet expensed (49k)
RITA Fees	\$460,007	\$442,106	\$17,901	Increase income tax collections
Mayor & Council	\$164,602	\$186,978	(\$22,376)	
City Solicitor	\$297,785	\$304,298	(\$6,513)	
Administration	\$1,097,312	\$1,339,116	(\$241,804)	Tax credits not expensed (72k); contractual services not needed or expensed (54k)
Finance	\$953,411	\$949,049	\$4,362	
Broadband Service	\$329,885	\$440,832	(\$110,947)	Contractual services not expensed (45k); operating supplies not needed (18k)
Engineering	\$1,239,428	\$1,274,986	(\$35,558)	
Public Properties	\$771,809	\$1,300,370	(\$528,561)	Contractual services for snow removal (168k) and building improvements not expensed (39k); personnel cost over-budget due to staff movement in PW Admin
Public Works Administration	\$516,093	\$443,628	\$72,465	Personnel cost under-budget due to staff movement (45k); adjustment to be made in Public Properties
Transfers and Advances Out	\$9,794,298	\$8,207,212	\$1,587,086	Q1 appropriations for storm water and resurfacing projects; Q3 noise walls; Q4 Downtown, YDC
Total Expenditures	\$21,743,810	\$21,497,403	\$246,407	
Month End General Fund Cash Balance	\$7,784,915	\$6,849,465	\$935,450	

**City of Hudson
December 2016 Financial Report**

Category	2016 YTD Actual	2016 YTD Budget	Bud. vs. Actual Variance	Comments
Other Operating Funds:				
<u>Revenue</u>				
Street Maintenance and Repair	\$3,212,225	\$3,070,000	\$142,225	Reimbursement from City of Kent for salt \$109k; sale of assets (21k)
Cemeteries	\$243,099	\$237,480	\$5,619	
Parks	\$1,622,563	\$1,516,979	\$105,584	Better than estimated income tax collections (61k)
Cable TV	\$358,253	\$372,000	(\$13,747)	Reduced original advance by \$35,000; franchise fees 11k over estimate
Fire Department	\$1,633,337	\$1,562,224	\$71,113	Better than estimated income tax collections (50k)
Emergency Medical Service	\$1,715,595	\$1,323,335	\$392,260	Better than estimated income tax collections (30k); charges for services (32k); 172k advance for ambulance purchase; 100k transfer from General Fund
<u>Utilities:</u>				
Water	\$3,036,994	\$2,673,426	\$363,568	Better than estimated investment fees and labor charges (new development); increased note proceeds for N. Main St project (275k)
Wastewater	\$477,347	\$115,000	\$362,347	2015 carryover customer sales were not included in original estimate (361k)
Electric	\$21,490,068	\$20,564,581	\$925,487	Increased cost of service passed onto customers
Stormwater	\$2,290,383	\$1,301,500	\$988,883	Increased quarterly transfers for capital projects and personnel adjustments
Ellsworth Meadows Golf Course	\$1,381,547	\$1,262,000	\$119,547	Increased play due to favorable weather
Equipment Reserve (Fleet)	\$1,442,661	\$1,513,549	(\$70,888)	Reduced internal cost of service passed on to departments
Total Revenues	\$38,904,072	\$35,512,074	\$3,391,998	
Other Operating Fund Cash Balance, January 1	\$21,715,799	\$21,715,799	\$0	
Total Available - Other Operating Funds	\$60,619,871	\$57,227,873	\$3,391,998	
<u>Expenditures</u>				
Street Maintenance and Repair	\$3,117,394	\$3,154,509	(\$37,115)	
Cemeteries	\$237,522	\$289,377	(\$51,855)	New pavilion under budget (10k); reduced advance (10k); personnel under budget (14k)
Parks	\$1,949,108	\$1,947,089	\$2,019	
Cable TV	\$352,485	\$359,358	(\$6,873)	
Fire Department	\$1,277,048	\$2,007,112	(\$730,064)	Personnel cost under budget (91k); contractual services under budget (153k); capital not expensed (410k)
Emergency Medical Services	\$1,692,647	\$1,368,641	\$324,006	Personnel cost over budget (265k)
<u>Utilities:</u>				
Water	\$2,480,221	\$2,762,362	(\$282,141)	Over budgeted personnel cost from staffing changes during year.
Wastewater	\$1,158,788	\$827,975	\$330,813	Final payments to NEORS D 271k; debt service to be repaid by DOES (94k)
Electric	\$24,442,565	\$22,068,556	\$2,374,009	Ramco property purchase (3.9MM); Increased cost of power passed on to customers offset by projects not expensed (1.2MM)
Stormwater	\$2,633,055	\$2,134,610	\$498,445	Federal share of Brandywine bridge not part of original budget 600k
Ellsworth Meadows Golf Course	\$1,406,457	\$1,265,715	\$140,742	Part-time personnel over budget from increased play (33k); added building improvements (23k); advance back to General Fund (84k)
Equipment Reserve (Fleet)	\$1,500,261	\$1,963,493	(\$463,232)	Operating costs under budget (fuel 163k and repairs 75k); vehicle purchases not yet expended 84k; close out prior year PO's
Total Expenditures	\$42,247,551	\$40,148,797	\$2,098,754	
Month End Other Operating Funds Cash Balance	\$18,372,320	\$17,079,076	\$1,293,244	

City of Hudson
December 2016 Financial Report

Category	2015 YTD Actual	2016 YTD Actual	2015 vs. 2016 YTD Variance	Comments
General Fund Revenue				
Property Taxes	\$2,752,838	\$2,745,664	(\$7,174)	
Income Taxes	\$14,575,431	\$15,239,687	\$664,256	Increased withholding and net profit tax collections. See attached Supplemental Schedule
Local Government Funds	\$434,722	\$400,694	(\$34,028)	Reduced funding from state
Kilowatt-Hour Tax	\$673,005	\$645,448	(\$27,557)	Reduced KWh consumption Q1 from mild weather
Zoning and Building Fees	\$147,652	\$165,593	\$17,941	
Broadband Service	\$2,164	\$129,048	\$126,884	New Service in 2016
Fines, Licenses & Permits	\$92,777	\$87,919	(\$4,858)	
Interest Income	\$340,028	\$496,560	\$156,532	Increased maturities and early calls in 2016
Transfers In, Advances and Reimb.	\$386,934	\$421,293	\$34,359	Return of advance from EMS (172k) and Golf Fund (82k) offset by elimination of Sewer Admin charge (159k) for 2016 and various reimbursements
Miscellaneous	\$295,877	\$217,829	(\$78,048)	Reduction in local grants in 2015 not received in 2016 (67k)
Total Revenue	\$19,701,428	\$20,549,735	\$848,307	
General Fund Cash Balance, January 1	\$9,423,179	\$8,978,990	(\$444,189)	
Total Available	\$29,124,607	\$29,528,725	\$404,118	
General Fund Expenditures				
Police	\$4,208,911	\$4,328,498	\$119,587	Increased personnel (123k)
County Health District	\$305,349	\$316,468	\$11,119	
Community Development	\$929,177	\$920,866	(\$8,311)	
Economic Development	\$217,415	\$203,739	(\$13,676)	
Street Trees and ROW	\$332,144	\$349,609	\$17,465	
RITA Fees	\$444,566	\$460,007	\$15,441	
Mayor & Council	\$164,354	\$164,602	\$248	
City Solicitor	\$254,537	\$297,785	\$43,248	Increased billing for legal services (37k)
Administration	\$1,248,538	\$1,097,312	(\$151,226)	Decreased income tax credit payments (152k)
Finance	\$870,318	\$953,411	\$83,093	Estate tax refund (16K); business tax refund (54k)
Broadband Service	\$0	\$329,885	\$329,885	New service in 2016
Engineering	\$1,171,543	\$1,239,428	\$67,885	Increased contractual services (25k); primarily storm sewer related; increased personnel (29k)
Public Properties	\$847,235	\$771,809	(\$75,426)	Decreased snow/ice control costs - mild winter 2016 Q1 (86k)
Public Works Administration	\$509,462	\$516,093	\$6,631	
Transfers and Advances Out	\$8,642,069	\$9,794,298	\$1,152,229	Q1 appropriations for storm water and resurfacing projects; Q3 noise walls; Q4 Downtown, YDC
Total Expenditures	\$20,145,618	\$21,743,810	\$1,598,192	
Month End General Fund Cash Balance	\$8,978,989	\$7,784,915	(\$1,194,074)	Overall, 1.2M below prior year General Fund balance as of 12/31/2016

**City of Hudson
December 2016 Financial Report**

Category	2015 YTD Actual	2016 YTD Actual	2015 vs. 2016 YTD Variance	Comments
Other Operating Funds:				
Revenue				
Street Maintenance and Repair	\$3,016,781	\$3,212,225	\$195,444	Increased transfer from General Fund (135k); salt reimb from City of Kent (109k)
Cemeteries	\$252,976	\$243,099	(\$9,877)	
Parks	\$1,536,607	\$1,622,563	\$85,956	Increased income tax revenue (66k)
Cable TV	\$315,106	\$358,253	\$43,147	Advance from General Fund (35k)
Fire Department	\$1,553,786	\$1,633,337	\$79,551	Increased income tax revenue (66k)
Emergency Medical Service	\$1,384,232	\$1,715,595	\$331,363	Increased income tax revenue (39k); advance (213k); increased ambulance fees (59k)
Utilities:				
Water	\$2,045,801	\$3,036,994	\$991,193	Note proceeds for N. Main St project (975k); Charges for Services increase (20k)
Wastewater	\$4,027,553	\$477,347	(\$3,550,206)	Transferred operations to Summit County effective 1/1/2016
Electric	\$20,767,834	\$21,490,068	\$722,234	Increased cost of power and transmission costs passed onto customers
Stormwater	\$1,204,688	\$2,290,383	\$1,085,695	Increased transfer to cover additional project costs (618k) and personnel (134k)
Ellsworth Meadows Golf Course	\$1,417,511	\$1,381,547	(\$35,964)	Advance in 2015 (82k) offset by 46k increased operating revenue for 2016
Equipment Reserve (Fleet)	\$1,443,816	\$1,442,661	(\$1,155)	
Total Revenues	\$38,966,691	\$38,904,072	(\$62,619)	
Other Operating Fund Cash Balance, January 1	\$20,751,870	\$21,715,799	\$963,929	
Total Available - Other Operating Funds	\$59,718,561	\$60,619,871	\$901,310	
Expenditures				
Street Maintenance and Repair	\$3,034,326	\$3,117,394	\$83,068	Decreased road repairs (88k)
Cemeteries	\$254,048	\$237,522	(\$16,526)	
Parks	\$1,640,967	\$1,949,108	\$308,141	Increased capital expenditures for playground equip, light fixtures at Oak Grove (157k), Hudson Springs Trail (120k), Barlow Park parking lot (188k) and Colony Park restroom (115k)
Cable TV	\$313,999	\$352,485	\$38,486	Control room/HD project 65K in 2016
Fire Department	\$1,334,816	\$1,277,048	(\$57,768)	Decreased capital for various equipment and vehicle (64k)
Emergency Medical Services	\$1,354,798	\$1,692,647	\$337,849	Increased personnel (141k); advance out (172k); ambulance purchase in 2016 (229k)
Utilities:				
Water	\$1,959,695	\$2,480,221	\$520,526	North Main St water line project in 2016 (707k)
Wastewater	\$4,201,517	\$1,158,788	(\$3,042,729)	Transferred operations to Summit County effective 1/1/2016
Electric	\$20,010,552	\$24,442,565	\$4,432,013	Ramco property purchase (3.9MM); Increased cost of power passed on to customers
Stormwater	\$1,239,983	\$2,633,055	\$1,393,072	Capital projects (Brandywine bridge, lining projects, Williamsburg (1.3MM total); personnel increase(134k)
Ellsworth Meadows Golf Course	\$1,346,748	\$1,406,457	\$59,709	
Equipment Reserve (Fleet)	\$1,311,313	\$1,500,261	\$188,948	Increased vehicle purchases (284k)
Total Expenditures	\$38,002,762	\$42,247,551	\$4,244,789	
Month End Other Operating Funds Cash Balance	\$21,715,799	\$18,372,320	(\$3,343,479)	

SUPPLEMENTAL SCHEDULE FOR DECEMBER 2016 FINANCIAL REPORT

INCOME TAX REVENUE:

Income Tax revenues in the General Fund only are \$664,000 higher in 2016 and \$503,000 above estimate. Through the end of December 2016, Withholding taxes are up 5.2%, Individual taxes are down 8.8% and Net Profit taxes are up 36.6%. Including Parks, Fire, EMS and Hudson Schools, income taxes are up \$894,000 or 4.5%; we estimated a 2% increase over 2015. Larger net profit settlements in 2016 have caused the large fluctuation as compared to 2015. Excluding net profit taxes, income tax revenue is up 1.8% for the year.

Note: We added a column “% of Total” that shows the percentage breakdown by the three types of income tax revenue we receive. You’ll see Withholding tax accounts for approx. 2/3 or 66% of our total. Withholding tax is the amount withheld by Hudson businesses from their workers and remitted to the City via RITA. Withholding tax accounts for 50-55% of our annual General Fund revenue and is by far the largest source of income for the General Fund.

	2015	% of Total	2016	% of Total	\$ Inc/Dec	% Inc/Dec
RITA						
Withholding	\$ 13,443,466	67.4%	\$ 14,141,619	67.9%	\$ 698,153	5.2%
Individual	\$ 4,641,935	23.3%	\$ 4,233,628	20.3%	\$ (408,307)	-8.8%
Net Profit	\$ 1,536,067	7.7%	\$ 2,097,836	10.1%	\$ 561,769	36.6%
Total RITA	\$ 19,621,468		\$ 20,473,083		\$ 851,615	4.3%
Refund	\$ 278,820	1.4%	\$ 314,545	1.5%	\$ 35,725	12.8%
Feb Muni	\$ 20,855	0.1%	\$ 5,303	0.0%	\$ (15,552)	-74.6%
May/June Muni Tax	\$ 12,660	0.1%	\$ 18,112	0.1%	\$ 5,452	43.1%
Aug/Sep Muni Tax	\$ 940	0.0%	\$ 2,586	0.0%	\$ 1,646	175.1%
Nov/Dec Muni Tax	\$ 1,211	0.0%	\$ 16,387	0.1%	\$ 15,176	1253.2%
Total All	\$ 19,935,954	100.0%	\$ 20,830,016	100.0%	\$ 894,062	4.5%

Broadband Services - Summary Report As of December 31, 2016

Operating Results			
Customer Sales	\$ 129,048		
Operating Expenses	\$ (329,885)		
Operating Income (Loss)	\$ (200,837)		
Capital Fund (Fund 402)			
January 1, 2016 Balance	\$ 80,908		
Available Capital	\$ 1,300,000		
Interest Earnings	\$ 176		
YTD Expenses	\$ (1,065,097)		
Remaining Available Capital	\$ 315,987		
Number of Customers	77	As of Nov 30, 2016	
Number of Customers	87	As of Dec 31, 2016	
Increase over prior month	10		

City of Hudson Bank Report

Banks: to YDC Demo Note
As Of: 1/1/2016 to 12/31/2016

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	\$0.00	\$172,791.00	\$0.00	\$0.00	\$0.00	\$172,791.00
Broadband Services Note	\$800,000.00	\$0.00	\$2,100,000.00	\$0.00	\$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	(\$1,500,000.00)	\$500,000.00
DOLLAR BANK CD	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
PRIMARY CHECKING ACCT	\$4,402,601.85	\$8,737,704.30	\$62,321,070.23	\$8,226,099.82	\$48,209,754.74	(\$10,171,064.97)	\$8,342,852.37
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	\$0.82	\$0.00	\$0.00	\$0.00	\$1,816.11
INVESTMENT POOLED MONIES	\$20,802,399.72	\$0.00	\$8,759.02	\$0.00	\$0.00	(\$1,874,750.31)	\$18,936,408.43
CD INVESTMENTS	\$8,204,507.61	\$0.00	\$0.00	\$0.00	\$0.00	(\$2,504,507.61)	\$5,700,000.00
FIRE AND EMS SERVICE AWARDS	\$200,544.04	\$20,471.46	\$20,656.56	\$0.00	\$8,691.19	\$0.00	\$212,509.41
Payroll - First Merit	\$0.00	\$0.00	\$0.00	\$1,314,363.53	\$16,050,322.89	\$16,050,322.89	\$0.00
YDC Demo Note	\$466,667.00	\$0.00	\$233,334.00	\$233,334.00	\$700,001.00	\$0.00	\$0.00
Grand Total:	\$36,884,935.51	\$8,758,175.83	\$64,856,611.63	\$9,773,797.35	\$65,768,769.82	\$0.00	\$35,972,777.32

BANK RECONCILIATION
December-16

FIRST MERIT BANK BAL	5,532,186.62
SWEEP	3,285,000.00
FIRST MERIT BANK BALANCE	8,817,186.62

ADJUSTMENTS TO BANK

DEPOSIT ON STMT-NOT BOOKS-UB	0.00
SWEEP INTEREST	0.00
payroll bank rec - outstanding items	(110,296.17) PAYROLL
OUTSTANDING CHECKS-FIRST MERIT	(361,977.37)

12/1 Broadband CC off	7.50
12/30 UB EFT posted January 2017	(2,068.21)

DEPOSITS IN TRANSIT

TOTAL ADJUSTMENTS TO BANK BALANCE	(474,334.25)
ADJUSTED BANK BALANCE	8,342,852.37

BOOK BALANCE	8,342,852.37
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	0.00
ADJUSTED BANK BALANCE	500,000.00

BOOK BALANCE	500,000.00
UNRECONCILED	0.00

NORTHWEST SAVINGS FIRE/EMS	
BALANCE PER BANK	213,033.46
OUTSTANDING CHECKS	(505.80)
CHECKS POSTED THE FOLLOWING MONTH	0.00
STOP PAYMENT POSTED FOLLOWING MONTH	0.00
INTEREST POSTED FOLLOWING MONTH	18.25
ADJUSTED BANK BALANCE	212,509.41

BOOK BALANCE	212,509.41
UNRECONCILED	0.00

MBS GENERAL INVESTMENTS	
BALANCE PER BANK	18,936,408.43
BANK TRANSFER POSTED FOLLOWING MONTH	0.00
INTEREST POSTED FOLLOWING MONTH	0.00
ADJUSTED BANK BALANCE	18,936,408.43

BOOK BALANCE	18,936,408.43
UNRECONCILED	0.00

YDC DEMO NOTE	
BALANCE PER BANK	0.00
OUTSTANDING CHECKS	0.00
INTEREST POSTED FOLLOWING MONTH	0.00
ADJUSTED BANK BALANCE	0.00

BOOK BALANCE	0.00
UNRECONCILED	0.00

BANK RECONCILIATION
December-16

MORGAN BANK CD INVESTMENTS

BALANCE PER BANK	5,700,000.00	
POSTING ERROR	0.00	
CD IN TRANSIT		
INTEREST POSTED FOLLOWING MONTH	0.00	
ADJUSTED BANK BALANCE	5,700,000.00	
BOOK BALANCE	5,700,000.00	✓
UNRECONCILED	0.00	

First Merit CD - ODNR (Brine Well)

BALANCE PER BANK	5,000.00	
INTEREST POSTED FOLLOWING MONTH	0.00	
ADJUSTED BANK BALANCE	5,000.00	
BOOK BALANCE	5,000.00	✓
UNRECONCILED	0.00	

BROADBAND SERVICES NOTE

BALANCE PER BANK	2,100,000.00	
INTEREST POSTED FOLLOWING MONTH	0.00	
ADJUSTED BANK BALANCE	2,100,000.00	
BOOK BALANCE	2,100,000.00	✓
UNRECONCILED	0.00	

EMS AMBULANCE NOTE

BALANCE PER BANK	172,791.00	
OUTSTANDING CHECKS	0.00	
BANK CHECK IN TRANSIT	0.00	
INTEREST POSTED FOLLOWING MONTH	0.00	
ADJUSTED BANK BALANCE	172,791.00	✓
BOOK BALANCE	172,791.00	
UNRECONCILED	0.00	

CASH/CHANGE DRAWERS

FIRST MERIT DEAN MAY	1,400.00	
	1,816.11	

TOTAL BOOK BALANCE

35,972,777.32

TOTAL BANK BALANCE

35,972,777.32 ✓

UNRECONCILED

0.00

[Signature]
1/11/2017

Utility Billing Delinquency Report

	Dec-15	Jan-16	Feb-16	Mar-16
30 DAYS - ACTIVE ACCOUNTS	\$57,784.39	\$58,113.60	\$45,568.85	\$52,558.17
60 DAYS - ACTIVE ACCOUNTS	\$10,168.55	\$10,873.29	\$9,620.46	\$8,746.72
90 DAYS - ACTIVE ACCOUNTS	\$754.49	\$4,295.94	\$3,387.92	\$3,613.46
ACCOUNTS RECENTLY CLOSED (1)	\$27,263.21	\$30,396.06	\$9,298.37	\$9,421.21
ACCOUNTS CERTIFIED TO THE COUNTY	\$120,394.48	\$120,394.48	\$120,394.48	\$120,394.48
ACCOUNTS SENT TO COLLECTIONS	\$19,203.94	\$19,203.94	\$39,493.48	\$39,393.48
TOTAL UTILITY BILLING DELINQUENT AMOUNT	\$235,569.06	\$243,277.31	\$227,763.56	\$234,127.52
	Apr-16	May-16	Jun-16	Jul-16
30 DAYS - ACTIVE ACCOUNTS	\$52,683.27	\$43,110.54	\$43,059.08	\$41,040.52
60 DAYS - ACTIVE ACCOUNTS	\$8,150.15	\$6,686.66	\$7,374.01	\$8,082.01
90 DAYS - ACTIVE ACCOUNTS	\$2,925.19	\$4,790.49	\$5,724.41	\$6,062.77
ACCOUNTS RECENTLY CLOSED (1)	\$3,997.52	\$7,005.74	\$5,722.53	\$8,448.58
ACCOUNTS CERTIFIED TO THE COUNTY	\$96,120.04	\$96,120.04	\$96,120.04	\$96,120.04
ACCOUNTS SENT TO COLLECTIONS	\$44,820.64	\$45,441.30	\$46,463.36	\$46,341.96
TOTAL UTILITY BILLING DELINQUENT AMOUNT	\$208,696.81	\$203,154.77	\$204,463.43	\$206,095.88
	Aug-16	Sep-16	Oct-16	Nov-16
30 DAYS - ACTIVE ACCOUNTS	\$46,567.96	\$38,855.35	\$47,394.07	\$53,679.58
60 DAYS - ACTIVE ACCOUNTS	\$6,995.48	\$1,855.38	\$4,769.54	\$6,067.36
90 DAYS - ACTIVE ACCOUNTS	\$4,824.77	\$3,323.73	\$2,630.69	\$3,384.20
ACCOUNTS RECENTLY CLOSED (1)	\$5,987.02	\$8,504.33	\$6,024.41	\$7,125.92
ACCOUNTS CERTIFIED TO THE COUNTY	\$96,120.04	\$135,562.40	\$116,347.55	\$116,347.55
ACCOUNTS SENT TO COLLECTIONS	\$48,235.42	\$48,235.42	\$48,185.42	\$48,185.42
TOTAL UTILITY BILLING DELINQUENT AMOUNT	\$208,730.69	\$236,336.61	\$225,351.68	\$234,790.03
	Dec-16			
30 DAYS - ACTIVE ACCOUNTS	\$47,658.86			
60 DAYS - ACTIVE ACCOUNTS	\$11,686.26			
90 DAYS - ACTIVE ACCOUNTS	\$2,822.25			
ACCOUNTS RECENTLY CLOSED (1)	\$7,243.62			
ACCOUNTS CERTIFIED TO THE COUNTY	\$116,347.55			
ACCOUNTS SENT TO COLLECTIONS	\$48,085.42			
TOTAL UTILITY BILLING DELINQUENT AMOUNT	\$233,843.96			

Delinquent Account Breakdown

	\$0 - \$500	\$500 - \$1,000	\$1,001 - \$2,000	>\$2,000
Residential				
60 DAYS - ACTIVE ACCOUNTS	71	1	1	0
90 DAYS - ACTIVE ACCOUNTS	13	0	1	0
ACCOUNTS RECENTLY CLOSED	30	1	1	0
ACCOUNTS CERTIFIED TO THE COUNTY	62	23	6	1
ACCOUNTS SENT TO COLLECTIONS	41	13	5	0
Businesses				
60 DAYS - ACTIVE ACCOUNTS	1	0	0	1
90 DAYS - ACTIVE ACCOUNTS	0	0	0	0
ACCOUNTS RECENTLY CLOSED	8	1	0	0
ACCOUNTS CERTIFIED TO THE COUNTY	2	0	0	1
ACCOUNTS SENT TO COLLECTIONS	1	2	1	3

TOTAL YEAR TO DATE ACCOUNT WRITE-OFF'S **\$2,218.68 (2)**

In July 2015, we wrote off all accounts that were closed prior to 2014. The collection agency will continue to pursue payment, however, probability of collection on the accounts in remote.

YEAR TO DATE COLLECTION COMPANY RECEIPTS **\$5,936.14**

(1) "ACCOUNTS RECENTLY CLOSED" - accounts that have been closed and City staff is attempting to collect the balance due. If City staff is unable to collect on the account, it is turned over to a collection agency to pursue.

(2) "TOTAL YEAR TO DATE ACCOUNT WRITE-OFF'S" - Include accounts or amounts written off due to uncollectability, bankruptcy, or collection company fees.