



Finance Committee Meeting

AGENDA

November 4, 2008

I. CALL TO ORDER

II. MATTERS BEFORE COMMITTEE

1. [Review - 3rd Quarter Revenue & Expenditure](#)

III. ADJOURN



Finance Committee Meeting

AGENDA

November 4, 2008

Item:

Review - 3rd Quarter Revenue & Expenditure

Department:

Additional Information:

Financial Impact:

Budgeted Item:

Recommendation / Request:

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Attachments / click to download

[3rd Quarter Review](#)



3RD QUARTER
2008
FINANCIAL
PERFORMANCE REPORT

*City Of Monroe
Financial Performance Report
For the Period Ended
September 30, 2008*

CASH

Cash balances as of September 30, 2008 total \$8,718,598.01. The following table shows the individual account balances.

GOVERNMENTAL FUND	
General Fund Checking	77,740.88
Community Center Deposits	1,500.00
Group Health Insurance (Claims/Premiums)	104,933.18
Unemployment Fund	17,079.34
Workmen's Compensation (To Fund Claims)	75,427.79
Workmen's Compensation (Claims)	4,079.64
CAPITAL PROJECTS FUND	
Capital Improvement - General Government	849.54
SPLOST	3,186.98
CDBG 07	1,500.00
GO Bond - Public Facilities	1,742.79
SPECIAL REVENUE FUND	
Hotel/Motel	12,061.15
DEA Confiscated Assets Fund	1,116.42
Confiscated Assets Fund	49,892.85
DEBT SERVICE FUND	
General Obligation	430,610.12
ENTERPRISE FUND	
Solid Waste	4,839.11
Utility Revenue	-162,313.22
Utility MEAG Payment Acct	809.29
Utility MGAG Payment Acct	7,923.17
Utility Gov't Loan Payment Acct	9,756.57
Utility MEAG Short-Term Investment	1,542,015.70
Utility Workmen's Compensation (To Fund Claims)	23,071.88
Utility Health Insurance (To Fund Claims)	54,887.36
Utility Capital Improvement	3,282,573.04
Utility Sewer Tap	298,058.80
Utility Bond Sinking Fund	1,634,330.06
Utility Customer Deposits	1,238,016.55

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SALARIES AND EMPLOYEE BENEFITS

At the end of September, all departments' salaries are below budget. In several departments overtime salaries are running over budget due to not being fully staffed, therefore increasing overtime costs.

The following is a recap for all departments showing annual budget vs. year to date expenditures for salaries and overtime.

REGULAR SALARIES				OVERTIME SALARIES					
Department	Annual Budget	YTD Expenditures	YTD %	Unencumbered Balance	Department	Annual Budget	YTD Expenditures	YTD %	Unencumbered Balance
General Government	191,845.00	138,913.21	72%	52,931.79	Finance	15,000.00	4,339.72	29%	10,660.28
Finance	314,188.00	171,378.53	55%	142,809.47	Code	6,000.00	1,621.79	27%	4,378.21
Code	276,352.00	169,074.53	61%	107,277.47	Fire	32,000.00	19,858.23	62%	12,141.77
Fire	927,429.00	666,218.80	72%	261,210.20	Highways & Streets	23,000.00	30,537.37	133%	-7,537.37
Highways & Streets	979,095.00	667,302.67	68%	311,792.33	Police	145,978.00	117,450.28	80%	28,527.72
Police	1,700,837.00	1,231,192.25	72%	469,644.75	Parks	2,000.00	1,092.37	55%	907.63
Parks	89,429.00	54,015.37	60%	35,413.63	Finance Utility	45,000.00	30,565.60	68%	14,434.40
Finance Utility	1,305,296.00	870,158.28	67%	435,137.72	Electric, CATV & Internet	80,000.00	89,544.52	112%	-9,544.52
Electric, CATV & Internet	1,242,627.00	869,654.99	70%	372,972.01	Gas, Water & Sewage	100,000.00	148,373.86	148%	-48,373.86
Gas, Water & Sewage	1,443,616.00	986,324.39	68%	457,291.61	Solid Waste	24,000.00	19,154.23	80%	4,845.77
Solid Waste	749,171.00	525,862.40	70%	223,308.60					

The SPLOST fund has reimbursed the General Fund \$133,830.38. This represents the portion of labor costs from SPLOST and CDBG projects done by the Highways & Streets Department.

Group health insurance expenditures vary due to claims. As of September 30, we have gone over the total budgeted. We will bring a budget amendment to Council for approval just as in 2007 to correct.

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GENERAL FUND

Revenue

Collections at September 30 are \$4,562,415.78 which is 49% of the total amount budgeted for 2008.

- AdValorem Tax - \$85 thousand of the \$1.75 million budgeted for property taxes was collected during the month of September; prior year tax collections \$40 thousand over budgeted amount.
- Franchise Tax – Projected to be down around \$50 thousand due to industrial business closing causing a reduction in the Georgia Power payment.
- Local Option Sales Tax – Collections are at 61% with a projected shortfall of \$500 thousand.
- Building permits – Just under \$50 thousand collected year to date.
- Court fine collections – 13% higher than budgeted.
- Operating transfers in – Running 10% lower than budget due to utility revenues down.

Expenditures

General fund total expenditures of \$6,222,597.27 are at 66% of the annual budget. As of September 30, the ideal YTD percentage should be at or below 75%.

- General Government – 82%
- Finance – 52%
- Code – 64%
- Fire – 78%
- Highways & Streets – 66%
- Police – 71%
- Parks – 63%

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SPLOST

County SPLOST collections are coming in below projections and the City has not received any tax funds to date. The City has received funds from county bond proceeds for transportation, drainage and sidewalk projects.

Below is the schedule showing SPLOST expenditures as of September 30, 2008.

**CITY OF MONROE, GEORGIA
SCHEDULE OF PROJECTS FINANCED WITH SPECIAL PURPOSE LOCAL OPTION SALES TAX
For the fiscal year ended September 30, 2008**

<u>Project</u>	<u>Expenditures</u>		
	<u>Prior Years</u>	<u>Current Year</u>	<u>Total</u>
<u>SPLOST 2007</u>			
Transportation, Drainage and Sidewalks	1,550,308	946,883	2,497,191
Public Safety	-	-	-
Solid Waste	-	-	-
Water & Sewer	-	-	-
Airport	-	-	-
Electric, CATV & Fiber	-	-	-
Total	1,550,308	946,883	2,497,191

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COMBINED UTILITIES

Revenue

As of September 30, operating revenues are \$24,140,686.25; interest income, gain on disposal of capital assets, and capital contributions are \$390,005.48 with both totaling 69% of the revenue budgeted for 2008. Utility revenue is projected to have a shortfall of around \$2 million at year end. Most of the projected shortfall is in Water and Sewage with Gas, Electric and Telecommunications revenue running close to projections.

- Water – Charges for sales and services \$2.8 million, 59% of budget. Metered sales \$2.6 million (63% of budget), tampering fees, tap fees and other operating fees are down and projected to come under budget.
- Sewerage – Charges for sales and services \$1.9 million, 41% of budget. Sewage treatment revenues \$1.57 million (59% of budget), tampering fees, tap fees and other operating fees down and projected to come under budget.
- Electric – Charges for sales and services \$11.6 million, 77% of budget. Metered sales \$10.67 million (75% of budget).
- Gas – Charges for sales and services \$4.6 million, 71% of budget. Metered Sales \$4.3 million (70% of budget).
- CATV/Internet – Charges for sales and services \$2.6 million, 67% of budget.

Expenses

Operating expenses are \$19,839,197.15 as of September 30; interest expense, capital assets and transfers out total \$787,379.08 with both totaling 66% of the 2008 budget. Electric and CATV expense is running at 71% which is right on target with revenue collections of 72%. Water and Sewer expense is at 61% with their revenue percentage at 57%. Both departments are still below the 75% mark, actual vs. budget.

The table on the next page shows the changes in net assets for the Utility Fund. All divisions have a net income before capital contributions and transfers; Water and CATV/Internet are the only two divisions with a year to date decrease in net assets. Wastewater would also show a decrease if not for a substantial amount of capital contributions. CATV/Internet is undergoing the scheduled upgrade in its system that is contributing to its loss.

City Of Monroe
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**STATEMENT OF REVENUES, EXPENSES, AND
 CHANGES IN FUND NET ASSETS
 UTILITY FUND
 FOR THE FISCAL PERIOD ENDED
 September 30, 2008**

	<u>ADMINISTRATIVE DIVISION</u>	<u>CATV/INTERNET DIVISION</u>	<u>ELECTRIC DIVISION</u>	<u>GAS DIVISION</u>	<u>WASTEWATER DIVISION</u>	<u>WATER DIVISION</u>	<u>TOTAL ALL DIVISIONS</u>
OPERATING REVENUES							
Charges for sales and services	\$ -	\$ 2,610,310.25	\$ 11,632,405.48	\$ 4,640,979.17	\$ 1,937,996.64	\$ 2,789,362.97	\$ 23,611,054.51
Customer account fees	472,263.77	-	-	-	-	-	472,263.77
Other revenue - allocation	(623,049.60)	89,619.45	189,961.58	114,522.75	104,790.71	124,155.11	-
Other	8,404.95	-	-	-	24,506.81	24,456.21	57,367.97
Total operating revenues	<u>(142,380.88)</u>	<u>2,699,929.70</u>	<u>11,822,367.06</u>	<u>4,755,501.92</u>	<u>2,067,294.16</u>	<u>2,937,974.29</u>	<u>24,140,686.25</u>
OPERATING EXPENSES							
Cost of sales and services	-	1,292,641.45	7,492,599.32	3,091,462.29	-	-	11,876,703.06
General operating expenses	(196,824.14)	1,142,950.34	2,158,190.22	1,064,589.95	1,572,349.52	2,149,872.73	7,891,128.62
Depreciation	-	-	-	-	-	-	-
Amortization	9,303.84	-	-	4,589.16	17,294.34	40,178.13	71,365.47
Total operating expenses	<u>(187,520.30)</u>	<u>2,435,591.79</u>	<u>9,650,789.54</u>	<u>4,160,641.40</u>	<u>1,589,643.86</u>	<u>2,190,050.86</u>	<u>19,839,197.15</u>
Operating income (loss)	<u>45,139.42</u>	<u>264,337.91</u>	<u>2,171,577.52</u>	<u>594,860.52</u>	<u>477,650.30</u>	<u>747,923.43</u>	<u>4,301,489.10</u>
NON-OPERATING REVENUES (EXPENSES)							
Interest income	141,821.40	-	-	-	-	-	141,821.40
Other	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Interest expense	(177,520.30)	-	-	(29,160.27)	(152,895.51)	(572,528.88)	(932,104.96)
Gain on disposal of capital assets	559.48	-	1,005.00	-	-	1,340.00	2,904.48
Total non-operating revenue (expense)	<u>(35,139.42)</u>	<u>-</u>	<u>1,005.00</u>	<u>(29,160.27)</u>	<u>(152,895.51)</u>	<u>(571,188.88)</u>	<u>(787,379.08)</u>
Income (loss) before capital contributions and transfers	<u>10,000.00</u>	<u>264,337.91</u>	<u>2,172,582.52</u>	<u>565,700.25</u>	<u>324,754.79</u>	<u>176,734.55</u>	<u>3,514,110.02</u>
Capital contributions	-	-	-	-	245,279.60	-	245,279.60
Capital assets	-	(375,253.62)	(502,232.85)	(30,424.04)	(410,049.84)	(92,356.45)	(1,410,316.80)
Transfers out	(10,000.00)	(93,403.63)	(372,290.06)	(364,336.85)	(68,106.72)	(99,077.00)	(1,007,214.26)
	<u>(10,000.00)</u>	<u>(468,657.25)</u>	<u>(874,522.91)</u>	<u>(394,760.89)</u>	<u>(232,876.96)</u>	<u>(191,433.45)</u>	<u>(2,172,251.46)</u>
Change in net assets	<u>\$ 0.00</u>	<u>\$ (204,319.34)</u>	<u>\$ 1,298,059.61</u>	<u>\$ 170,939.36</u>	<u>\$ 91,877.83</u>	<u>\$ (14,698.90)</u>	<u>\$ 1,341,858.56</u>
Net assets, beginning of year							<u>\$ 51,902,402.00</u>

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SOLID WASTE

Revenue

Collections for fiscal year 2008 are \$2,565,741.22 or 68% of the budget appropriation for 2008. At September 30th, we have approximately \$166 thousand in revenue over 30 days with an additional \$186 thousand in current receivables.

- Sanitation Fees – Collections through September just over \$1 million, 69% of budget. We project at year end to come in just a small percentage under budget.
- Transfer Station Fees – Revenue of \$1.5 million or 67% of budget.

Expenses

Solid Waste expenses are at 63% of the total budget or \$2,355,360.06. As of December 31, 2007, the Solid Waste Fund owed the General Fund \$633,413 in advances and accounts payable. As of September 30, 2008, that amount has been reduced to \$263,449. Solid Waste collection rates were increased earlier this year in an effort to pay back this deficit and allow this fund to operate more like an enterprise fund.

GENERAL COMMENTS

In October the City received payment from the State for insurance premium tax revenue in the amount of \$648 thousand. This payment alleviates some of the cash flow issues we typically face this time of year until collections from property tax pick up. All departments need to continue to closely monitor and follow budgets in an effort to curb spending to allow the General Fund to repay funds borrowed from other funds earlier this year due to cash flow issues.

Renee L. Prather, Finance Director
City of Monroe, GA