



FY 2012-13

1st Quarter Financial Report (Quarter Ending 09/30/2012)

November 20, 2012

Budget & Management Services and Finance



FY 2013 Financial Update

- The update reflects the Administration's effort to continually monitor the City's financial status and update City Council.
- The next financial update will be given at the FY2014 Budget Retreat.
- Budget Calendar (#8865) on this cycle for approval.



General Fund



General Fund - Revenues

- Reminder...
 - First quarter is the least indicative of full year results.
 - Property tax revenues representing 56% of General Fund budget are mostly collected in December and January.
 - First sales tax payment for fiscal year not received until October.

General Fund – Revenues



- Property taxes down from same period last year (9.7%).
- Utility taxes up from same period last year (0.3%).
- Licenses up from same period last year (20.0%).
- Permits up from same period last year (39.6%).
- Occupancy tax up from same period last year (65.1%).

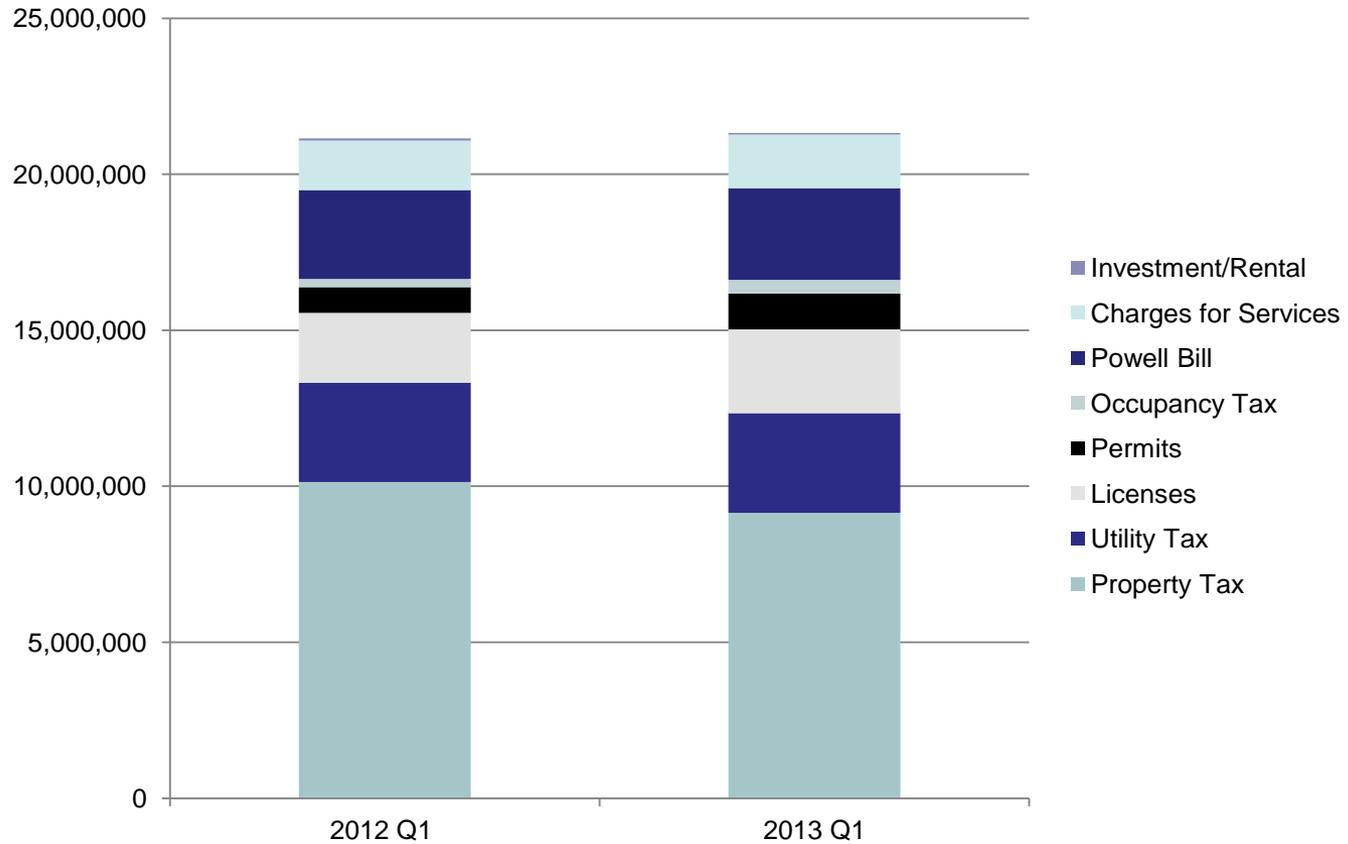
General Fund – Revenues (cont.)



- Powell Bill up from same period last year (3.2%).
- Charges for Services up from same period last year (8.4%).
- Investment / Rental Income down from same period last year (-27.2%)



General Fund Major Revenue Q1, 2012 vs. Q1 2013





General Fund Major Revenue Q1, 2012 vs. Q1 2013

Property Tax		Revenues have decreased 9.74% compared to First Quarter FY12
Sales Tax		
Utility Tax		Revenues have increased 0.26% compared to First Quarter FY12
Licenses		Revenues have increased 20.04% compared to First Quarter FY12
Permits		Revenues have increased 39.58% compared to First Quarter FY12
Occupancy Tax		Revenues have increased 65.11% compared to First Quarter FY12
Powell Bill		Revenues have increased 3.17% compared to First Quarter FY12
Charges for Services		Revenues have increased 8.42% compared to First Quarter FY12
Investment/Rental		Revenues have decreased 27.24% compared to First Quarter FY12

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CITY OF MEDICINE

General Fund - Revenues

REVENUES	FY 2013 ADJUSTED BUDGET	ACTIVITY THROUGH SEPT 2012	PROJECTION THROUGH YEAR END	VARIANCE TO FINAL BUDGET- POSITIVE (NEGATIVE)
Property taxes	\$ 99,217,048	\$ 9,147,904	\$ 99,236,699	\$ 19,651
Sales taxes	36,663,381	-	36,152,390	(510,991)
Hotel/Motel Occupancy tax	1,602,000	440,802	1,699,601	97,601
Other local taxes	307,715	56,504	319,834	12,119
Licenses	2,792,042	2,682,866	2,850,000	57,958
Permits	3,474,011	1,149,354	3,488,625	14,614
Utility franchise tax	13,502,696	3,193,719	13,427,592	(75,104)
Powell bill	5,710,000	2,941,922	5,883,844	173,844
Other intergovernmental revenues	3,639,541	490,492	3,342,541	(297,000)
Investment and rental income	317,529	53,102	261,332	(56,197)
Charges for services	7,326,436	1,714,234	7,325,812	(624)
Intragovernmental services	948,185	159,551	690,000	(258,185)
Assessments	100,000	31,955	100,000	-
Sale of property and miscellaneous	752,970	81,051	782,487	29,517
Total revenues	176,353,554	22,143,456	175,560,757	(792,797)



General Fund - Revenues

	FY 2013 ADJUSTED BUDGET	ACTIVITY THROUGH SEPT 2012	PROJECTION THROUGH YEAR END	VARIANCE TO FINAL BUDGET- POSITIVE (NEGATIVE)
REVENUES				
OTHER FINANCING SOURCES				
Transfer from reserves	3,542,729	-	2,502,760	(1,039,969)
Appropriation from fund balance	314,338	-	314,338	-
Total other financing sources	<u>3,857,067</u>	<u>-</u>	<u>2,817,098</u>	<u>(1,039,969)</u>
Total revenues and other financing sources	<u>\$ 180,210,621</u>	<u>\$ 22,143,456</u>	<u>\$ 178,377,855</u>	<u>\$ (1,832,766)</u>



General Fund - Expenditures

- Operations spending projected at \$1.83M less than budgeted at year end.
 - Personnel costs under-budget by \$385K or approximately 0.31%
 - Operating costs under budget by \$1.4M or 3.97%
- No departments are projected to go over-budget.



General Fund - Expenditures

DEPARTMENT	FY 2013 ADJUSTED BUDGET	ACTIVITY THROUGH SEPT 2012	ENCUM- BRANCE BALANCE	PROJECTION THROUGH YEAR END	VARIANCE TO FINAL BUDGET- POSITIVE (NEGATIVE)
Audit Services	\$ 540,915	\$ 141,057	\$ 65,601	\$ 540,915	\$ -
Budget & Management Services	1,222,547	296,606	3,651	1,222,547	-
City Attorney	1,569,941	361,581	16,306	1,569,941	-
City Clerk	616,423	144,107	2,440	604,628	11,795
City Council	536,811	265,176	1,046	513,578	23,233
City Manager/One Call/Public Affairs	3,055,435	725,138	106,779	2,989,964	65,471
City/County Inspections	3,308,277	773,024	7,388	3,308,277	-
City/County Planning	2,990,676	697,685	4,454	2,990,676	-
Economic & Workforce Development	4,705,183	1,048,498	1,639,844	4,689,258	15,925
Emergency Communications	4,824,133	1,091,270	119,284	4,801,514	22,619
Emergency Management	185,205	46,301	-	185,205	-
Equal Opportunity-Equity Assurance	659,081	133,290	39,851	658,403	678



General Fund - Expenditures

DEPARTMENT	FY2013 ADJUSTED BUDGET	ACTIVITY THROUGH SEPT 2012	ENCUM- BRANCE BALANCE	PROJECTION THROUGH YEAR END	VARIANCE TO FINAL BUDGET- POSITIVE (NEGATIVE)
Finance	5,447,147	1,240,826	169,379	5,162,806	284,341
Fire	23,150,902	5,604,749	220,977	23,150,902	-
Fleet Maintenance	4,070,216	905,228	265,890	4,046,398	23,818
General Services	11,579,431	2,473,488	827,682	11,368,579	210,852
Housing & Community Development	4,483,862	533,423	428,593	4,483,862	-
Human Resources	1,670,179	382,184	9,546	1,666,711	3,468
Neighborhood Improvement Service	3,519,947	935,719	188,721	3,397,605	122,342
Parks & Recreation	10,968,914	2,940,691	379,265	10,779,600	189,314
Police	51,662,186	11,795,545	1,391,799	51,660,016	2,170
Public Works	7,852,419	1,626,811	190,773	7,851,699	720
Technology Solutions	6,140,556	1,580,982	497,681	5,430,528	710,028
Transportation	7,129,355	2,073,844	128,521	7,121,365	7,990



General Fund - Expenditures

DEPARTMENT	FY 2013 ADJUSTED BUDGET	ACTIVITY THROUGH SEPT 2012	ENCUM- BRANCE BALANCE	PROJECTION THROUGH YEAR END	VARIANCE TO FINAL BUDGET- POSITIVE (NEGATIVE)
NonDepartmental	8,868,037	1,587,300	1,137,631	8,730,035	138,002
Indirect Cost	(8,101,323)	-	-	(8,101,323)	-
Debt Service	100,000	1,700	-	100,000	-
Transfer	17,454,166	7,765	-	17,454,166	-
Total	180,210,621	39,413,988	7,843,102	178,377,855	1,832,766

CLASS	FY 2013 ADJUSTED BUDGET	ACTIVITY THROUGH SEPT 2012	ENCUM- BRANCE BALANCE	PROJECTION THROUGH YEAR END	VARIANCE WITH FINAL BUDGET- POSITIVE (NEGATIVE)
Personal services	\$ 125,529,445	\$ 29,615,562	\$ 246,012	\$ 125,144,441	\$ 385,004
Operating expenditures	34,360,355	9,760,716	7,500,881	32,995,205	1,365,150
Capital outlay	302,342	28,245	96,208	253,272	49,070
Appropriation not authorized for expenditures	2,464,313	-	-	2,430,771	33,542
Debt service	100,000	1,700	-	100,000	-
Transfers out	17,454,166	7,765	-	17,454,166	-
Total	180,210,621	39,413,988	7,843,101	178,377,855	1,832,766



Enterprise Funds



Water & Sewer Fund

- Operating revenues at 29% of yearly budget
- Operating expenses at 18% of yearly budget
- Consumption for the First quarter of FY13 is 1.05% lower than consumption for the same period in FY12.
- Overall, fund is expected to finish near budget for FY 13.



Water & Sewer Fund - Revenues

	Adjusted Budget	Actual	Year-End Projection	Year-End Positive/ (Negative)
Revenues				
Operating revenues	\$ 80,461,368	\$ 23,118,565	\$ 80,581,053	\$ 119,685
Permits	56,000	23,450	63,000	7,000
Total operating revenues	<u>80,517,368</u>	<u>23,142,015</u>	<u>80,644,053</u>	<u>126,685</u>
Non-operating revenues				
Miscellaneous	2,155,328	592,084	2,103,528	(51,800)
Investment Income	205,000	101,904	205,000	-
Operating transfers from other funds	308,942	-	308,942	-
Transfer from reserves	1,697,430	-	1,697,430	-
Appropriation from fund balance	6,714,865	-	6,605,022	(109,843)
Total Non-operating revenues	<u>11,081,565</u>	<u>693,988</u>	<u>10,919,922</u>	<u>(161,643)</u>
Total revenues	<u>\$ 91,598,933</u>	<u>\$ 23,836,003</u>	<u>\$ 91,563,975</u>	<u>\$ (34,958)</u>



Water & Sewer Fund - Expenses

	Adjusted Budget	Actual	Year-End Projection	Year-End Positive/ (Negative)
Expenditures				
Personal Services	\$ 23,139,908	\$ 5,312,443	\$ 23,133,037	\$ 6,871
Operating expenditures	23,045,665	4,269,281	23,017,578	28,087
Non-departmental administration	5,797,679	-	5,797,679	-
Capital outlay	67,648	57,648	67,648	-
Debt service principal and interest	18,891,051	298,142	18,891,051	-
Operating transfers to other funds	20,656,982	-	20,656,982	-
Total expenditures	<u>\$ 91,598,933</u>	<u>\$ 9,937,514</u>	<u>\$ 91,563,975</u>	<u>\$ 34,958</u>
Revenues less Expenditures	-	13,898,489	-	



W&S Capital Facility Fee Fund

- Capital Facility Fees are derived from charges to new development or facility expansion.
- Funding provided to the Water and Sewer Construction Fund to support capital improvements.
- First quarter results are \$60,000 greater than Q1 FY 12.
- Collected surplus is credited toward fund balance.



Transit Operations Fund

- Transit Operations Fund overall expected to operate at a slight deficit.
- Revenues are expected to be near budget, and expenses slightly over due to tax collection fee to County.
- Tax rate of 3.2 cents (about \$7.67M) is budgeted for the Transit Fund.



Transit Operations Fund - Revenues

	Adjusted Budget	Actual	Year-End Projection	Year-End Positive/ (Negative)
Revenues				
Operating revenues	\$ 3,677,038	\$ 493,088	\$ 3,677,038	\$ -
Non-operating revenues				
Taxes	7,670,132	808,942	7,670,132	-
Miscellaneous	4,856,205	542,993	4,856,925	720
Investment Income	-	4,143	5,554	5,554
Transfer from reserves	331,950	-	331,950	-
Total Non-operating revenues	<u>12,858,287</u>	<u>1,356,078</u>	<u>12,864,561</u>	<u>6,274</u>
Total revenues	<u>\$ 16,535,325</u>	<u>\$ 1,849,166</u>	<u>\$ 16,541,599</u>	<u>\$ 6,274</u>

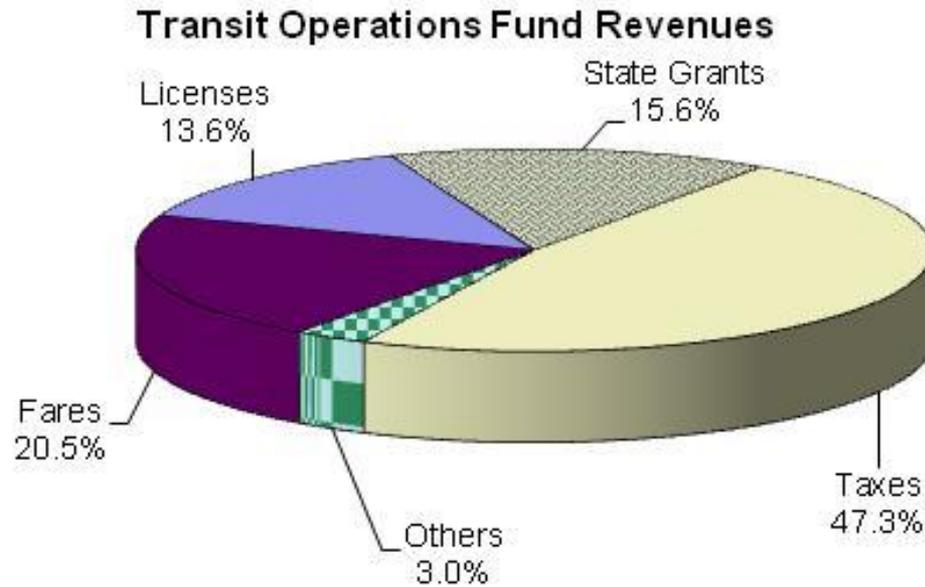


Transit Operations Fund – Expenses

	Adjusted Budget	Actual	Year-End Projection	Year-End Positive/ (Negative)
Expenditures				
Operating expenditures	\$ 14,722,387	\$ 3,354,968	\$ 14,797,825	\$ (75,438)
Non-departmental administration	383,563	-	383,563	-
Debt service principal and interest	217,955	168,408	217,955	-
Operating transfers to other funds	1,211,420	-	1,211,420	-
	<u>\$ 16,535,325</u>	<u>\$ 3,523,376</u>	<u>\$ 16,610,763</u>	<u>\$ (75,438)</u>
 Revenues less Expenditures	 -	 (1,674,210)	 (69,164)	



Transit Fund- Source of Funding





Solid Waste Fund

- Revenues are currently projected to exceed budget slightly.
- Expenditures are projected slightly under budget due to anticipated lapsed salary.
- FY 13 is first full year the department will collect revenue from recyclables. The department anticipates to receive \$225K from recyclables.
- The Solid Waste Disposal Fund was budgeted to receive 38% of fund needs through charges and other non-tax revenues.



Solid Waste Fund - Revenues

	Adjusted Budget	Actual	Year-End Projection	Year-End Positive/ (Negative)
Revenues				
Operating revenues	\$ 8,144,800	\$ 1,932,639	\$ 8,179,075	\$ 34,275
Non-operating revenues				
Investment Income	26,000	4,117	15,000	(11,000)
Miscellaneous	150,725	37,933	150,725	-
Operating transfers from other funds	13,706,256	-	13,706,256	-
Transfer from reserves	1,276,387	-	1,276,387	-
Total Non-operating revenues	<u>15,159,368</u>	<u>42,050</u>	<u>15,148,368</u>	<u>(11,000)</u>
Total revenues	\$ <u>23,304,168</u>	\$ <u>1,974,689</u>	\$ <u>23,327,443</u>	\$ <u>23,275</u>



Solid Waste Fund - Expenses

	Adjusted Budget	Actual	Year-End Projection	Year-End Positive/ (Negative)
Expenditures				
Personal Services	\$ 6,347,414	\$ 1,408,754	\$ 6,215,694	\$ 131,720
Operating expenditures	13,686,579	2,396,455	13,840,088	(153,509)
Non-departmental administration	153,670	-	153,670	-
Debt service principal and interest	3,015,505	55,852	3,015,505	-
Appropriations not authorized	101,000	-	-	101,000
Total expenditures	<u>\$ 23,304,168</u>	<u>\$ 3,861,061</u>	<u>\$ 23,224,957</u>	<u>\$ 79,211</u>
Revenues less Expenditures	-	(1,886,372)	102,486	



Stormwater Fund

- Provides for the management and maintenance of operational expenses of stormwater activities which include street cleaning.
- The fund is a self-sufficient enterprise fund and receives no tax support.
- At the end of the first quarter, the Storm Water Fund is projected to realize a slight surplus due to personnel and operating coming in under original budget for the year.



Stormwater Fund - Revenues

	Adjusted Budget	Actual	Year-End Projection	Year-End Positive/ (Negative)
Revenues				
Operating revenues	\$ 12,130,488	\$ 3,465,767	\$ 12,148,313	\$ 17,825
Non-operating revenues				
Miscellaneous	-	-	3,175	3,175
Investment Income	9,000	4,730	9,000	-
Operating transfers from other funds	232,047	-	232,047	-
Transfer from reserves	225,594	-	225,595	1
Appropriation from fund balance	590,000	-	590,000	-
Total Non-operating revenues	1,056,641	4,730	1,059,817	3,176
Total revenues	\$ 13,187,129	\$ 3,470,497	\$ 13,208,130	\$ 21,001

Stormwater - Expenses



	Adjusted Budget	Actual	Year-End Projection	Year-End Positive/ (Negative)
Expenditures				
Personal Services	\$ 6,489,776	\$ 1,351,578	\$ 6,448,345	\$ 41,431
Operating expenditures	2,048,045	377,487	2,030,869	17,176
Non-departmental administration	855,266	-	855,266	-
Capital outlay	54,357	-	54,358	(1)
Operating transfers to other funds	3,739,685	-	3,739,685	-
Transfers to fund balance	-	-	79,607	-
Total expenditures	\$ 13,187,129	\$ 1,729,065	\$ 13,208,130	\$ 58,606
Revenues less Expenditures	-	1,741,432	-	



Parking Fund

- The Parking fund operating revenues fully cover fund expenses.
- Parking Fund is expected to operate within budget expectations.



Parking Fund - Revenues

	Adjusted Budget	Actual	Year-End Projection	Year-End Positive/ (Negative)
Revenues				
Operating revenues	\$ 2,090,341	\$ 474,013	\$ 2,047,924	\$ (42,417)
Non-operating revenues				
Investment Income	2,000	1,395	2,000	-
Miscellaneous	-	80	440	440
Transfer from reserves	409,777	-	409,777	-
Appropriation from fund balance	320,064	-	310,319	(9,745)
Total Non-operating revenues	731,841	1,475	722,536	(9,305)
Total revenues	\$ 2,822,182	\$ 475,488	\$ 2,770,460	\$ (51,722)



Parking Fund - Expenses

	Adjusted Budget	Actual	Year-End Projection	Year-End Positive/ (Negative)
Expenditures				
Personal Services	\$ 64,155	\$ 3,007	\$ 54,385	\$ 9,770
Operating expenditures	1,940,412	378,493	1,933,023	7,389
Non-departmental administration	453,881	-	453,881	-
Capital outlay	363,734	-	329,171	34,563
Total expenditures	<u>\$ 2,822,182</u>	<u>\$ 381,500</u>	<u>\$ 2,770,460</u>	<u>\$ 17,159</u>
Revenues less Expenditures	-	93,988	-	



Ballpark Fund

- The Ballpark Fund relies on the General Fund for 66% of its adjusted budget.
- Projecting the budget to be on target due to increased facility fee revenues and minimal deficit on personnel expenses.



Ballpark Fund - Revenues

	Adjusted Budget	Actual	Year-End Projection	Year-End Positive/ (Negative)
Revenues				
Operating revenues	\$ 482,947	\$ 38,941	\$ 482,947	\$ -
Non-operating revenues				
Non-operating revenues	205,000	96,450	207,400	2,400
Investment Income	1,500	1,108	1,500	-
Operating transfers from other funds	1,594,931	-	1,594,931	-
Transfer from reserves	135,421	-	135,421	-
Total Non-operating revenues	<u>1,936,852</u>	<u>97,558</u>	<u>1,939,252</u>	<u>2,400</u>
Total revenues	\$ <u>2,419,799</u>	\$ <u>136,499</u>	\$ <u>2,422,199</u>	\$ <u>2,400</u>



Ballpark Fund - Expenses

	Adjusted Budget	Actual	Year-End Projection	Year-End Positive/ (Negative)
Expenditures				
Personal Services	\$ 114,135	\$ 28,205	\$ 116,535	\$ (2,400)
Operating expenditures	870,506	239,135	870,506	-
Non-departmental administration	131,983	-	131,983	-
Debt service principal and interest	978,378	927,625	978,378	-
Operating transfers to other funds	324,797	-	324,797	-
Total expenditures	<u>\$ 2,419,799</u>	<u>\$ 1,194,965</u>	<u>\$ 2,422,199</u>	<u>\$ (2,400)</u>
Revenues less Expenditures	-	(1,058,466)	-	



Durham Performing Arts Center - Revenues

	Adjusted Budget	Actual	Year-End Projection	Year-End Positive/ (Negative)
Revenues				
Operating revenues	\$ 918,000	\$ -	\$ 918,000	\$ -
Non-operating revenues				
Taxes	1,300,000	345,812	1,310,000	10,000
Naming rights	400,000	-	400,000	
Ticket facility fee	459,000	75,325	481,950	22,950
Investment Income	2,000	743	2,000	-
Appropriation from fund balance	296,831	-	296,831	-
Total Non-operating revenues	<u>2,457,831</u>	<u>421,880</u>	<u>2,490,781</u>	<u>32,950</u>
Total revenues	<u>\$ 3,375,831</u>	<u>\$ 421,880</u>	<u>\$ 3,408,781</u>	<u>\$ 32,950</u>



DPAC - Expenses

	Adjusted Budget	Actual	Year-End Projection	Year-End Positive/ (Negative)
Expenditures				
Operating expenditures	\$ 131,771	\$ 29,523	\$ 135,396	\$ (3,625)
Non-departmental administration	297,962	-	297,962	-
Debt service principal and interest	2,487,098	-	2,487,098	-
Operating transfers to other funds	459,000	-	459,000	-
Total expenditures	\$ 3,375,831	\$ 29,523	\$ 3,379,456	\$ (3,625)
 Revenues less Expenditures	 -	 392,357	 29,325	



DPAC Reserve

	<u>Adjusted Budget</u>	<u>Actual</u>	<u>Year-End Projection</u>	<u>Year-End Positive/ (Negative)</u>
Revenues				
Non-operating revenues				
Investment Income	1,000	1,417	6,000	5,000
Operating transfers from other funds	<u>459,000</u>	<u>-</u>	<u>459,000</u>	<u>-</u>
Total revenues	<u>\$ 460,000</u>	<u>\$ 1,417</u>	<u>\$ 465,000</u>	<u>\$ 5,000</u>
Expenditures				
Operating expenditures	\$ 197,249	\$ 48,165	\$ 150,000	\$ 47,249
Transfers to fund balance	<u>262,751</u>	<u>-</u>	<u>262,751</u>	<u>-</u>
Total expenditures	<u>\$ 460,000</u>	<u>\$ 48,165</u>	<u>\$ 412,751</u>	<u>\$ 47,249</u>
Revenues less Expenditures	-	(46,748)	52,249	



Related Projects

- Performance Measure Dashboards
- 5 Year Financial Plan – (General Fund and Transit)
- Strategic Plan Update
- Process Improvement Projects