

CITY COUNCIL WORKSHOP

*FY 13-14 Mid-year Financial Report
Major Operating Funds*

March 4, 2014

Overview

- ◎ Report on actual results of the major operating funds
 - General Fund
 - Special Revenue Funds
 - HURF
 - Transportation Sales Tax
 - Public Safety Sales Tax (Police & Fire)
 - Enterprise Funds
 - Water and Sewer
 - Sanitation
 - Landfill

Basis of Analysis

- ⦿ Actual results through December 31, 2013
 - Does not include holiday season sales tax
- ⦿ Compared to five-year forecasts
 - General Fund forecast presented 12/17/13
 - Other major funds presented 2/18/14
- ⦿ Items are “on target” if they are near 50% of the forecast
- ⦿ Also compared actual results of this year to the results at the same time last year

Analysis

- ⦿ Overall, no significant financial issues were identified in any fund
 - Revenues are expected to meet the forecast
 - Expenditures are expected to meet the forecast
- ⦿ Staff will continue to monitor and provide updates
- ⦿ Requesting council feedback on the report and presentation

General Fund

	FY13 Mid-year	Full-year FY14 Forecast	FY14 Mid-year	Mid-year % of forecast
Revenues				
City Sales Tax	34,664,032	79,817,728	37,594,870	47%
State Shared Revenue	24,093,231	51,840,278	25,901,569	50%
Other Revenue	13,602,781	33,096,411	17,338,526	52%
Total Revenues	72,360,044	164,754,417	80,834,965	49%
Expenditures				
	(69,096,020)	(166,876,384)	(77,615,813)	47%

General Fund

- ⦿ Revenues and expenditures are expected to meet year-end forecasts
- ⦿ Revenue increased by \$8.5 million
 - Sales tax revenue increased \$2.9 million
 - \$1.8 million of this increase is due to the temporary sales tax implemented in August 2012
 - State shared revenue increased \$1.8 million
- ⦿ Expenditures increased by \$8.5 million
 - Increases are due to budgeted contractual obligations

HURF

	FY13 Mid-year	Full-year FY14 Forecast	FY14 Mid-year	Mid-year % of forecast
Revenues	5,729,780	13,792,455	5,911,020	43%
Expenditures	(3,286,206)	(16,573,265)	(4,165,897)	25%

HURF

- ⦿ Revenues and expenditures are expected to meet year-end forecasts
- ⦿ Revenue increased slightly by \$181,000
 - Revenues at 43% of annual forecast
 - \$1 million transfer into the fund from the Transportation Sales Tax Fund occurs at end of year
 - LTAFII funding expected in April 2014 will bring revenue up to forecast by year-end
- ⦿ Expenditures are low at only 25% of forecast
 - Planned \$3 million in pavement management projects in design phase
 - \$4.7 million in debt service will be paid at year-end

Transportation Sales Tax

	FY13 Mid-year	Full-year FY14 Forecast	FY14 Mid-year	Mid-year % of forecast
Revenues	11,435,562	24,714,389	11,237,084	45%
Expenditures	(12,484,842)	(56,055,391)	(6,559,099)	12%

Transportation Sales Tax

- ⦿ Revenues and expenditures are expected to meet year-end forecasts
- ⦿ Revenue is at 45% of the annual forecast
 - Slightly lower than same time last year
 - Does not include holiday sales tax collections
- ⦿ Expenditures are 12% of the annual forecast
 - Fund pays for capital projects
 - Typically capital expenditures occur unevenly throughout the year as projects are completed
 - \$1 million transfer to the HURF fund will occur at end of year

Public Safety - Police Special Revenue

	FY13 Mid-year	Full-year FY14 Forecast	FY14 Mid-year	Mid-year % of forecast
Revenues	6,434,468	13,872,917	6,470,033	47%
Expenditures	(5,782,498)	(15,627,787)	(6,675,335)	43%

Public Safety - Police Special Revenue

- ⦿ Revenues and expenditures are expected to meet year-end forecasts
- ⦿ Revenue is at 47% of the annual forecast
 - Essentially the same as last year
 - Does not include holiday sales tax collections
- ⦿ Expenditures are 43% of the annual forecast
 - Also has capital expenditures which occur unevenly throughout the year

Public Safety - Fire Special Revenue

	FY13 Mid-year	Full-year FY14 Forecast	FY14 Mid-year	Mid-year % of forecast
Revenues	3,217,229	6,793,394	3,245,504	48%
Expenditures	(3,484,836)	(6,913,425)	(3,320,425)	48%

Public Safety - Fire Special Revenue

- ⦿ Revenues and expenditures are expected to meet year-end forecasts
- ⦿ Revenue is at 48% of the annual forecast
 - Essentially the same as last year
 - Does not include holiday sales tax collections
- ⦿ Expenditures are 48% of the annual forecast

Water & Sewer

	FY13 Mid-year	Full-year FY14 Forecast	FY14 Mid-year	Mid-year % of forecast
Revenues				
Water Revenues	27,298,030	47,040,655	27,057,422	58%
Sewer Revenues	16,320,994	32,981,526	16,022,736	49%
Other Revenue	1,339,804	2,602,633	1,301,225	50%
Total Revenues	44,958,828	82,624,814	44,381,383	54%
Expenditures	(30,635,955)	(95,055,191)	(37,006,320)	39%

Water and Sewer

- ⦿ Water Revenue is at 58% of the annual forecast
 - Substantially the same as last year
 - Water revenue is typically higher in the summer
- ⦿ Sewer Revenue is at 49% of the annual forecast
 - Substantially the same as last year
- ⦿ Expenditures are 39% of the annual forecast
 - \$17.5 million in budgeted capital expenditures which occur unevenly throughout the year

Sanitation

	FY13 Mid-year	Full-year FY14 Forecast	FY14 Mid-year	Mid-year % of forecast
Revenues				
Commercial Sanitation	1,984,257	4,000,000	1,976,576	49%
Residential Sanitation	5,274,482	10,401,000	5,337,448	51%
Other Revenue	156,681	374,879	104,798	28%
Total Revenues	7,414,420	14,775,879	7,418,822	50%
Expenditures				
	(7,028,889)	(15,943,518)	(7,408,533)	46%

Sanitation

- ◎ Sanitation revenue is at 50% of the target
 - Substantially the same as last year
- ◎ Expenditures are 46% of the annual forecast
 - \$2.3 million in budgeted capital expenditures which occur unevenly throughout the year

Landfill

	FY13 Mid-year	Full-year FY14 Forecast	FY14 Mid-year	Mid-year % of forecast
Revenues	4,301,801	9,404,424	4,370,315	46%
Expenditures	(3,604,285)	(17,981,615)	(3,128,122)	17%

Landfill

- ◎ Landfill revenue is at 46% of the target
 - Substantially the same as last year
 - Additional revenue for recycled materials is expected in second half of year
 - Expected to meet annual forecast
- ◎ Expenditures are 17% of the annual forecast
 - \$11.3 million in budgeted capital expenditures which occur unevenly throughout the year
 - \$768,000 in debt service which is paid at end of year

Summary

- ✓ Major funds are expected to meet the most recent forecasts
- ✓ No material variances in revenue or expenditure levels
- ✓ Staff continues to monitor fund performance
- ✓ Staff intends to continue to develop a report based on best practices

Council Feedback

- Should we update the Council more often or less often than quarterly?
- Should the information be presented at a Workshop or distributed?
- Any areas of particular interest? (General Fund, just revenues, expenditures analysis by department)