MEMO

To: Mayor Steve Allender & City Council
From: Pauline Sumption
Date: June 22, 2017
RE: RCMC 3.28.040(B) A general statement of the financial condition of the City.

The City’s cash balances have increased from $102,902,442.01 as of 12/31/2015 to $112,981,417.97 as of 12/31/2016. While most of this money is restricted for specific purposes, the General Fund Cash balance has decreased by approximately $8.1 million, from $19,319,379.90 to $11,211,565.31 over the same time period. Most of this is due to a State grant for road projects that was received in December of 2015, which we transferred in 2016 out of the General Fund to the CIP Fund so that we could better track it for its designated purpose. In addition, the City’s managed accounts, of which we have four, have also decreased approximately $381k from $41,569,009 at 12/31/2015 to $41,188,830 at 12/31/2016.

Although the sales tax revenue did not meet our projections, our economy continues to hold steady with a slight increase. Other revenue sources have also seen a slight increase. As a City, we have also continued to be very conservative in our spending.

Overall, I would say the City’s financial condition at the end of 2016 was favorable although we continue to monitor the sluggish sales tax growth.

Please do not hesitate to contact me, should you have any questions.