



# FY 2015-16

## 4<sup>th</sup> Quarter and Preliminary Year-End Financial Report

(Quarter Ending 06/30/2016)

September 8, 2016

*Budget & Management Services and Finance*



# General Fund

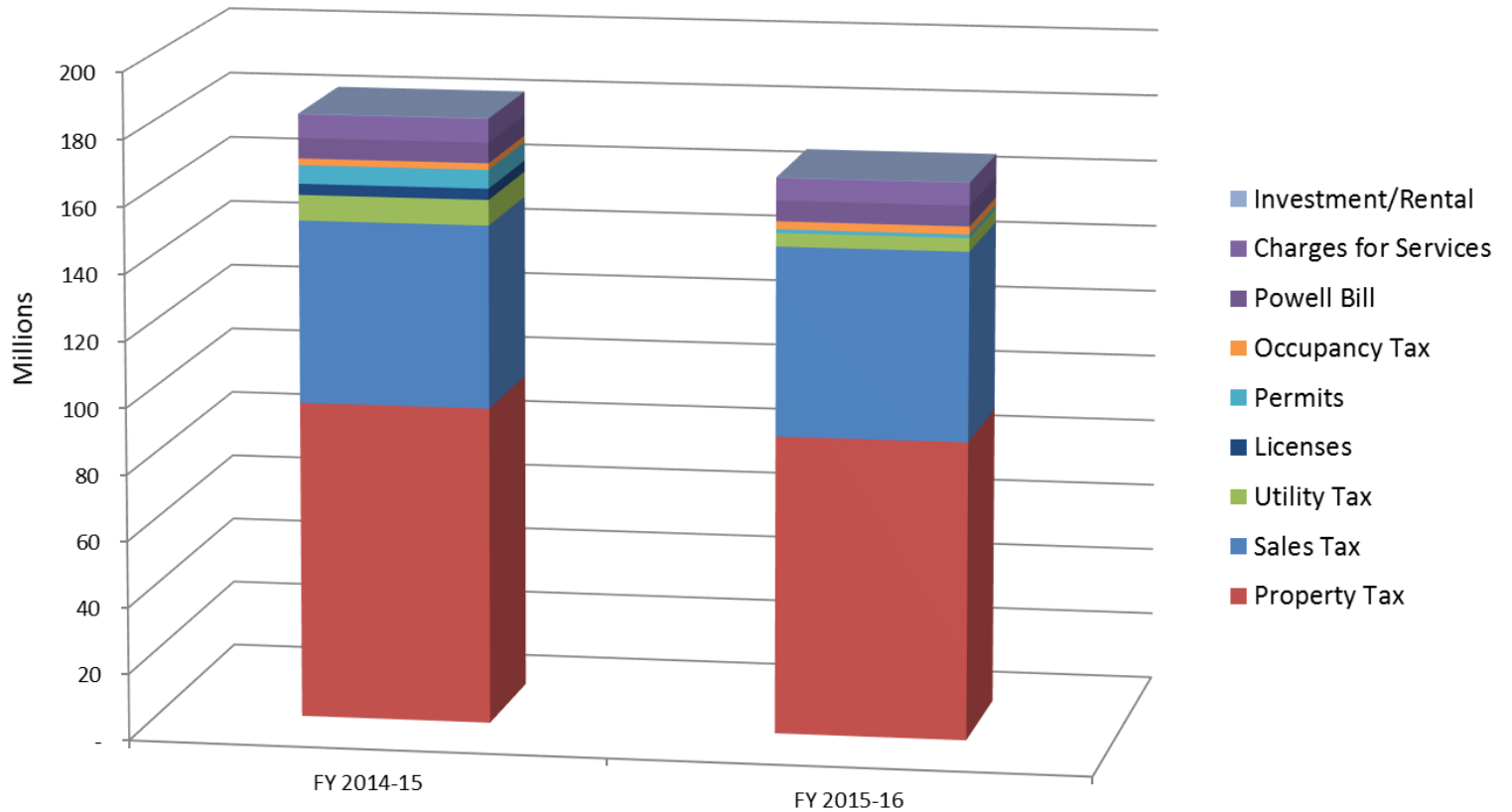


# Summary Results

- Departmental expenditures projected to be under budget by approximately \$7.6M
- All departments projected to be within budget at year end.
- Expected Revenue surplus of approximately \$7.9M
- Other Financing Sources – Transfer from reserves and fund balance \$10.5M not needed.



# General Fund Major Revenue QTR 4, 2015 VS. Q4, 2016





# Property Tax Levy Comparison

Year	Total Billed	Actual Collections	% Collected
2015 (FY2016)	\$ 152,461,238	\$ 152,002,940	99.70%
2014 (FY2015)	\$ 148,820,519	\$ 148,235,839	99.61%
2013 (FY2014)	\$ 141,352,436	\$ 140,270,190	99.23%
2012 (FY 2013)	\$ 135,058,514	\$ 133,482,401	98.83%
2011 (FY 2012)	\$ 129,656,385	\$ 129,027,719	98.75%



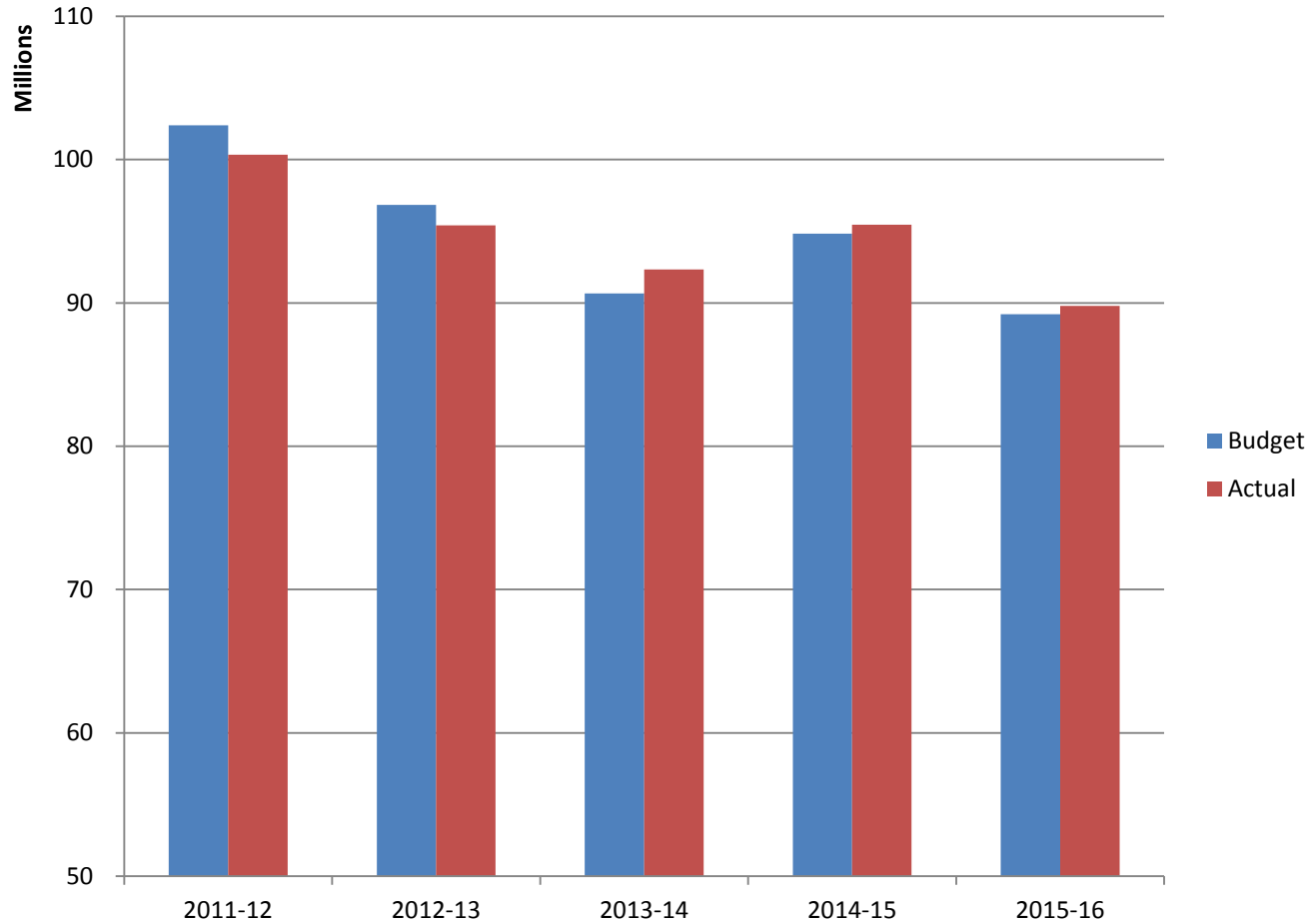
# Sales Tax Collections

- \$50.8M collections to date including sales tax on electricity and gas, up \$1.7M (3.5%) versus last year, and down \$133K (0.3%) versus budget.
- Budgeted \$50.9M for FY2015-16 compared to \$48.1M for FY2014-15. Expect to exceed budget projections for FY2015-16.
- Final Payment for FY2015-16 (September 2016)



# Revenue Summary – Multi-Year

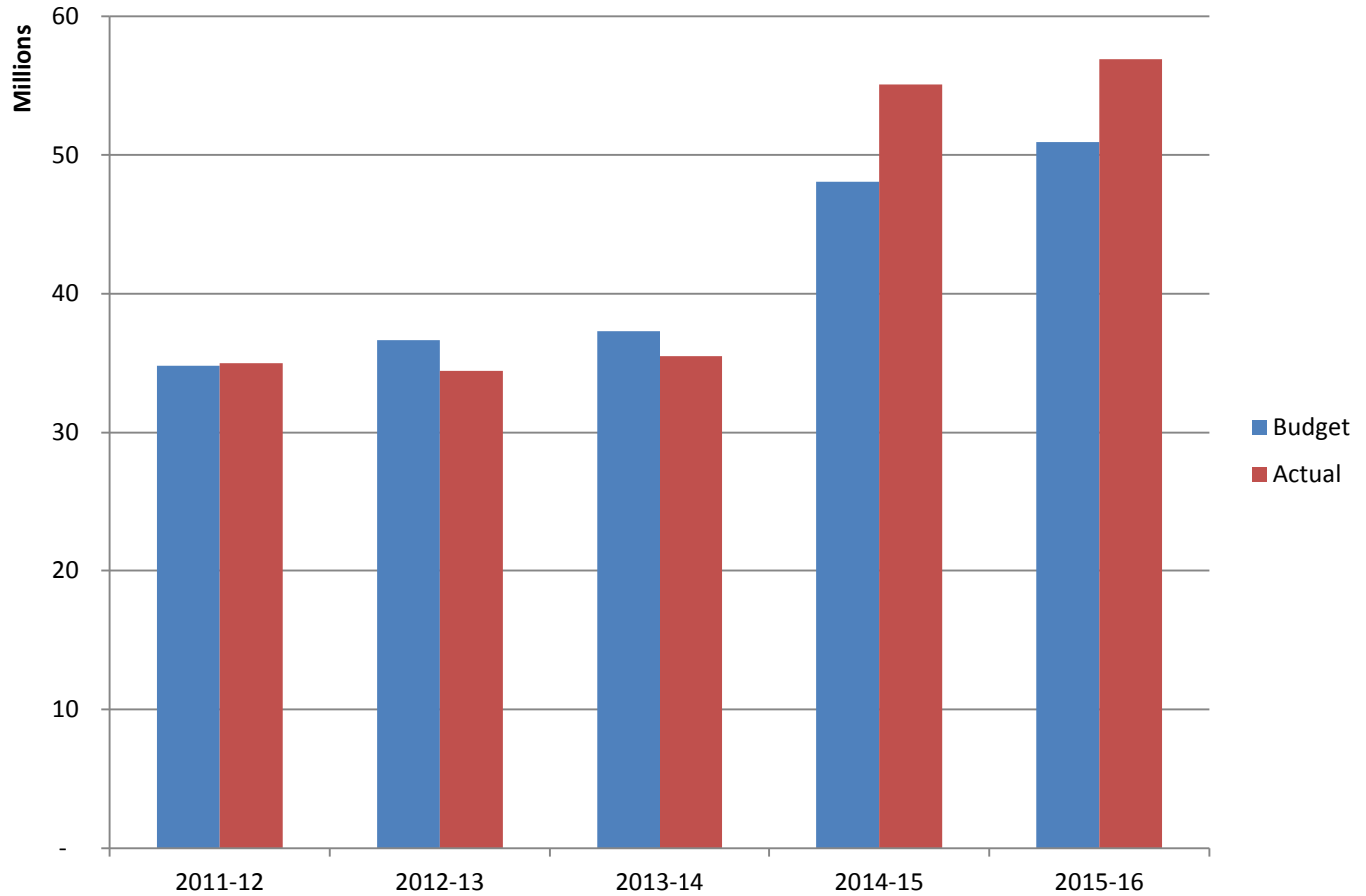
## Property Tax (General Fund)





# Revenue Summary – Multi-Year

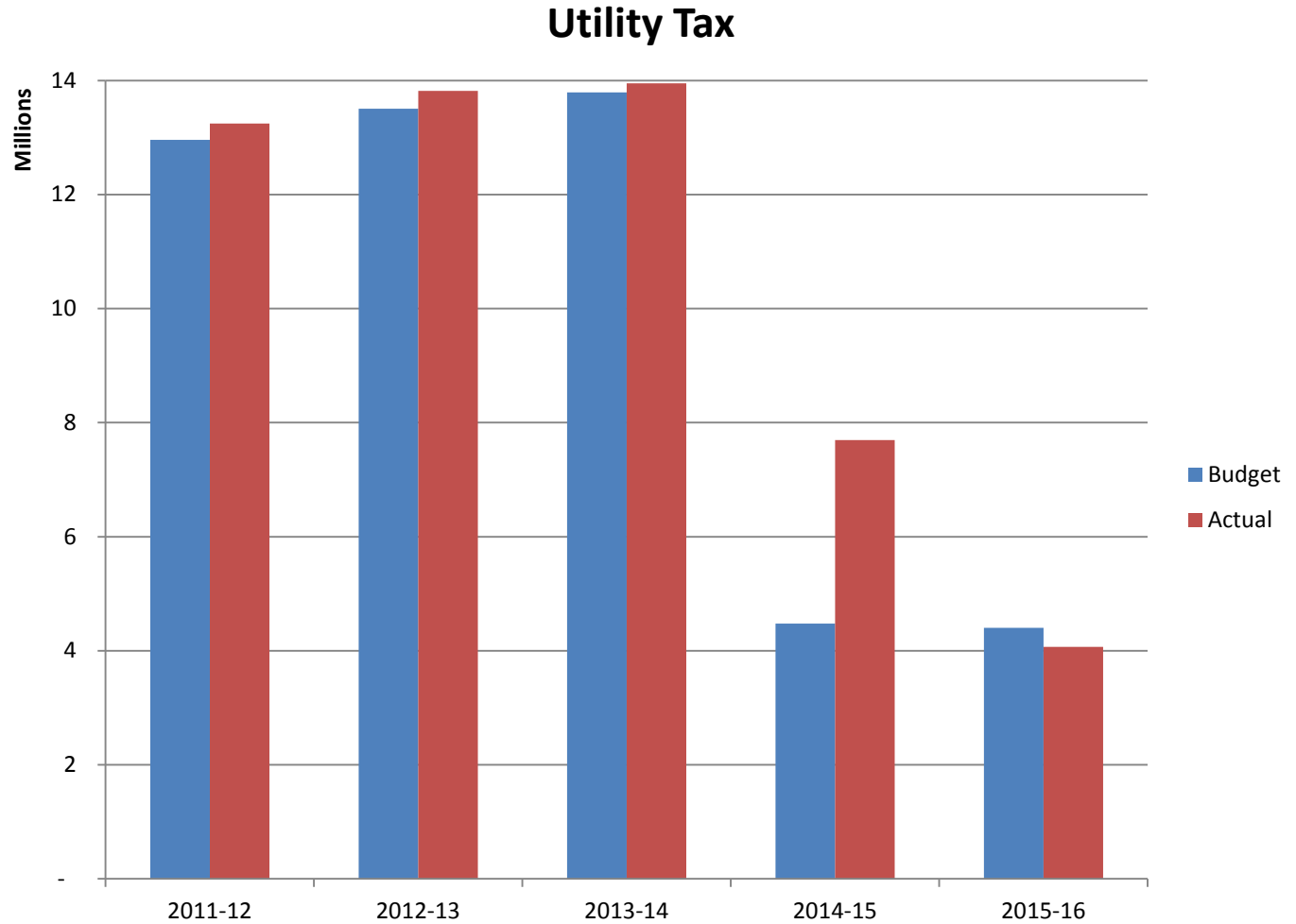
## Sales Tax





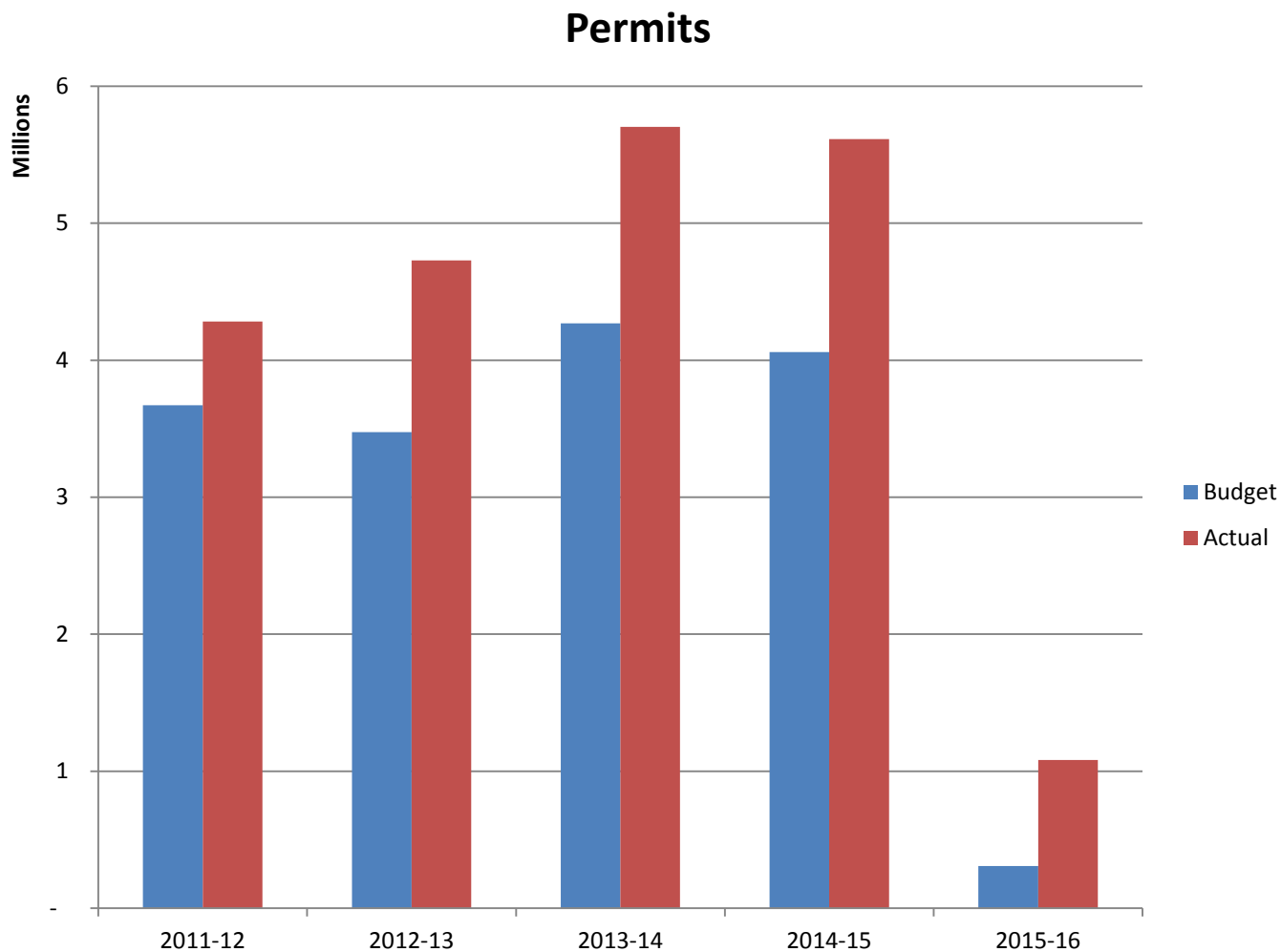


# Revenue Summary – Multi-Year





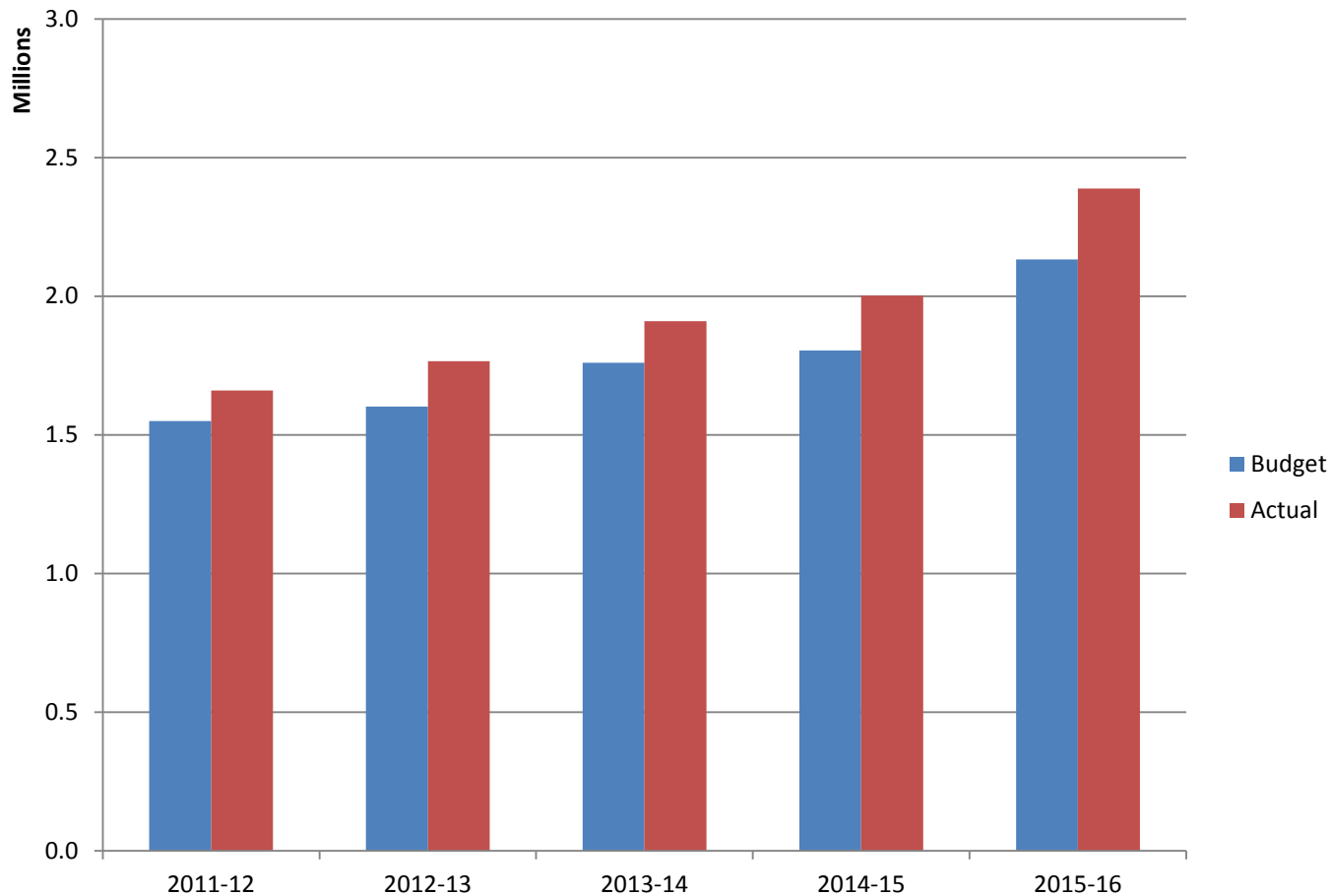
# Revenue Summary – Multi-Year





# Revenue Summary – Multi-Year

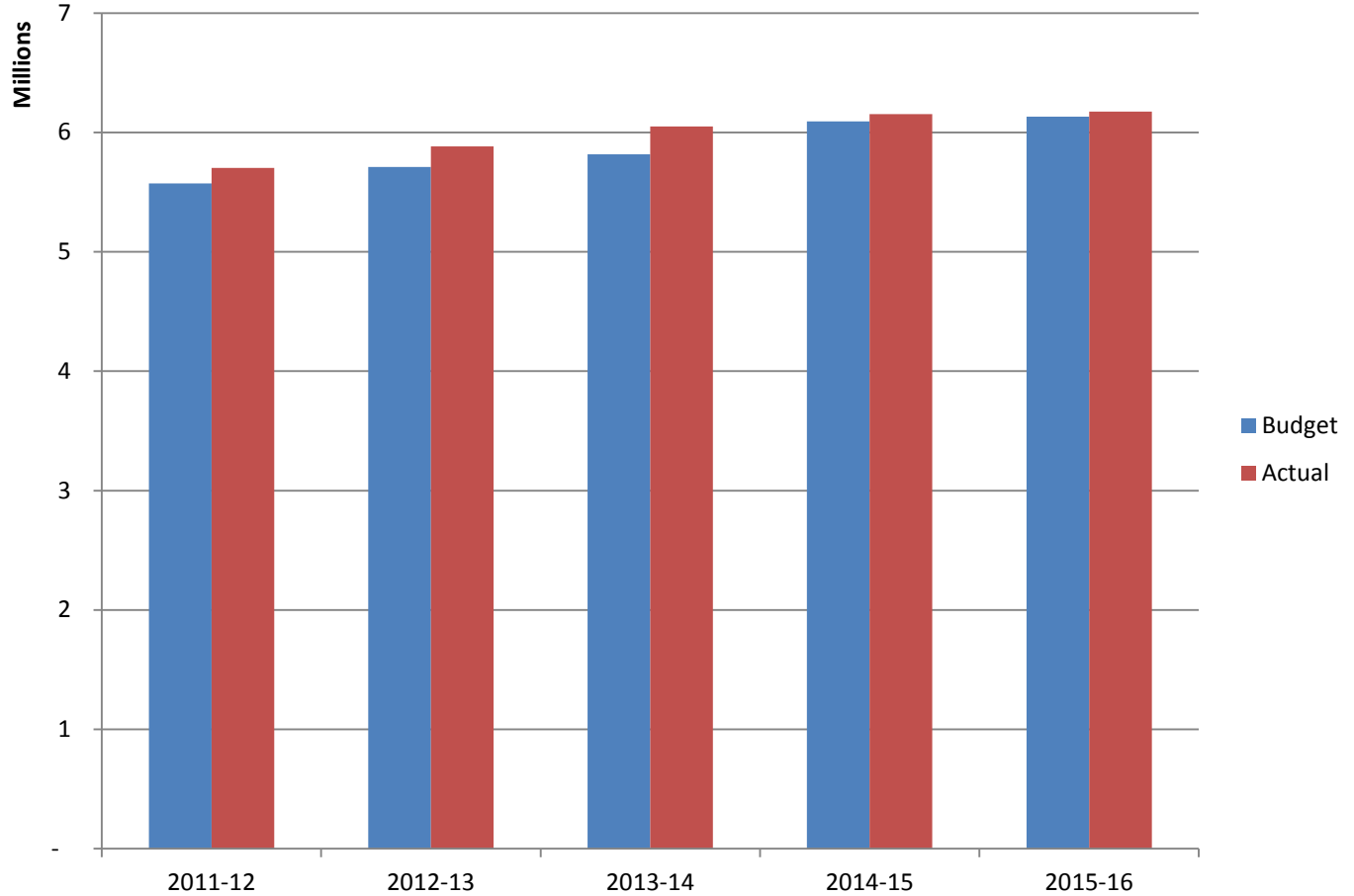
## Occupancy Tax





# Revenue Summary – Multi-Year

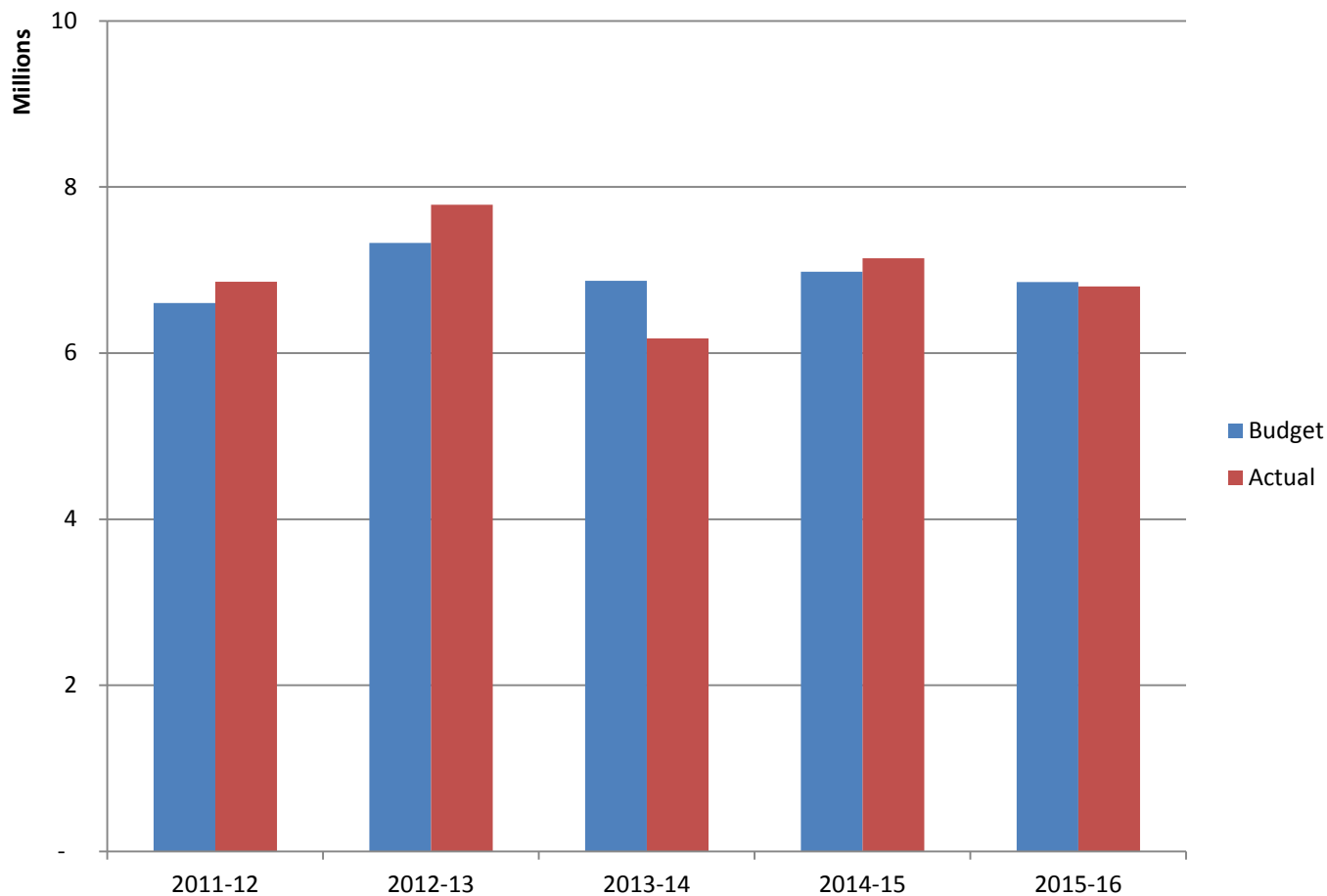
## Powell Bill





# Revenue Summary – Multi-Year

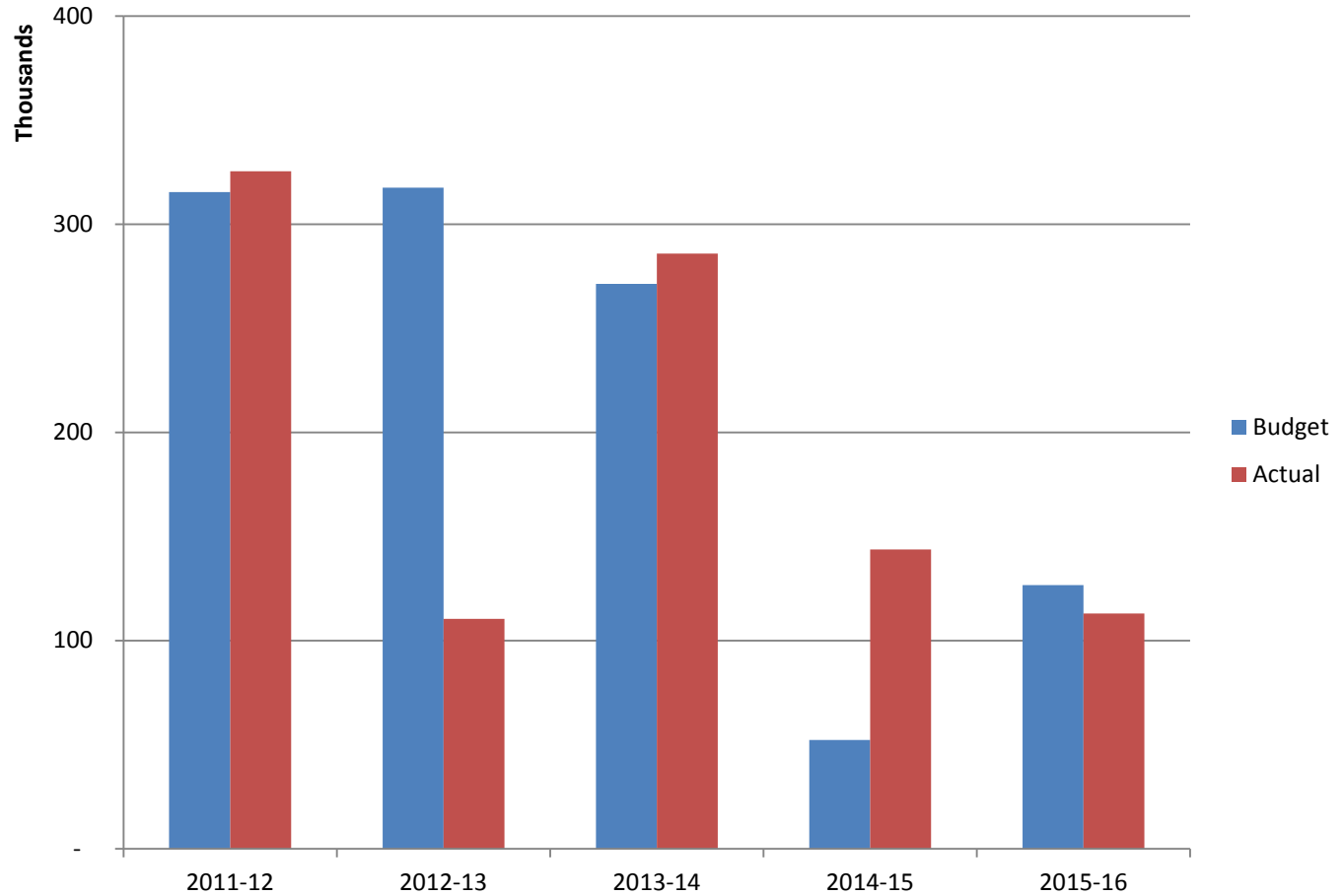
## Charges for Services





# Revenue Summary – Multi-Year

## Investment/Rental



# General Fund - Revenues



	FY 2016 ADJUSTED BUDGET	ACTIVITY THROUGH JUNE 2016	PROJECTION THROUGH YEAR END	VARIANCE TO FINAL BUDGET- POSITIVE (NEGATIVE)
Property taxes	\$ 89,197,999	\$ 89,778,896	\$ 89,778,896	\$ 580,897
Sales taxes	50,925,492	50,792,216	\$ 56,900,000	5,974,508
Hotel/Motel Occupancy tax	2,132,683	2,388,153	\$ 2,388,153	255,470
Other local taxes	313,915	365,177	\$ 365,177	51,262
Permits	308,460	1,081,736	\$ 1,081,736	773,276
Utility franchise tax	4,400,000	2,937,146	\$ 4,066,022	(333,978)
Powell bill	6,133,143	6,173,473	\$ 6,173,473	40,330
Other intergovernmental revenues	3,171,371	3,153,510	\$ 3,153,510	(17,861)
Investment and rental income	126,272	113,014	\$ 113,014	(13,258)
Charges for services	6,855,356	6,801,072	\$ 6,801,072	(54,284)
Intragovernmental services	225,000	569,509	\$ 569,509	344,509
Assessments	51,100	22,991	\$ 22,991	(28,109)
Sale of property and miscellaneous	654,450	1,046,769	\$ 1,046,769	392,319
<b>Total revenues</b>	<b>164,495,241</b>	<b>165,223,662</b>	<b>172,460,322</b>	<b>7,965,081</b>

# General Fund - Revenues



	FY 2016 ADJUSTED BUDGET	ACTIVITY THROUGH JUNE 2016	PROJECTION THROUGH YEAR END	VARIANCE TO FINAL BUDGET- POSITIVE (NEGATIVE)
<b>OTHER FINANCING SOURCES</b>				
Transfer from other funds	1,186,451	1,186,750	1,186,750	299
Transfer from reserves	5,645,335	-	-	(5,645,335)
Appropriation from fund balance	4,832,926	-	-	(4,832,926)
Total other financing sources	<u>11,664,712</u>	<u>1,186,750</u>	<u>1,186,750</u>	<u>(10,477,962)</u>
Total revenues and other financing sources	<u>\$176,159,953</u>	<u>\$ 166,410,412</u>	<u>\$ 173,647,072</u>	<u>\$ (2,512,881)</u>



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# General Fund - Expenditures

	FY 2016 ADJUSTED BUDGET	ACTIVITY THROUGH JUNE 2016	PROJECTION THROUGH YEAR END	FINAL BUDGET- POSITIVE (NEGATIVE)
Audit Services	\$ 581,899	\$ 572,969	\$ 575,842	\$ 6,057
Budget & Management Services	1,373,865	1,240,554	\$ 1,240,554	133,311
City Attorney	1,755,627	1,747,482	\$ 1,752,385	3,242
City Clerk	646,536	639,971	\$ 641,835	4,701
City Council	1,031,399	956,567	\$ 956,617	74,782
City Manager/One Call/Public Affairs	3,295,117	3,226,004	\$ 3,288,469	6,648
City/County Inspections	-	-	\$ -	-
City/County Planning	3,170,458	3,123,162	\$ 3,128,168	42,290
Community Development	1,733,518	1,629,107	\$ 1,664,107	69,411
Economic & Workforce Development	3,946,866	2,650,891	\$ 3,342,496	604,370
Emergency Communications	6,158,709	5,880,201	\$ 5,968,867	189,842
Emergency Management	208,690	201,218	\$ 201,218	7,472
Equal Opportunity-Equity Assurance	555,379	551,554	\$ 551,617	3,762

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# General Fund - Expenditures

DEPARTMENT	FY 2016 ADJUSTED BUDGET	ACTIVITY THROUGH JUNE 2016	PROJECTION THROUGH YEAR END	FINAL BUDGET- POSITIVE (NEGATIVE)
Finance	4,484,000	4,208,234	\$ 4,265,729	218,271
Fire	25,506,809	24,777,601	\$ 24,891,986	614,823
Fleet Maintenance	3,342,222	3,126,951	\$ 3,236,192	106,030
General Services	12,925,846	11,759,073	\$ 12,635,110	290,736
Human Resources	2,070,473	1,924,943	\$ 2,006,269	64,204
Neighborhood Improvement Service	3,733,398	3,571,054	\$ 3,729,920	3,478
Parks & Recreation	12,654,480	11,037,519	\$ 11,672,641	981,839
Police	56,056,893	54,538,126	\$ 55,255,175	801,718
Public Works	8,042,510	7,528,233	\$ 7,732,075	310,435
Technology Solutions	6,490,393	6,245,999	\$ 6,449,077	41,316
Transportation	7,971,931	7,391,085	\$ 7,665,424	306,507
NonDepartmental	10,425,097	9,336,069	\$ 9,635,059	790,038
Indirect Cost	(8,808,844)	(8,808,844)	\$ (8,808,844)	-
Debt Service	-	-	\$ -	-
Transfer to Fund Balance	1,868,634	-	\$ -	1,868,634
Transfer	4,938,048	4,920,233	\$ 4,920,233	17,815
<b>Total</b>	<b>176,159,953</b>	<b>163,975,956</b>	<b>168,598,221</b>	<b>7,561,732</b>



# General Fund - Expenditures

CLASS	FY 2016 ADJUSTED BUDGET	ACTIVITY THROUGH JUNE 2016	PROJECTION THROUGH YEAR END	VARIANCE WITH FINAL BUDGET- POSITIVE (NEGATIVE)
Personal services	\$ 130,631,159	\$ 128,112,689	\$ 128,226,130	\$ 2,405,029
Operating expenditures	37,522,951	30,422,487	\$ 34,615,315	2,907,636
Capital outlay	1,185,449	520,547	\$ 836,543	348,906
Appropriation not authorized for expenditures	13,712	-	\$ -	13,712
Debt service	-	-	\$ -	-
Transfer to Fund Balance	1,868,634	-	\$ -	1,868,634
Transfers out	4,938,048	4,920,233	\$ 4,920,233	17,815
<b>Total</b>	<b>176,159,953</b>	<b>163,975,956</b>	<b>168,598,221</b>	<b>7,561,732</b>



# General Fund Balance

Fund Balance 6/30/15 = \$42.6 million

**Plus** 2016 Projected Revenue = \$173.6 million

**Minus** 2016 Projected Expenditures = \$168.6 million

**Plus** Encumbered Funds Released in 2016 = \$5.6 million

**Less** Restricted Revenue = \$1.2 million

**Equals** Projected Fund Balance 6/30/16 = \$52.1 million (31.2%)

Amount appropriated FY17 Budget = \$7.6 million

Net Fund Balance 6/30/17 = \$44.5 million

12% Required Level = \$21.2 million

**Surplus Fund Balance 6/30/17 = \$23.3 million**

\* *Finance Department estimate does not reflect audited financial statements.*



# General Fund Recap

	Actual 2014-15	Actual 2015-16	Budget 2016-17	% Change
<b>Revenue</b>				
Property Tax	95,452,854	89,778,896	88,713,260	-1.2%
Sales Tax	55,092,228	56,900,000	58,614,481	3.0%
Other Local Taxes	352,176	365,177	313,915	-14.0%
Utility Tax	7,695,409	4,066,022	4,488,000	10.4%
Licenses	3,360,035	-	-	0.0%
Permits	5,614,497	1,081,736	1,382,704	27.8%
Occupancy Tax	2,002,387	2,388,153	2,438,867	2.1%
Other Intergovernmental	3,515,306	3,153,510	3,245,066	2.9%
Powell Bill	6,153,633	6,173,473	6,133,143	-0.7%
Charges for Services	7,142,793	6,801,072	7,569,473	11.3%
Intragovernmental Services	311,747	569,509	198,660	-65.1%
Assessments	50,928	22,991	46,600	102.7%
Sale of Property and Misc	783,424	1,046,769	700,000	-33.1%
Investment/Rental	143,726	113,014	122,612	8.5%



# Enterprise Funds



# Water & Sewer Fund

- Overall revenues at 103%
- Overall expenses at 87.9%
- Operating revenues at 104%
  - Consumption was up about 1%.
  - Collection efforts contributed to the positive variance.
- Overall, projected total revenues for the year exceed the projected total expenses by \$13.8M.

# Water & Sewer Fund - Revenues



	Adjusted Budget	Actual	Year-End Projection	Year-End Positive/ (Negative)
<b>Revenues</b>				
Operating revenues	\$ 86,935,103	\$ 90,153,848	\$ 90,153,848	\$ 3,218,745
Permits	85,000	140,086	140,086	55,086
<b>Total operating revenues</b>	<b>87,020,103</b>	<b>90,293,934</b>	<b>90,293,934</b>	<b>3,273,831</b>
<b>Non-operating revenues</b>				
Miscellaneous	1,300,625	3,025,345	3,025,345	1,724,720
Investment Income	136,000	462,294	462,294	326,294
Operating transfers from other funds	276,982	276,982	276,982	-
Transfer from reserves	2,591,898	-	-	(2,591,898)
<b>Total Non-operating revenues</b>	<b>4,305,505</b>	<b>3,764,621</b>	<b>3,764,621</b>	<b>(540,884)</b>
<b>Total revenues</b>	<b>\$ 91,325,608</b>	<b>\$ 94,058,555</b>	<b>\$ 94,058,555</b>	<b>\$ 2,732,947</b>





# Water & Sewer Fund - Expenses

	Adjusted Budget	Actual	Year-End Projection	Year-End Positive/ (Negative)
<b>Expenditures</b>				
Personal Services	\$ 25,333,252	\$ 23,402,749	\$ 23,402,749	\$ 1,930,503
Operating expenditures	25,204,327	20,792,457	20,792,457	4,411,870
Non-departmental administration	5,997,679	5,997,679	5,997,679	-
Capital outlay	702,990	329,184	329,184	373,806
2015 Bond Refunding	-	-	-	-
Debt service principal and interest	10,646,702	10,064,580	10,064,580	582,122
Operating transfers to other funds	19,650,869	19,650,869	19,650,869	-
Transfer to fund balance	3,789,788	-	13,821,037	(10,031,249)
<b>Total expenditures</b>	<b>\$ 91,325,608</b>	<b>\$ 80,237,518</b>	<b>\$ 94,058,555</b>	<b>\$ (2,732,947)</b>



# 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 supports capital improvements.
- Fourth quarter operating results projected at \$4.74M, \$156K higher than budget.
- Collected surplus is credited toward fund balance to be transferred to the Water and Sewer Construction Fund when needed.



# Transit Operations Fund

- Overall fund operated at a \$1.3M surplus.
- Ridership down for FY2015-16.



# Transit Operations Fund - Revenues

	Adjusted Budget	Actual	Year-End Projection	Year-End Positive/ (Negative)
<b>Revenues</b>				
Operating revenues	\$ 3,636,525	\$ 3,331,216	\$ 3,331,216	\$ (305,309)
<b>Non-operating revenues</b>				
Taxes	9,580,368	9,727,633	9,727,633	147,265
Miscellaneous	7,452,664	7,041,374	7,041,374	(411,290)
Transfer from reserves	827,530	-	-	(827,530)
Appropriation from fund balance	118,082	-	-	(118,082)
Total Non-operating revenues	17,978,644	16,769,007	16,769,007	(1,209,636)
Total revenues	\$ 21,615,169	\$ 20,100,223	\$ 20,100,223	\$ (1,514,945)

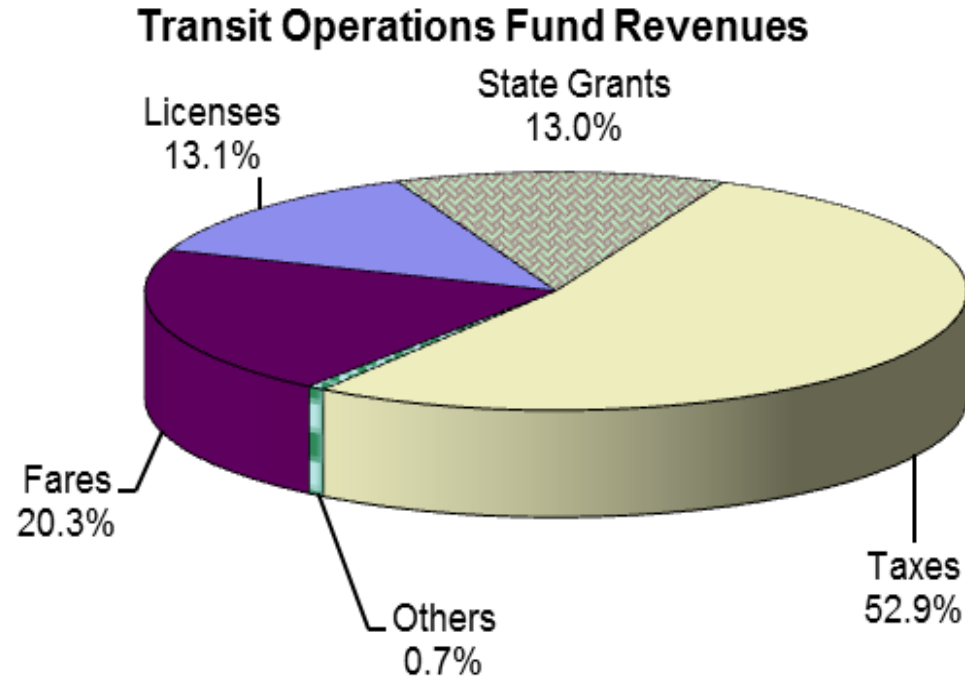


# Transit Operations Fund – Expenses

	Adjusted Budget	Actual	Year-End Projection	Year-End Positive/ (Negative)
<b>Expenditures</b>				
Operating expenditures	\$ 18,480,937	\$ 16,018,681	\$ 16,018,681	\$ 2,462,255
Non-departmental administration	404,241	404,241	404,241	-
Capital outlay	379,000	64,640	64,640	314,360
Debt service principal and interest	203,460	203,459	203,459	1
Operating transfers to other funds	1,988,988	1,974,881	1,974,881	14,107
Transfer to fund balance	158,543	-	1,434,321	(1,275,778)
<b>Total expenditures</b>	<b>\$ 21,615,169</b>	<b>\$ 18,665,903</b>	<b>\$ 20,100,224</b>	<b>\$ 1,514,945</b>



# Transit Fund- Source of Funding





# Solid Waste Fund

- Overall fund operated at a \$1.2M surplus.
- Revenues slightly more than original budget expectations by about \$236K.
- The Solid Waste Disposal Fund generated roughly 31% 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	\$ 6,237,052	\$ 6,473,427	\$ 6,473,427	\$ 236,375
Non-operating revenues				
Taxes	14,481,951	14,700,986	14,700,986	219,035
Investment Income	7,000	50,504	50,504	43,504
Miscellaneous	152,400	160,903	160,903	8,503
2015 Bond Refunding	-	-	-	-
Operating transfers from other funds	15,000	15,000	15,000	-
Transfer from reserves	937,569	-	-	(937,569)
Appropriation from fund balance	-	-	-	-
Total Non-operating revenues	15,593,920	14,927,393	14,927,393	(666,527)
Total revenues	\$ 21,830,972	\$ 21,400,820	\$ 21,400,820	\$ (430,152)





# Solid Waste Fund - Expenses

	Adjusted Budget	Actual	Year-End Projection	Year-End Positive/ (Negative)
<b>Expenditures</b>				
Personal Services	\$ 6,389,542	\$ 6,504,404	\$ 6,504,404	\$ (114,862)
Operating expenditures	10,658,761	9,283,960	9,283,960	1,374,801
Non-departmental administration	153,670	153,670	153,670	-
Capital Outlay	128,801	128,801	128,801	-
2015 Private Placement	-	-	-	-
Debt service principal and interest	4,281,130	4,107,015	4,107,015	174,115
Transfers to fund balance	215,250	-	1,219,152	(1,003,902)
Operating transfers to other funds	3,818	3,818	3,818	-
<b>Total expenditures</b>	<b>\$ 21,830,972</b>	<b>\$ 20,181,667</b>	<b>\$ 21,400,820</b>	<b>\$ 430,152</b>



# 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.
- Year end results show total revenues realized at 103% of budget and total expenditures at 87% of budgeted expectations.



# Stormwater Fund - Revenues

	Adjusted Budget	Actual	Year-End Projection	Year-End Positive/ (Negative)
Revenues				
Operating revenues	\$ 15,219,115	\$ 16,094,873	\$ 16,094,873	\$ 875,758
Non-operating revenues				
Investment Income	20,000	57,671	57,671	37,671
Operating transfers from other funds	109,047	109,047	109,047	-
Transfer from reserves	482,802	-	-	(482,802)
Total Non-operating revenues	611,849	166,718	166,718	(445,131)
Total revenues	\$ 15,830,964	\$ 16,261,591	\$ 16,261,591	\$ 430,627

# Stormwater - Expenses



	Adjusted Budget	Actual	Year-End Projection	Year-End Positive/ (Negative)
<b>Expenditures</b>				
Personal Services	\$ 6,553,593	\$ 6,303,053	\$ 6,303,053	\$ 250,540
Operating expenditures	2,339,801	1,723,624	1,723,624	616,177
Non-departmental administration	888,659	888,659	888,659	-
Capital outlay	28,600	15,595	15,595	13,005
Operating transfers to other funds	4,838,628	4,838,628	4,838,628	-
Appropriations not authorized	113,046	-	-	113,046
Transfers to fund balance	1,068,637	-	2,492,032	(1,423,395)
<b>Total expenditures</b>	<b>\$ 15,830,964</b>	<b>\$ 13,769,559</b>	<b>\$ 16,261,591</b>	<b>\$ (430,627)</b>



# Parking Fund

- The Parking fund operating revenues fully cover fund expenses.
- Parking Fund operated better than budget expectations.

# Parking Fund - Revenues



	Adjusted Budget	Actual	Year-End Projection	Year-End Positive/ (Negative)
<b>Revenues</b>				
Operating revenues	\$ 3,306,726	\$ 4,070,356	\$ 4,070,356	\$ 763,630
<b>Non-operating revenues</b>				
Investment Income	2,000	19,928	19,928	17,928
2015 Bond Refunding	-	-	-	-
Miscellaneous	8,000,000	8,000,000	8,000,000	-
Operating transfers from other funds	1,924,735	1,924,735	1,924,735	-
Transfer from reserves	7,250	-	-	(7,250)
Total Non-operating revenues	9,933,985	9,944,663	9,944,663	10,678
Total revenues	\$ 13,240,711	\$ 14,015,019	\$ 14,015,019	\$ 774,309

# Parking Fund - Expenses



	Adjusted Budget	Actual	Year-End Projection	Year-End Positive/ (Negative)
<b>Expenditures</b>				
Personal Services	\$ 162,602	\$ 166,353	\$ 166,353	\$ (3,751)
Operating expenditures	2,561,290	2,407,126	2,407,126	154,164
Non-departmental administration	484,100	484,100	484,100	-
Capital outlay	38,547	36,075	36,075	2,472
Debt service principal and interest	7,869,737	7,059,114	7,059,114	810,623
Transfer to fund balance	2,124,435	-	3,862,252	(1,737,817)
<b>Total expenditures</b>	<b>\$ 13,240,711</b>	<b>\$ 10,152,768</b>	<b>\$ 14,015,020</b>	<b>\$ (774,309)</b>



# Debt Reserve Fund

	Adjusted Budget	Actual	Year-End Projection	Year-End Positive/ (Negative)
<b>Revenues</b>				
Property Taxes	\$ 32,231,624	\$ 32,732,024	\$ 32,732,024	\$ 500,400
<b>Non-operating revenues</b>				
Intergovernmental (Subsidy)	635,637	704,937	704,937	69,300
Investment Income	-	69,023	69,023	69,023
Intergovernmental (County/NCCU share 911)	1,217,222	1,217,222	1,217,222	-
Debt Refunding	6,000,000	6,125,000	6,125,000	125,000
Appropriation from Fund balance	1,160,985	-	-	(1,160,985)
Total Non-operating revenues	<u>9,013,844</u>	<u>8,116,182</u>	<u>8,116,182</u>	<u>(897,662)</u>
Total revenues	<u>\$ 41,245,468</u>	<u>\$ 40,848,206</u>	<u>\$ 40,848,206</u>	<u>\$ (397,262)</u>
<b>Expenditures</b>				
Special Contractual Services	370,664	364,272	364,272	6,392
Transfers to Other Funds	4,019,511	4,019,511	4,019,511	-
Debt Refunding	6,000,000	6,000,000	6,000,000	-
Debt service principal	21,872,849	21,665,447	21,665,447	207,402
Debt service interest	8,982,444	8,717,016	8,717,016	265,428
Transfer to Fund Balance	-	-	81,960	(81,960)
Total expenditures	<u>\$ 41,245,468</u>	<u>\$ 40,766,246</u>	<u>\$ 40,848,206</u>	<u>\$ 397,262</u>





# Related Projects

- Resident Survey
- Performance Management Software Acquisition