

Town of Pendleton
Budget Performance Report
January 1, 2022 – March 29, 2022

Introduction

As we progress into the fiscal year a report may address the individual performance of selected town funds. For disclosure purposes, a description of the Town's major operating funds are presented below:

AOO – General Fund – All administrative operating expenses of the town. This includes professional services, court-justice, town clerk, town supervisor, and administrative expenses.

DAO- Highway Fund – All expenses associated with maintenance of roads, drainage, town parks, and snow removal.

SFO – Fire Department Fund – Contractual expenses related to fire protection for the Town of Pendleton. For all residents.

SRO – Refuse fund – Contractual expenses related to refuse collection for the Town of Pendleton. For all residents.

SSO – Sewer fund – Contractual expenses related to sewage system. For all applicable residents.

SWO – Water fund – Costs associated for water distribution to Town of Pendleton residents.

Revenue Budget Summary:

This revenue summary is being reported for all of the Town of Pendleton's funds.

The largest Town revenues are from property taxes and sales tax receipts. Property tax collections occur in the first half of the fiscal year and sales taxes are reimbursed from Niagara County on a quarterly basis. The Town records the first payments in our highway fund. This creates a deficit in the General fund for the first half of the budget year. The attached revenue and expense reports provide detailed information on all revenue and expense accounts.

The budget does include funding from salt barn and generator, Federal aid, general fund reserve, building reserve. The total appropriated budget from these items is \$1,597,498.

Revenue/Expense Budget Summary:

Historically, the first quarter 's expenses are mainly from salary and benefits. There is no exception to this expense trend in the 2022 General fund expense budget. The second quarter should see more expenses in the contractual and supply code. Specific fund net positions are listed below:

General Fund Net Position – Total expense = \$278,793.96, Total revenues = \$273,716.14 = -5,077.82 – Sales tax revenues received were 50% of the total budgeted amount. Since sales tax revenues are also recorded in other funds, it will be an important revenue to monitor as we progress through the fiscal year.

Highway Fund Net Position -Total expense = \$340,647.20, Total revenues = \$206,951.69 =-\$133,695.51 – Actual revenues were less than the expenses in the first quarter. The key revenue received was sales tax. Expenses were mostly related to salary and benefits and when reviewing the expense amounts to budget, they were on budget. One asset purchases were completed in the first quarter representing \$48k. Although this fund currently has a negative balance, it is expected that sales tax revenue receipts will reduce the deficit as we progress through the second quarter.

Fire Fund Net Position -Total expense = 375,145.00, Total revenues = \$552,501.62 = +\$177,356.62 – This fund’s major revenue is from property taxes. The revenue receipts are at 100%. No additional revenue is expected in the fund for the balance of this fiscal year. The contractual amount for fire protection has been fully paid. The major outstanding expense is due to the New York State Employee retirement system. This expense will be paid later in the fiscal year. This fund should perform on-budget.

Refuse Fund Net Position – Total expense = \$123,485.70, Total revenues = \$87,860.52 =+\$36,374.82 – This fund’s major revenue is from property taxes. The revenue receipts are at 100%. No additional revenue is expected in the fund for the balance of this fiscal year. At the end of this first quarter, essentially, 100% of the budgeted revenues have been received. The expenses paid to date represent 25.7% of the budget. This is exactly on budget for this fiscal year.

Sewer Fund Net Position – Total expense = \$47,332.79, Total revenues = \$25,131.68 = -\$22,201.11 – Budget is negative due to sewer rents being below budget by - \$302,665. This revenue line will need to be monitored closely as we proceed through the 2022 budget. If sewer rents remain below budget, another revenue source will need to be added for this fund in the 2023 budget.

Water Fund Net Position -Total expense = \$42,534.69, Total revenues = \$488,320.73 = \$445,786.04 – This fund’s major revenue is from property taxes. The revenue receipts are at 100%. No additional revenue is expected in the fund for the balance of this fiscal year. Metered sales were minimal, \$136.20. It is likely that this revenue will need close review as we proceed through the 2022 budget. Similar to the sewer rents in the sewer fund, if the revenue does not return to the historical budget amount a new revenue will need to be added to this fund in the 2023 budget.

Summary: The review of all funds combined shows that the Town has a positive net position of \$826,543.04. This is the first quarter of the budget, however, the current budget performance when reviewing all funds is positive. The two funds that require revenue monitoring continue to be the Sewer and Water funds. It is important to state that the Town’s reserves and other revenue budget accounts create a very stable budget position for the Town.