



Fiscal Year 2014
3rd Quarter
Financial Review

November 17, 2014



09/30/14 General Fund - Executive Overview

- General Fund revenues were \$70.1M, or 78.7% of budget.
- General Fund expenditures totaled \$66.0M, or 74.2% of budget.
- Through September 30, 2014, there is a \$4.1M surplus in the General Fund, compared to a \$3.4M surplus at this time last year.
- As was noted in previous Monthly Financial Reports, the City will post 3 pay periods in December at year end. An average payroll is approximately \$2.6 million.



General Fund Revenue Overview

| | <u>Revenues</u> | <u>Budget</u> | <u>Actual</u> | <u>% of Budget</u> | |
|---|---|----------------------------|----------------------|--------------------|--------|
| <ul style="list-style-type: none"> Economic revenues are fairly stable, December sales tax should bring year-end totals close to budget. | Property Tax | \$ 12,271,386 | \$ 12,099,016 | 98.6% | |
| | Sales Tax | 15,790,000 | 11,270,030 | 71.4% | |
| | State Income Tax | 7,076,170 | 5,377,426 | 76.0% | |
| | Utility Tax | 8,220,000 | 6,189,164 | 75.3% | |
| | Real Estate Transfer Tax | 2,875,000 | 2,030,175 | 70.6% | |
| | Liquor Tax | 2,375,000 | 2,015,098 | 84.8% | |
| | <ul style="list-style-type: none"> Permit revenue impacted by NU Building Permit received in July 2014 | Other Taxes | 5,940,053 | 4,165,054 | 70.1% |
| | | Licenses, Permits, Fees | 12,622,280 | 10,409,485 | 82.5% |
| | | Charges for Services | 7,936,754 | 5,847,372 | 73.7% |
| | | Intergovernmental Revenues | 721,272 | 900,730 | 124.9% |
| <ul style="list-style-type: none"> General Fund revenues through 09/30/14 are \$70.1M, or 78.7% of budget. | Interfund Transfers | 7,742,893 | 5,900,974 | 76.2% | |
| | Other Non-Tax Revenue | 5,614,490 | 3,956,265 | 70.5% | |
| | Total Revenues | \$ 89,185,298 | \$ 70,160,789 | 78.7% | |



General Fund Revenue Highlights

Through 09/30/14:

- General Fund property tax revenue was \$12,099,016 or 98.6% of budget.
- Real estate transfer tax totaled \$2,030,175 or approximately 70.6% of budget. This revenue budget was raised by \$700,000 in 2014 and year to date revenue is nearly equal to 2013 revenue for the same time period.
- State income tax revenue totaled \$5,377,426 or approximately 76.0% of budget.
- Sales tax revenue total \$11,270,030 or 71.4% of budget. December sales tax revenues should bring year-end totals for this item closer to budget.
- Permit Revenue was increased by \$3.2 million over 2013, and including the NU permit received in July, license, permit, fees revenues will be at \$10.4M or 82.5% year to date.



General Fund Expenditure Overview

- General Fund expenditures through 09/30/14 were \$66.0M or 74.2% of budget.

- These expenditures exclude the October 1% merit payment to exempt employees (retro to Jan 1)

| <u>Expenditures</u> | <u>Budget</u> | <u>Actual</u> | <u>% of Budget</u> |
|------------------------------------|-------------------|-------------------|--------------------|
| Legislative | 677,621 | 516,985 | 76.3% |
| City Administration | 1,941,115 | 1,225,855 | 63.2% |
| Law Department | 1,045,232 | 751,262 | 71.9% |
| Administrative Services Dept | 8,826,606 | 5,747,690 | 65.1% |
| Community Development | 2,652,887 | 1,878,446 | 70.8% |
| Police Department | 26,876,444 | 20,390,171 | 75.9% |
| Fire & Life Safety Services | 14,072,488 | 10,717,354 | 76.2% |
| Health Department | 3,009,286 | 2,295,145 | 76.3% |
| Public Works - Operating | 17,884,613 | 13,332,100 | 74.5% |
| Parks, Recreation & Comm. Services | 10,483,281 | 8,071,036 | 77.0% |
| Capital Improvement Transfer | 936,500 | 702,375 | 75.0% |
| Transfer to Debt Service Fund | 609,000 | 456,750 | 75.0% |
| Total Expenditures | 89,015,073 | 66,085,169 | 74.2% |



09/30/14 Enterprise Fund Overview

| Parking Fund | | | |
|-------------------------|---------------|---------------|--------------------|
| | Budget | Actual | % of Budget |
| Revenues | \$ 11,393,593 | \$ 7,103,763 | 62.3% |
| Expenses | \$ 15,894,333 | \$ 4,699,968 | 29.6% |
| Water Fund | | | |
| | Budget | Actual | % of Budget |
| Revenues | \$ 20,327,216 | \$ 14,757,372 | 72.6% |
| Expenses | \$ 23,989,735 | \$ 10,945,700 | 45.6% |
| Sewer Fund | | | |
| | Budget | Actual | % of Budget |
| Revenues | \$ 15,117,865 | \$ 11,088,766 | 73.3% |
| Expenses | \$ 16,279,120 | \$ 10,923,164 | 67.1% |
| Solid Waste Fund | | | |
| | Budget | Actual | % of Budget |
| Revenues | \$ 4,970,000 | \$ 3,680,760 | 74.1% |
| Expenses | \$ 5,309,082 | \$ 3,267,710 | 61.5% |



Enterprise Fund Highlights

Revenues:

- Solid Waste Fund revenues were slightly below (0.9%) the 75% budget target. Solid Waste generally has higher revenues in the fall due to yard waste collection.

Expenditures:

- Solid Waste Fund expenses are below the 75% target due to continued efficient operations and higher expenses in the fall due to leaf pickup operations.
- Water and Sewer expenditures through 09/30/14 were below the 75% budget target primarily due to major capital project expenses which are paid out in the fall. The Parking Fund also lagged in capital expenditures and will make a large debt payment on December 1, 2014 for the Sherman Avenue parking deck.



2014 Estimate

- YTD General Fund revenues through 09/30/14 are performing slightly above the 75% budget target (+3.7%). Staff will continue to monitor General Fund revenue performance throughout FY 2014 and will provide regular updates to the City Council.
- YTD General Fund expenditures through 09/30/14 are 74.2% of budget. Staff is preparing a 2014 Budget Amendment for the November 24, 2014 Council meeting reflecting higher than budgeted expenses in Public Works and Public Safety.
- Based on current estimates, it is unlikely that other funds such as Capital Improvements, Water, Parking, and Fleet will spend all of their budgets due to capital projects/equipment purchases not being completed by 12/31/14.
- Barring external circumstances such as reductions in federal or state funds, or adverse weather conditions, the overall 2014 General Fund budget should end in a surplus of approximately \$800,000 as discussed in the 2015 Proposed Budget.



2014 Budget Calendar

| DATE | TIME | ACTIVITY |
|-------------------------------|-----------|---|
| Monday, August 11, 2014 | 7PM* | Mid-Year 2014 Budget Review |
| Wednesday, September 10, 2014 | 7PM | Citizen Budget Input Session |
| Friday, October 10, 2014 | 5PM | Proposed Budget to City Council |
| Monday, October 20, 2014 | 7PM | Budget Discussion |
| Saturday, October 25, 2014 | 9AM - 1PM | Special City Council meeting Public Hearing-- Truth in Taxation Public Hearing-- FY 2015 Proposed Budget Preliminary Tax Levy Estimate |
| Monday, November 10, 2014 | 7PM* | Budget Discussion |
| Monday, November 17, 2014 | 7PM | Budget Discussion (if needed) |
| Monday, November 24, 2014 | 7PM* | Budget & Tax Levy Adoption |

*meeting times are approximate



Questions?