



## CITY COUNCIL AGENDA ITEM

---

Date: November 8, 2012

To: Michael Culpepper, Acting City Manager *mc*

From: Thomas E. Darling, Director Financial Services *TD*

Subject: September 30, 2012 – Quarterly Financial Report

---

### Background

Section 8.6 of the City Charter requires a quarterly financial report to be provided to City Council.

### Financial Considerations

The quarterly report provides City Council with a financial progress to date and comparison to the annual budget and prior year amounts.

**CITY OF TROY**  
**QUARTERLY REPORT**  
**THREE MONTHS ENDED SEPTEMBER 30, 2012**  
**HIGHLIGHTS**

---

**General Fund**

Total revenues are \$32.1 million to date. This includes recognition of annual tax revenues of \$29.3 million as presented on the July 1, 2012 tax warrant. Revenues are down \$1.1 million compared to the same period last year. This decrease is primarily due to a decrease in tax revenues of \$640 thousand and a decrease from other financing sources (operating transfers in) of \$580 thousand due to decreased activity in Major and Local Street expenditures.

Total actual revenue recognized as a percentage of total budgeted revenue is 63.62%. This percentage is slightly ahead of the prior year of 60.26% for the same time period.

General Fund expenditures of \$10.5 million are slightly down by \$856 thousand compared to the same period in the prior year. This decrease is primarily due to a decrease in Police of \$562 thousand and Streets of \$232 thousand.

Total expenditures of 10.5 million represent 20.71% of the City's total annual budgeted expenditures of \$50.5 million. This percentage is slightly up compared to the same time period in the prior year of 20.52%.

**DDA Fund**

Revenues of \$509 thousand are down \$622 thousand from prior year at this time due to the decrease in taxes from the decline in taxable value of property within the district.

Expenditures of \$62.5 thousand are down \$206 thousand primarily due to prior year tax refunds from decisions at the Michigan Tax Tribunal.

### **Library Fund**

Revenues of \$3.0 million are down \$76 thousand from prior year during the 1<sup>st</sup> quarter. This decline is due to the reduction of taxable values.

Expenditures of \$689 thousand are up \$250 thousand from the prior year during this time frame. The increase is primarily due to the current year rescaling for full operations and the change in operating days/times.

### **Aquatic Center**

Aquatic Center revenues of \$272 thousand are down \$8 thousand compared to prior year. This is primarily due to a reduction in season pass sales. Expenditures of \$281 thousand are up \$40 thousand for the same period. Year to date net shortfall is \$8.3 thousand.

### **Water and Sewer Fund**

Sewer fund revenues of \$1.2 million are up \$302 thousand from prior year 1<sup>st</sup> quarter results primarily due to consumption and weather conditions. Water revenues of \$1.5 million are up \$208 thousand compared to prior year for this time period and for the same reasons as sewer fund revenues. Sewer fund expenditures of \$2.3 million are up \$534 thousand from prior year and Water fund expenditures of \$3.8 million are up \$1.6 million from the same period. The increases are due to the increased sale volume as noted for revenues. In addition, the Water fund incurred capital costs of \$1.4 million over last year levels.. It should be noted that unbilled accounts receivable (amount expected to be billed for usage since last quarterly billing) are not recognized until year end. Typically they range from \$2.7 to \$3.0 million for the Sewer Fund and \$3.0-\$3.3 million for the Water fund.

**Quarterly Financial Report  
General Fund  
For the Period Ending September 30, 2012**

Description	Last Year Actual	Current Year Budget	Current Month	Year to Date	%
<b>General Fund Revenues</b>					
TAXES	30,424,031	29,658,000	9,065	29,273,454	98.70
LICENSES AND PERMITS - BUSINESS	49,817	45,050	2,434	7,332	16.28
LICENSES AND PERMITS - NON-BUSINESS	1,636,815	1,360,500	145,526	545,294	40.08
FEDERAL GRANTS	7,708	7,000	712	0	0.00
STATE GRANTS	6,244,481	5,597,000	1,067,296	53,961	0.96
CONTRIBUTIONS FROM LOCAL UNITS	19,166	15,000	5,661	11,905	79.37
CHARGES FOR SERVICES - FEES	1,719,200	1,590,000	22,457	91,051	5.73
CHARGES FOR SERVICES - RENDERED	2,387,604	2,181,585	31,426	107,277	4.92
CHARGES FOR SERVICES - SALES	78,805	94,000	14,955	30,057	31.98
CHARGES FOR SERVICES - REC	2,854,401	2,591,000	229,334	808,917	31.22
FINES AND FORFEITURES	1,054,672	725,900	63,144	156,357	21.54
INTEREST & RENT	1,004,630	1,051,100	51,843	206,186	19.62
OTHER REVENUE	709,340	733,770	168,494	181,332	24.71
OTHER FINANCING SOURCES	4,011,400	4,883,654	676,984	676,984	13.86
	<b>52,202,070</b>	<b>50,533,559</b>	<b>2,489,332</b>	<b>32,150,108</b>	<b>63.62</b>
<b>General Fund Expenditures</b>					
FINANCE	2,909,728	2,911,973	278,213	591,172	20.30
POLICE	21,529,472	22,917,408	1,592,341	4,525,657	19.75
FIRE	3,784,058	4,541,551	239,726	1,466,672	32.29
BUILDING INSPECTION	1,330,829	1,194,244	190,021	198,282	16.60
ENGINEERING	1,680,728	1,791,177	126,910	364,664	20.36
OTHER GENERAL GOVERNMENT	1,606,131	1,803,921	184,030	339,947	18.84
COUNCIL/EXEC ADMINISTRATION	2,835,492	3,247,645	232,251	675,375	20.80
STREETS, DRAINS AND PARKS	6,039,659	7,862,776	407,132	1,177,017	14.97
RECREATION	3,927,293	3,879,078	415,462	1,033,116	26.63
NATURE CENTER	43,703	33,100	2,602	7,530	22.75
LIBRARY	0	0	0	0	0.00
HISTORIC DISTRICT	74,911	144,686	7,542	86,358	59.69
TRANSFERS OUT	111,785	206,000	0	0	0.00
	<b>45,873,790</b>	<b>50,533,559</b>	<b>3,676,229</b>	<b>10,465,790</b>	<b>20.71</b>



**Quarterly Financial Report  
Refuse Fund  
For the Period Ending September 30, 2012**

Description	Last Year Actual	Current Year Budget	Current Month	Year to Date	%
<b>Refuse Fund Revenues</b>					
TAXES	4,168,478	4,468,000	0	4,498,432	100.68
CHARGES FOR SERVICES - SALES	5,700	4,500	420	1,470	32.67
INTEREST & RENT	12,393	10,000	578	3,597	35.97
	<b>4,186,571</b>	<b>4,482,500</b>	<b>998</b>	<b>4,503,500</b>	<b>100.47</b>
<b>Refuse Fund Expenditures</b>					
CONTRACTORS SERVICE	4,024,878	4,205,000	330,018	834,854	19.85
OTHER REFUSE EXPENDITURE	140,531	148,183	28,948	34,158	23.05
RECYCLING	50,916	72,284	3,710	11,070	15.32
	<b>4,216,325</b>	<b>4,425,467</b>	<b>362,676</b>	<b>880,082</b>	<b>19.89</b>



**Quarterly Financial Report  
Downtown Dev Authority Fund  
For the Period Ending September 30, 2012**

Description	Last Year Actual	Current Year Budget	Current Month	Year to Date	%
<b>Downtown Dev Authority Fund Revenues</b>					
TAXES	981,276	498,000	0	506,976	101.80
INTEREST & RENT	16,887	15,000	532	2,662	17.75
OTHER FINANCING SOURCES	0	3,437,670	0	0	0.00
	<b>998,164</b>	<b>3,950,670</b>	<b>532</b>	<b>509,638</b>	<b>12.90</b>
<b>Downtown Dev Authority Fund Expenditures</b>					
OTHER GENERAL GOVERNMENT	506,561	410,000	19,954	23,904	5.83
TRANSFERS OUT	3,669,496	3,540,670	38,623	38,623	1.09
	<b>4,176,056</b>	<b>3,950,670</b>	<b>58,577</b>	<b>62,527</b>	<b>1.58</b>



**Quarterly Financial Report  
Library Fund  
For the Period Ending September 30, 2012**

Description	Last Year Actual	Current Year Budget	Current Month	Year to Date	%
<b>Library Fund Revenues</b>					
TAXES	3,037,539	2,972,000	0	2,999,402	100.92
STATE GRANTS	51,538	15,001	0	0	0.00
CONTRIBUTIONS FROM LOCAL UNITS	112,103	99,000	3,093	0	0.00
CHARGES FOR SERVICES-FEES	8,027	3,100	250	972	31.35
CHARGES FOR SERVICES-RENDERED	21,172	19,250	1,472	5,163	26.82
CHARGES FOR SERVICES-SALES	426	50	56	178	356.00
FINES AND FORFEITURES	100,327	100,000	7,339	25,427	25.43
INTEREST AND RENT	16,391	13,000	1,149	3,509	26.99
OTHER REVENUE	8,411	2,750	75	-1,087	-39.54
	<b>3,355,934</b>	<b>3,224,151</b>	<b>13,434</b>	<b>3,033,562</b>	<b>94.09</b>
<b>Library Fund Expenditures</b>					
LIBRARY	2,603,010	3,128,850	272,502	689,397	22.03
	<b>2,603,010</b>	<b>3,128,850</b>	<b>272,502</b>	<b>689,397</b>	<b>22.03</b>



**Quarterly Financial Report  
Capital Fund  
For the Period Ending September 30, 2012**

Description	Last Year Actual	Current Year Budget	Current Month	Year to Date	%
<b>Capital Fund Revenues</b>					
TAXES	6,645,570	6,516,000	0	6,554,859	100.60
FEDERAL GRANTS	511,225	0	0	0	0.00
STATE GRANTS	346,811	6,312,500	0	0	0.00
CONTRIBUTIONS FROM LOCAL UNITS	0	187,000	0	0	0.00
CHARGES FOR SERVICES - FEES	127,533	140,000	0	0	0.00
CHARGES FOR SERVICES - RENDERED	723,295	354,000	-1,322	87,429	24.70
FINES AND FORFEITURES	0	0	0	0	0.00
INTEREST & RENT	59,518	85,200	3,276	16,962	19.91
OTHER REVENUE	441,584	0	0	42,220	0.00
OTHER FINANCING SOURCES	1,817,911	4,367,788	334,307	435,370	9.97
	<b>10,673,447</b>	<b>17,962,488</b>	<b>336,261</b>	<b>7,136,840</b>	<b>39.73</b>
<b>Capital Fund Expenditures</b>					
FINANCE	147,887	129,000	27,431	34,857	27.02
TRANSFERS OUT	11,615	181,500	0	0	0.00
OTHER GENERAL GOVERNMENT	836,173	6,552,500	291,044	308,192	4.70
POLICE	352,331	240,000	13,750	8,590	3.58
FIRE	1,190,144	585,000	0	530,832	90.74
COUNCIL/EXEC ADMINISTRATION	0	0	0	0	0.00
STREETS, DRAINS AND PARKS	8,559,711	9,234,488	793,287	457,466	4.95
RECREATION	0	300,000	0	0	0.00
LIBRARY	467,911	690,000	33,174	135,354	19.62
HISTORIC DISTRICT	0	50,000	0	0	0.00
	<b>11,565,772</b>	<b>17,962,488</b>	<b>1,158,686</b>	<b>1,475,291</b>	<b>8.21</b>



**Quarterly Financial Report  
Sanctuary Lake Golf Course  
For the Period Ending September 30, 2012**

Description	Last Year Actual	Current Year Budget	Current Month	Year to Date	%
<b>Sanctuary Lake Golf Course Revenues</b>					
CHARGES FOR SERVICES - SERVICES	0	0	0	0	0.00
CHARGES FOR SERVICES - SALES	319,019	207,147	28,970	123,646	59.69
CHARGES FOR SERVICES - REC	1,123,735	1,158,311	129,064	505,626	43.65
INTEREST & RENT	0	0	16	86	0.00
	<b>1,442,754</b>	<b>1,365,458</b>	<b>158,050</b>	<b>629,358</b>	<b>46.09</b>
<b>Sanctuary Lake Golf Course Expenditures</b>					
SANCTUARY LAKE GREENS	1,335,027	1,022,056	190,931	438,989	42.95
SANCTUARY LAKE PRO SHOP	486,361	893,596	0	61	0.01
SANCTUARY LAKE CAPITAL	0	58,000	0	0	0.00
	<b>1,821,387</b>	<b>1,973,652</b>	<b>190,931</b>	<b>439,050</b>	<b>22.25</b>



**Quarterly Financial Report  
Sylvan Glen Golf Course  
For the Period Ending September 30, 2012**

Description	Last Year Actual	Current Year Budget	Current Month	Year to Date	%
<b>Sylvan Glen Golf Course Revenues</b>					
CHARGES FOR SERVICES - SERVICES	0	0	0	0	0.00
CHARGES FOR SERVICES - SALES	115,569	34,886	5,803	21,247	60.90
CHARGES FOR SERVICES - REC	1,016,083	1,033,967	125,579	485,472	46.95
INTEREST & RENT	163,980	168,400	5,747	108,793	64.60
OTHER FINANCING SOURCES	0	0	0	0	0.00
	<b>1,295,632</b>	<b>1,237,253</b>	<b>137,128</b>	<b>615,512</b>	<b>49.75</b>
<b>Sylvan Glen Golf Course Expenditures</b>					
SYLVAN GLEN GREENS	1,026,555	911,957	121,229	310,518	34.05
SYLVAN GLEN PRO SHOP	35,203	60,000	7,500	7,531	12.55
SYLVAN GLEN CAPITAL	0	44,700	0	0	0.00
	<b>1,061,758</b>	<b>1,016,657</b>	<b>128,729</b>	<b>318,049</b>	<b>31.28</b>



**Quarterly Financial Report  
Aquatic Center Fund  
For the Period Ending September 30, 2012**

Description	Last Year Actual	Current Year Budget	Current Month	Year to Date	%
<b>Aquatic Center Fund Revenues</b>					
CHARGES FOR SERVICES - REC	541,326	559,048	25,273	249,160	44.57
INTEREST & RENT	36,274	30,400	612	23,106	76.01
OTHER REVENUE	157	0	0	2	0.00
	<b>577,757</b>	<b>589,448</b>	<b>25,884</b>	<b>272,267</b>	<b>46.19</b>
<b>Aquatic Center Fund Expenditures</b>					
AQUATIC CENTER	568,234	610,700	98,436	280,578	45.94
CAPITAL	0	0	0	0	0.00
	<b>568,234</b>	<b>610,700</b>	<b>98,436</b>	<b>280,578</b>	<b>45.94</b>



**Quarterly Financial Report  
Sewer Fund  
For the Period Ending September 30, 2012**

Description	Last Year Actual	Current Year Budget	Current Month	Year to Date	%
<b>Sewer Fund Revenues</b>					
CHARGES FOR SERVICES - FEES	120,366	80,000	42,904	89,139	111.42
CHARGES FOR SERVICES - RENDERED	13,057,046	12,950,000	2,094,810	1,045,168	8.07
INTEREST & RENT	109,592	165,000	8,881	25,775	15.62
OTHER REVENUE	73,857	0	0	0	0.00
	<b>13,360,860</b>	<b>13,195,000</b>	<b>2,146,595</b>	<b>1,160,082</b>	<b>8.79</b>
<b>Sewer Fund Expenditures</b>					
COST OF SALES AND SERVICES	9,213,170	9,600,000	1,572,439	1,572,439	16.38
ADMINISTRATION	1,817,257	620,731	352,344	388,706	62.62
CAPITAL	-5	1,800,000	94,481	109,633	6.09
MAINTENANCE	749,556	1,018,817	38,761	176,413	17.32
TRANSFERS OUT	596,316	542,310	88,185	88,185	16.26
	<b>12,376,295</b>	<b>13,581,858</b>	<b>2,146,210</b>	<b>2,335,375</b>	<b>17.19</b>



**Quarterly Financial Report  
Water Fund  
For the Period Ending September 30, 2012**

Description	Last Year Actual	Current Year Budget	Current Month	Year to Date	%
<b>Water Fund Revenues</b>					
CHARGES FOR SERVICES - FEES	626,435	681,000	89,394	207,801	30.51
CHARGES FOR SERVICES - RENDERED	63,603	51,000	4,211	11,446	22.44
CHARGES FOR SERVICES - SALES	15,229,689	14,896,000	2,519,368	1,264,573	8.49
INTEREST & RENT	99,413	122,000	5,371	18,876	15.47
OTHER REVENUE	76,746	0	0	0	0.00
	<b>16,095,886</b>	<b>15,750,000</b>	<b>2,618,345</b>	<b>1,502,695</b>	<b>9.54</b>
<b>Water Fund Expenditures</b>					
TRANS AND DISTRIBUTION	208,663	354,850	5,519	14,099	3.97
CUSTOMER INSTALLATION	103,615	102,181	8,100	22,963	22.47
CONTRACTORS SERVICE	143,133	197,650	9,231	29,798	15.08
MAIN TESTING	31,603	67,642	2,689	6,790	10.04
MAINTENANCE OF MAINS	358,129	492,976	9,104	30,569	6.20
MAINTENANCE OF SERVICES	189,385	291,424	10,985	36,727	12.60
MAINTENANCE OF METERS	407,930	587,486	19,852	59,954	10.21
MAINTENANCE OF HYDRANTS	216,848	376,376	2,983	22,384	5.95
WATER METERS & TAP-INS	119,065	337,459	24,460	60,083	17.80
COST OF SALES AND SERVICES	8,827,725	9,115,000	882,844	882,844	9.69
ADMINISTRATION	3,191,021	717,128	723,467	933,648	130.19
CAPITAL	0	5,125,000	1,383,310	1,707,105	33.31
WATER METER READING	28,547	65,928	2,978	9,568	14.51
ACCOUNTING & COLLECTING	95,194	171,590	7,490	29,283	17.07
	<b>13,920,859</b>	<b>18,002,690</b>	<b>3,093,013</b>	<b>3,845,814</b>	<b>21.36</b>