

CITY COUNCIL WORKSHOP

*FY 13-14 Fourth Quarter Financial Report
Major Operating Funds*

October 21, 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 June 30, 2014
 - Unaudited
- ⦿ 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 100% of the forecast
- ⦿ Compared actual results of this year to the results at the same time last year
- ⦿ Added FY11-12 results per Council request

Analysis

- Overall positive financial results for the fiscal year and growth to the General Fund reserves
- Moody's recent revision of the City of Glendale's financial outlook from negative to stable was also based on FY13-14 unaudited financial information
- Staff will continue to monitor and provide updates quarterly
- Requesting council feedback on the report and presentation

General Fund

	FY11-12	FY12-13	FY13-14 Forecast	FY13-14 Actual (unaudited)	% of forecast
Revenues					
City Sales Tax	\$ 52,816,729	\$ 75,628,027	\$ 79,817,728	\$ 80,676,966	101%
State Shared Revenue	44,128,800	49,302,823	51,840,278	53,091,782	102%
Other Revenue	30,374,369	32,359,850	33,096,411	35,052,335	106%
Total Revenues	127,319,898	157,290,700	164,754,417	168,821,083	102%
Expenditures					
	(142,323,819)	(145,092,204)	(166,876,384)	(161,040,796)	97%
Excess (Deficiency)	(15,003,921)	12,198,496	(2,121,967)	7,780,287	
Beginning Fund Balance	21,931,242	6,927,321	19,125,817	19,125,817	
Ending Fund Balance	\$ 6,927,321	\$ 19,125,817	\$ 17,003,850	\$ 26,906,104	

General Fund

- ⦿ Revenues slightly exceeded the forecast
- ⦿ Revenue increased by \$11.5 million
 - Sales tax revenue increased \$5 million
 - \$1.8 million of this increase is due to the temporary sales tax implemented in August 2012
 - State shared revenue increased \$3.8 million
- ⦿ Expenditures increased by \$15.9 million
 - Increases are due to budgeted contractual obligations
 - Expenditures \$5.8 million lower than projected

HURF

	FY11-12	FY12-13	FY13-14 Forecast	FY13-14 Actual (unaudited)	% of forecast
Revenues	\$ 14,746,239	\$ 14,469,550	\$ 13,792,455	\$ 13,790,076	100%
Expenditures	(12,461,194)	(11,257,982)	(16,573,265)	(12,580,468)	76%
Excess (Deficiency)	2,285,045	3,211,568	(2,780,810)	1,209,608	
Beginning Fund Balance	13,437,635	15,722,680	18,934,248	18,934,248	
Ending Fund Balance	\$ 15,722,680	\$ 18,934,248	\$ 16,153,438	\$ 20,143,856	

HURF

- ⦿ Revenue decreased by \$679,000
 - Revenues at 100% of annual forecast
- ⦿ Expenditures are low at only 76% of forecast
 - Operating expenditures lower than budget
 - Capital projects carried over

Transportation Sales Tax

	FY11-12	FY12-13	FY13-14 Forecast	FY13-14 Actual (unaudited)	% of forecast
Revenues	\$ 24,695,636	\$ 23,772,374	\$ 24,714,389	\$ 24,140,679	98%
Expenditures	(27,152,279)	(25,962,487)	(56,055,391)	(23,975,702)	43%
Excess (Deficiency)	(2,456,643)	(2,190,113)	(31,341,002)	164,977	
Beginning Fund Balance	35,147,902	32,691,259	30,501,146	30,501,146	
Ending Fund Balance	\$ 32,691,259	\$ 30,501,146	(\$ 839,856)	\$ 30,666,123	

Transportation Sales Tax

- ⦿ Revenue is at 98% of the annual forecast
 - \$368,000 higher than last year
- ⦿ Expenditures are 43% of the annual forecast
 - Fund pays for capital projects
 - Capital projects carried over to FY14-15

Public Safety - Police Special Revenue

	FY11-12	FY12-13	FY13-14 Forecast	FY13-14 Actual (unaudited)	% of forecast
Revenues	\$ 12,580,752	\$ 13,082,485	\$ 13,872,917	\$ 14,227,879	103%
Expenditures	(12,053,772)	(12,232,089)	(15,627,787)	(13,430,093)	86%
Excess (Deficiency)	526,980	850,396	(1,754,870)	797,786	
Beginning Fund Balance	7,237,383	7,764,363	8,614,759	8,614,759	
Ending Fund Balance	\$ 7,764,363	\$ 8,614,759	\$ 6,859,889	\$ 9,412,545	

Public Safety - Police Special Revenue

- ◎ Revenue is at 103% of the annual forecast
 - \$1.1 or million higher than last year
- ◎ Expenditures are 86% of the annual forecast

Public Safety - Fire Special Revenue

	FY11-12	FY12-13	FY13-14 Forecast	FY13-14 Actual (unaudited)	% of forecast
Revenues	\$ 6,290,383	\$ 6,554,208	\$6,793,394	\$ 7,020,940	103%
Expenditures	(7,503,524)	(5,857,710)	(6,913,425)	(6,517,107)	94%
Excess (Deficiency)	(1,213,141)	696,498	(120,031)	503,833	
Beginning Fund Balance	1,506,802	293,661	990,159	990,159	
Ending Fund Balance	\$ 293,661	\$ 990,159	\$ 870,128	\$ 1,493,992	

Public Safety - Fire Special Revenue

- ⦿ Revenue is at 103% of the annual forecast
 - \$466,000 higher than the same time last year
- ⦿ Expenditures are 94% of the annual forecast

Water & Sewer

	FY11-12	FY12-13	FY13-14 Forecast	FY13-14 Actual (unaudited)	% of forecast
Revenues					
Water Revenues	\$ 46,906,769	\$ 45,772,615	\$ 47,040,655	\$ 46,669,959	99%
Sewer Revenues	31,351,053	32,545,795	32,981,526	32,935,682	100%
Other Revenue	4,684,581	5,312,918	2,602,633	1,889,719	73%
Total Revenues	82,942,403	83,631,329	82,624,814	81,495,360	99%
Expenditures					
	(86,758,777)	(69,150,931)	(95,055,191)	(73,227,142)	77%
Excess (Deficiency)	(3,816,374)	14,480,398	(12,430,377)	8,268,218	
Beginning Fund Balance	65,818,222	62,001,848	76,482,246	76,482,246	
Ending Fund Balance	\$ 62,001,848	\$ 76,482,246	\$ 64,051,869	\$ 84,750,464	

Water and Sewer

- ◎ Water Revenue is 99% of the annual forecast
 - \$897,000 higher than last year
- ◎ Sewer Revenue is 100% of the annual forecast
 - \$390,000 higher than last year
 - Expenditures are 77% of the annual forecast
 - \$15.4 million in budgeted capital expenditures which carry over into FY14-15

Sanitation

	FY11-12	FY12-13	FY13-14 Forecast	FY13-14 Actual (unaudited)	% of forecast
Revenues					
Commercial Sanitation	\$ 3,993,908	\$4,033,060	\$ 4,000,000	\$ 3,986,736	100%
Residential Sanitation	10,277,075	10,491,980	10,401,000	10,606,128	102%
Other Revenue	473,537	512,615	374,879	362,342	97%
Total Revenues	14,744,520	15,037,655	14,775,879	14,955,206	101%
Expenditures	(14,397,069)	(14,422,902)	(15,943,518)	(13,997,772)	88%
Excess (Deficiency)	347,451	614,753	(1,167,639)	957,434	
Beginning Fund Balance	2,148,833	2,496,283	3,111,036	3,111,036	
Ending Fund Balance	\$ 2,496,283	\$ 3,111,036	\$ 1,943,397	\$ 4,068,470	

Sanitation

- ◎ Sanitation revenue is at 101% of the target
 - Substantially the same as last year
- ◎ Expenditures are 88% of the annual forecast
 - \$1.5 million in budgeted capital expenditures to carry over into FY14-15

Landfill

	FY11-12	FY12-13	FY13-14 Forecast	FY13-14 Actual (unaudited)	% of forecast
Revenues	\$ 8,806,383	\$ 9,644,404	\$ 9,404,424	\$ 9,676,071	103%
Expenditures	(7,024,258)	(7,356,417)	(17,981,615)	(7,408,261)	41%
Excess (Deficiency)	1,782,125	2,287,586	(8,577,191)	2,267,810	
Beginning Fund Balance	5,765,150	7,547,275	9,834,861	9,834,861	
Ending Fund Balance	\$ 7,547,275	\$ 9,834,861	\$ 1,257,670	\$ 12,102,671	

Landfill

- ⦿ Landfill revenue is at 103% of the target
 - Substantially the same as last year

- ⦿ Expenditures are 41% of the annual forecast
 - \$10.5 million in budgeted capital expenditures which will carry over to FY14-15

Summary

- ✓ Major funds met or exceeded the December forecasts
- ✓ General Fund added to reserves
- ✓ Positive financial performance contributed to Moody's revision to stable outlook
- ✓ Staff continues to monitor fund performance