

REPORTS FROM STAFF MEMBERS

10A: Presentation of the FY2013 Preliminary Year-End Financial Report

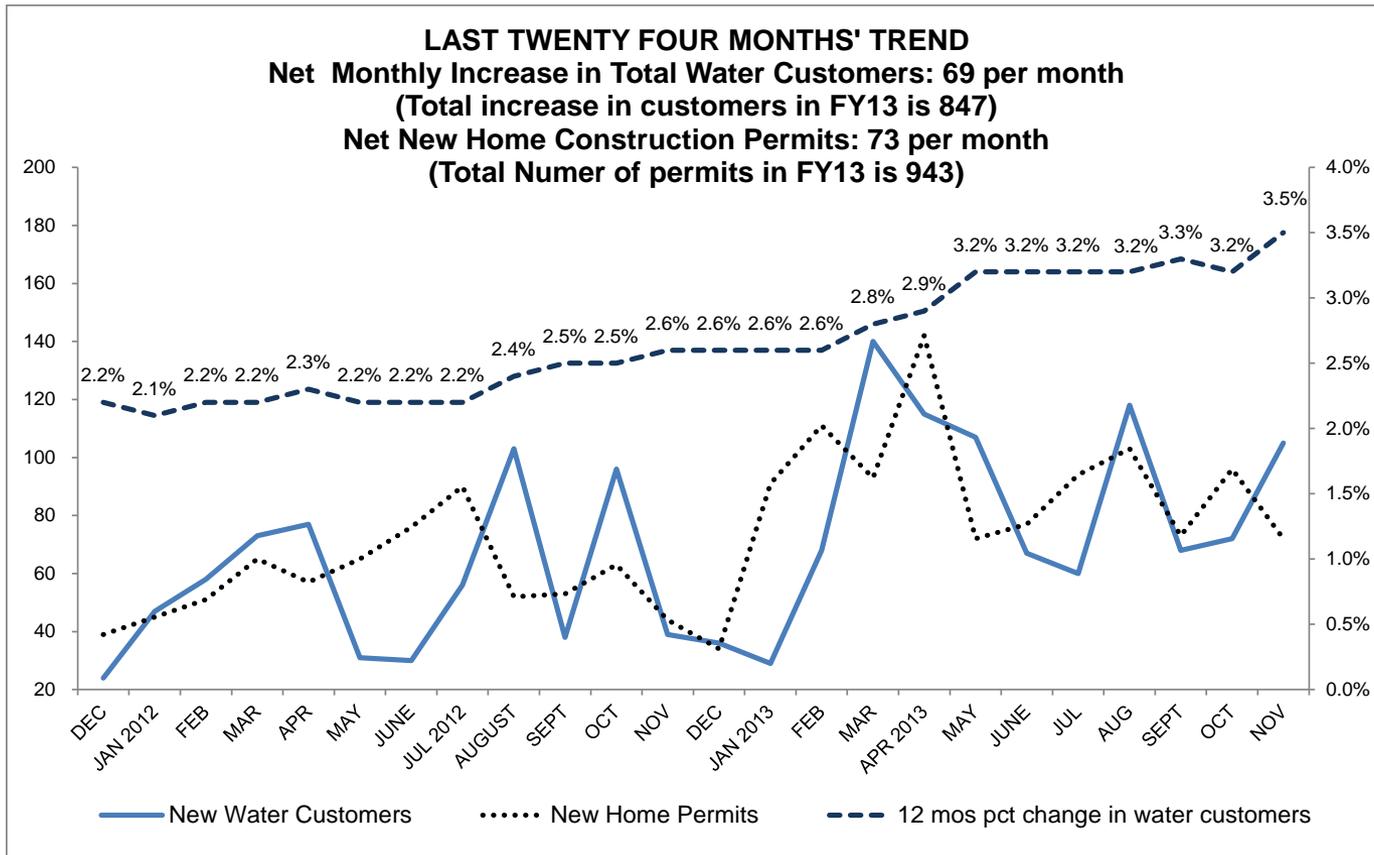


Highlights

- City's general financial condition is good
- FY2013 Revenues (page 1 of the report)
 - Estimate of final total revenue for the City is \$94.7M
 - \$1.89M more than anticipated in the FY13 Adopted Budget primarily due to the surplus in sales tax receipts and permit revenue
- FY2013 Expenditures (page 1 of the report)
 - Estimate of final total spending for the City is \$97.6M
 - \$3.4 million less than the amended budget primarily due to positions being vacant for a portion of the year, early exit of the Amegy building, and spending in the Technology Fund anticipated to be less than budget

Rapid growth in utility customers

3.5% growth rate is greater than 2.3% assumed in Adopted Budget





General Fund Highlights (pp. 7-8 of report)

- Projected ending balance of \$15.87M or 119.5 days of operating expenditures which is \$3.1M and 26.3 days of operating expenditures higher than the FY13 Amended Budget of \$12.8M and 29.5 days in excess of the 90 day reserve policy
- Revenue: Projected to end the year \$1.14M more in revenue than the FY13 Budget
 - Sales Tax is anticipated to end the year with \$12.5M in sales tax receipts which is \$993,330 more than budgeted
 - Licenses and Permits is projected to end the year \$619,400 greater than budget due to the increase in new home construction



General Fund Highlights (pp. 7-8 of report)

- Operating expenditures estimated at \$48.46M, \$1.59M below amended budget – position vacancies, early exit from Amegy building, voluntary demolition of dangerous buildings and departments displaying good stewardship
 - **EMS** ends year \$52,800 above amended budget: one-time payment to employees for compensatory time in excess of 36 hours
 - **Traffic** ends year \$23,800 above amended budget: electricity for traffic lights and overtime for traffic employees
 - **Park Planning** ends year \$2,500 above amended budget: employee transferred from another department at higher salary
 - **Civil Service** ends year \$970 above budget: greater number of individuals taking the promotional exam than budgeted



Utility Fund Highlights (page 13 of report)

- Utility Fund – projected ending fund balance of \$20.29M
 - After reserving the debt service requirement (\$5.37M) and 90 days of operating expenditures (\$3.97M), \$10.95M or 248.1 days of excess operating reserve is available
- Utility Fund Revenues
 - Revenues in this fund are projected to end the year at \$29.47M; \$560,000 greater than the FY13 Budget of \$28.91M



Utility Fund Highlights (page 13 of report)

- Utility Fund operating expenditures are anticipated to be \$29.8M, \$614,740 less than the FY13 Amended Budget
 - **Utility Billing** ends year \$124,430 above amended budget: purchasing water meters for new customers in FY13
 - **Water** is to end year with \$65,740 above amended budget: water contract purchases
 - **Wastewater** ends the year \$99,110 above amended budget: electricity at wastewater treatment plants
 - **Line Repair** is to end the year \$73,520 over amended budget: overtime as a result of emergency repairs and the need for manual meter readings to keep billing cycles current during the meter change out process



Debt Service Fund Highlights

- Debt Service Fund – projected ending fund balance of \$2.53M (page 15 of the report)
- Expenditures in FY13 included a \$1.2M cash contribution for bond refunding resulting in gross future debt savings of \$3M



Special Revenue Fund Highlights (p. 19)

- Special revenue funds are projected to end year under budget and with positive fund balances
 - **4B Maintenance and Operations Fund** is to end the year with \$895,450 fund balance and expenses of \$1.2M
 - **Hotel/Motel Occupancy Tax Fund** ends FY2013 with \$613,690 fund balance and expenses of \$300,620
 - **Technology Fund** ends year with \$709,650 fund balance and expenses of \$98,700; fund balance carries to FY14 for upgrade to the citywide management system

Safelight Program Fund (page 26)

- April 2013: City Council approved early termination of Redflex contract
- Based on projections for collections of final citations and payment of final costs, the data sheet stated “no tax dollars will be required to fund this final payment”
- At year’s end, Safelight fund showed a \$31,192 shortfall
- In order to close out the fund, \$31,192 in expenditures for traffic improvement projects were moved from Safelight Fund to General Fund