

Financial Report



February 2013

Monthly Financial Report at a Glance

February 2013



	Current Month	Year to Date	Reference
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POSITIVE	= Positive variance or negative variance of less than 2% compared to seasonal trends.
WARNING	= Negative variance of 2% - 10% compared to seasonal trends.
NEGATIVE	= Negative variance of greater than 10% compared to seasonal trends.

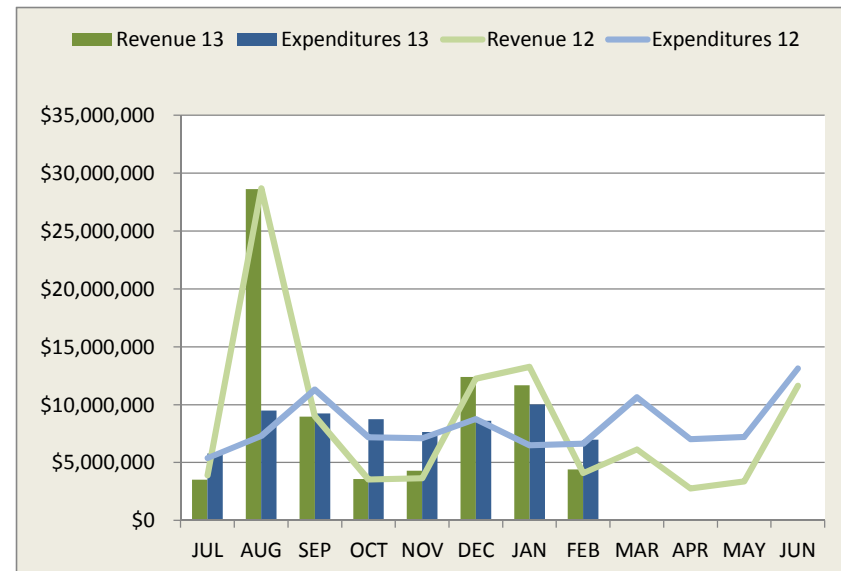
GENERAL FUND

FY 2012-13 REVENUE vs. EXPENDITURES

	2012-13 <u>Revenue</u>	% of <u>Budget</u>	2012-13 <u>Expenses</u>	% of <u>Budget</u>	Net <u>Difference</u>
JUL	\$3,521,688		\$5,774,764		(\$2,253,076)
AUG	\$28,625,416		\$9,490,029		\$19,135,387
SEP	\$8,961,284		\$9,227,908		(\$266,624)
OCT	\$3,559,196		\$8,730,797		(\$5,171,601)
NOV	\$4,278,519		\$7,625,955		(\$3,347,436)
DEC	\$12,379,612		\$8,607,610		\$3,772,002
JAN	\$11,674,287		\$10,010,695		\$1,663,592
FEB	\$4,389,186		\$6,973,297		(\$2,584,111)
MAR					
APR					
MAY					
JUN					
TOTAL	\$77,389,188	77%	\$66,441,055	63%	\$10,948,133

Budget \$100,684,742 \$105,554,850 \$4,870,108 *

*reflects appropriated Fund Balance

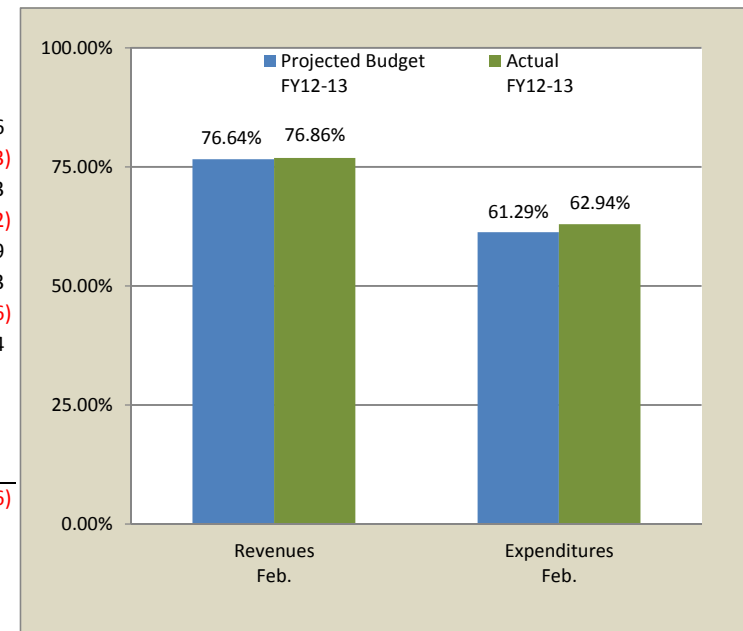


Revenues for eight months into the fiscal year are \$980,045 behind revenues from the same period last year. However, revenues in the General Fund are \$10.9 million above expenditures through eight months of the fiscal year but for the month, behind by \$2.6 million. Expenditures are slightly below projections at 63% of budget with 67% of the fiscal year being completed and revenues are ahead of the target at 77%.

GENERAL FUND

KEY GENERAL FUND PERFORMANCE INDICATORS

	2012-13 Actual Revenue	2012-13 Budget Revenue	Variance	2012-13 Actual Expenses	2012-13 Budget Expenses	Variance
JUL	\$3,521,688	\$3,823,689	(\$302,001)	\$5,774,764	\$5,790,420	\$15,656
AUG	\$28,625,416	\$28,251,166	\$374,250	\$9,490,029	\$7,842,266	(\$1,647,763)
SEP	\$8,961,284	\$8,877,828	\$83,456	\$9,227,908	\$12,158,661	\$2,930,753
OCT	\$3,559,196	\$3,474,266	\$84,930	\$8,730,797	\$7,731,915	(\$998,882)
NOV	\$4,278,519	\$3,595,135	\$683,384	\$7,625,955	\$7,630,414	\$4,459
DEC	\$12,379,612	\$12,061,869	\$317,743	\$8,607,610	\$9,415,583	\$807,973
JAN	\$11,674,287	\$13,055,421	(\$1,381,134)	\$10,010,695	\$6,989,349	(\$3,021,346)
FEB	\$4,389,186	\$4,026,713	\$362,473	\$6,973,297	\$7,136,781	\$163,484
MAR						
APR						
MAY						
JUN						
Total	\$77,389,188	\$77,166,087	\$223,101	\$66,441,055	\$64,695,389	(\$1,745,666)



This chart illustrates the percentage of revenues and expenditures through eight months of fiscal year 2012-13, actuals compared to projected budget. Revenues for February are ahead of what would be expected for this period, and for the year revenues are \$223,101 ahead of expectations.

Expenditures are ahead of the projected budget for February. For the year expenditures are \$1.7 million ahead of projected budget because of the third pay period in January.

GENERAL FUND

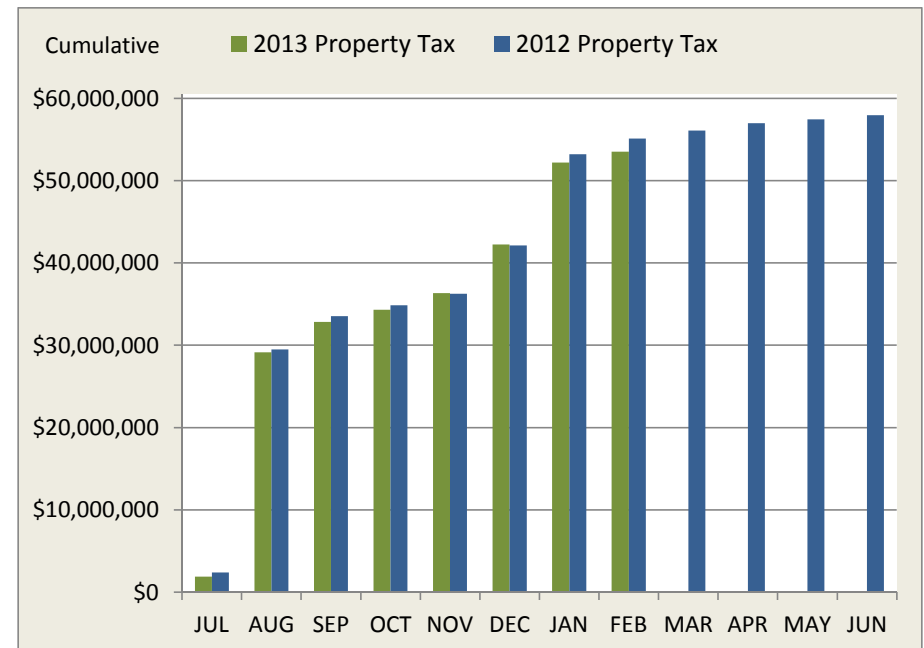
KEY GENERAL FUND PERFORMANCE INDICATORS -- PROPERTY TAX

Property Taxes - Cumulative

	<u>2012-13</u>	<u>% of Budget</u>	<u>2011-12</u>	<u>% of Budget</u>	<u>Net Difference</u>
JUL	\$1,911,534		\$2,408,542		(\$497,008)
AUG	\$27,219,562		\$27,101,420		\$118,142
SEP	\$3,699,086		\$4,040,012		(\$340,926)
OCT	\$1,472,643		\$1,322,431		\$150,212
NOV	\$2,034,222		\$1,387,305		\$646,917
DEC	\$5,908,593		\$5,884,680		\$23,913
JAN	\$9,951,960		\$11,043,289		(\$1,091,329)
FEB	\$1,309,358		\$1,900,847		(\$591,489)
MAR					
APR					
MAY					
JUN					
TOTAL	\$53,506,958	93.6%	\$55,088,526	96.3%	(\$1,581,568)

Projected \$ 56,266,089

\$57,187,197



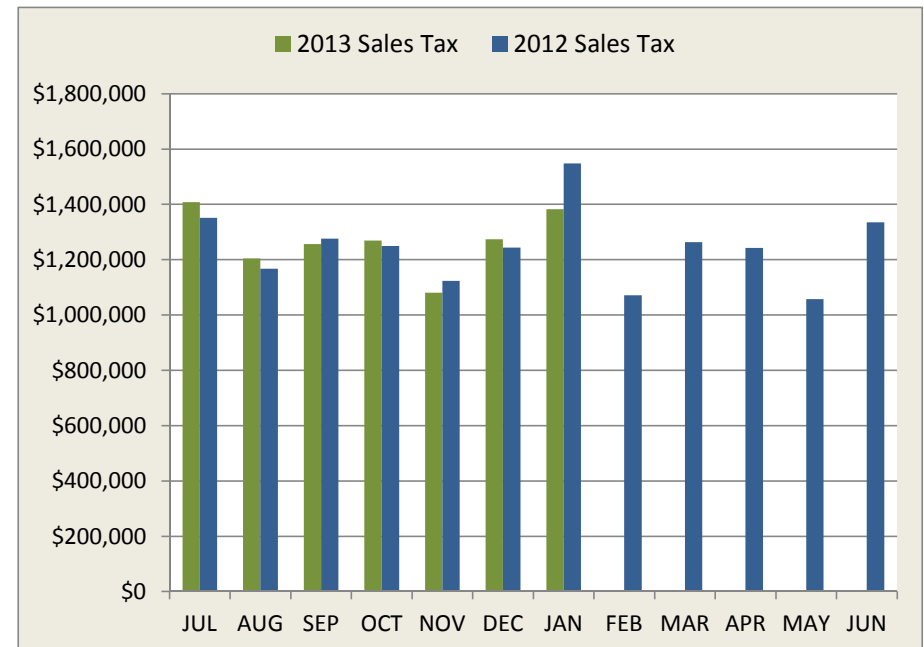
February 2013 property tax receipts were \$1.3 million, which reflects a decline of 31.12% from February 2012. Through eight months, almost \$1.6 million less cumulative property taxes have been received as compared to the same period last fiscal year. With the lower tax base and an adopted property tax rate that is lower than the revenue neutral rate, property tax was budgeted with the expectation of coming in about \$921,000 below budget.

Historically, 4 months of the fiscal year reflect the greatest property tax receipts – August and September and then December and January.

GENERAL FUND

KEY GENERAL FUND PERFORMANCE INDICATORS -- SALES TAX

Sales Taxes					
	<u>2012-13</u>	<u>% of Budget</u>	<u>2011-12</u>	<u>% of Budget</u>	<u>Net Difference</u>
JUL	\$1,407,901		\$1,351,109		\$56,792
AUG	\$1,204,429		\$1,167,278		\$37,151
SEP	\$1,255,859		\$1,276,652		(\$20,793)
OCT	\$1,268,913		\$1,249,044		\$19,869
NOV	\$1,080,452		\$1,123,610		(\$43,158)
DEC	\$1,274,360		\$1,244,243		\$30,117
JAN	\$1,382,171		\$1,548,548		(\$166,377)
FEB					
MAR					
APR					
MAY					
JUN					
TOTAL	\$8,874,085	57.3%	\$8,960,484	62.3%	(\$86,399)
Projected	\$15,500,000		\$14,388,815		



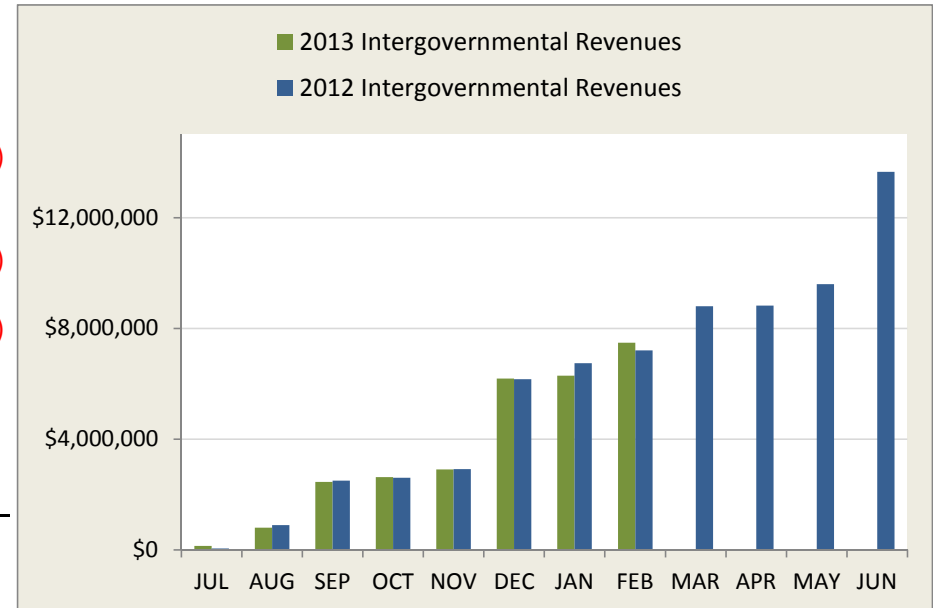
Sales taxes are collected by the State of North Carolina and distributed monthly. The receipts received for January came in March because tax distributions run on a 2-month delay (i.e. August receipts are distributed in October). January sales tax distributions were behind the same month in the prior year because of a \$1.5 million refund taken this year that was taken a month later last year. This revenue stream has been fluctuating so far this fiscal year and will need to be monitored.

GENERAL FUND

KEY GENERAL FUND PERFORMANCE INDICATORS -- INTERGOVERNMENTAL REVENUES

Intergovernmental Revenues - Cumulative

	<u>2012-13</u>	<u>% of Budget</u>	<u>2011-12</u>	<u>% of Budget</u>	<u>Net Difference</u>
JUL	\$139,240		\$42,845		\$96,395
AUG	\$659,969		\$844,228		(\$184,259)
SEP	\$1,653,402		\$1,609,559		\$43,843
OCT	\$171,283		\$102,676		\$68,607
NOV	\$274,485		\$312,491		(\$38,006)
DEC	\$3,293,603		\$3,252,511		\$41,092
JAN	\$95,336		\$577,634		(\$482,298)
FEB	\$1,198,320		\$465,661		\$732,659
MAR					
APR					
MAY					
JUN					
TOTAL	\$7,485,638	54.2%	\$7,207,605	53.3%	\$278,033
Projected	\$13,822,207		\$13,523,942		



Intergovernmental revenues are those received by the City but collected by another governmental entity. Some major revenues include Powell Bill Highway Funds, Beer and Wine Tax, ABC Mixed Beverage Tax, Hold Harmless Reimbursement, and Utility Franchise Taxes received from the State of North Carolina.

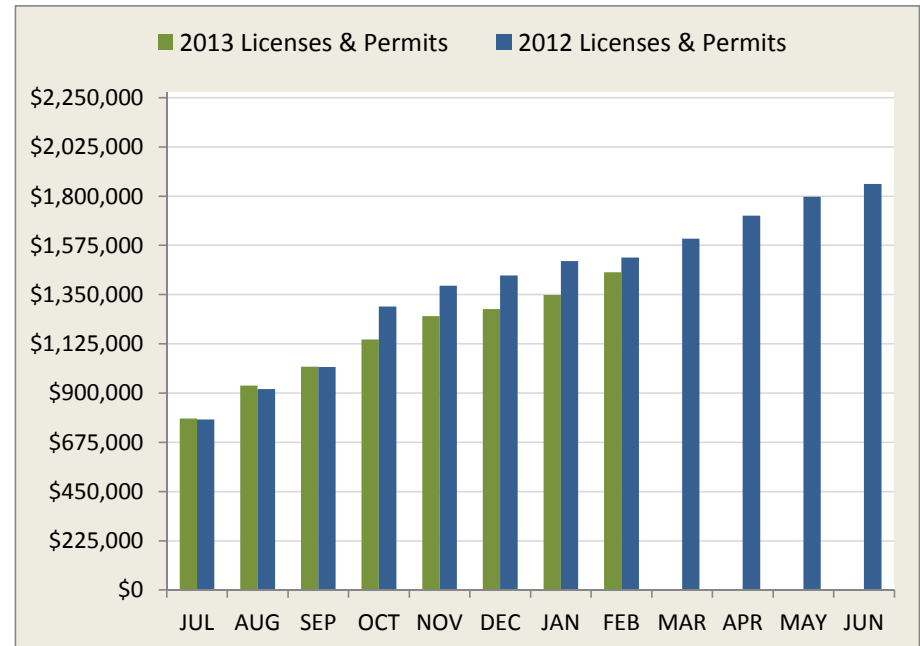
Through February these revenues are 3.86% above last fiscal year at the same point. The State of North Carolina changed the Powell Bill distribution from an annual distribution to a semi-annual reimbursement for half of the funds due to the City. With both of these payments having been received, intergovernmental revenues are now 54.2% of budget, well below the target of 67%. The large swing from last month comes from a second ABC mixed beverages payment from the state and the library payment and SRO payment from the county.

GENERAL FUND

KEY GENERAL FUND PERFORMANCE INDICATORS -- LICENSES & PERMITS

Licenses and Permits - Cumulative

	<u>2012-13</u>	<u>% of Budget</u>	<u>2011-12</u>	<u>% of Budget</u>	<u>Net Difference</u>
JUL	\$783,893		\$779,484		\$4,409
AUG	\$150,479		\$138,044		\$12,435
SEP	\$85,759		\$101,318		(\$15,559)
OCT	\$124,316		\$276,187		(\$151,871)
NOV	\$107,007		\$95,868		\$11,139
DEC	\$32,553		\$46,877		(\$14,324)
JAN	\$64,266		\$66,036		(\$1,770)
FEB	\$103,427		\$15,599		\$87,828
MAR					
APR					
MAY					
JUN					
TOTAL	\$1,451,700	81.3%	\$1,519,413	84.2%	(\$67,713)
Projected	\$1,784,800		\$1,804,900		



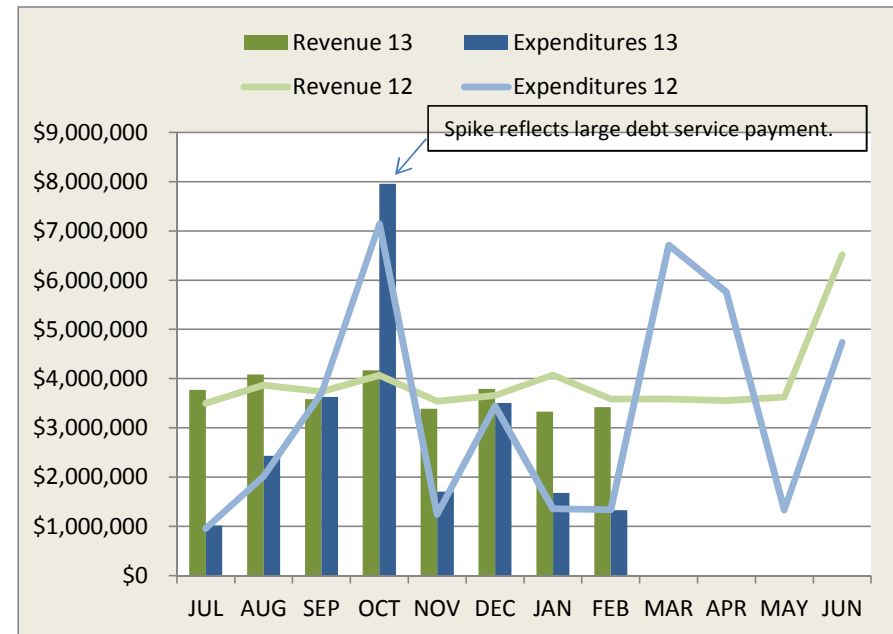
Licenses and Permits consist primarily of business license fees and building permits. Receipts through February rebounded slightly now only below the same period last year by 4.5%. In February the nuisance and demolition lines received revenues quite a bit ahead of budgeted projections which accounts for some of this improvement.

Compared to budget, the licenses and permits category is 81.3% of the anticipated budget as compared to 84.2% for the same period in 2011-12.

WATER AND SEWER FUND

FY 2012-13 REVENUE vs. EXPENDITURES

	2012-13 <u>Revenue</u>	% of <u>Budget</u>	2012-13 <u>Expenses</u>	% of <u>Budget</u>	Net <u>Difference</u>
JUL	\$3,771,048		\$1,012,850		\$2,758,198
AUG	\$4,082,578		\$2,430,880		\$1,651,698
SEP	\$3,583,029		\$3,625,795		(\$42,766)
OCT	\$4,167,803		\$7,958,947		(\$3,791,144)
NOV	\$3,388,007		\$1,701,057		\$1,686,950
DEC	\$3,790,262		\$3,507,512		\$282,750
JAN	\$3,327,873		\$1,674,904		\$1,652,969
FEB	\$3,417,531		\$1,324,757		\$2,092,774
MAR					
APR					
MAY					
JUN					
TOTAL	\$29,528,131	65%	\$23,236,702	51%	\$6,291,429
Budget	\$45,684,224		\$45,684,224		



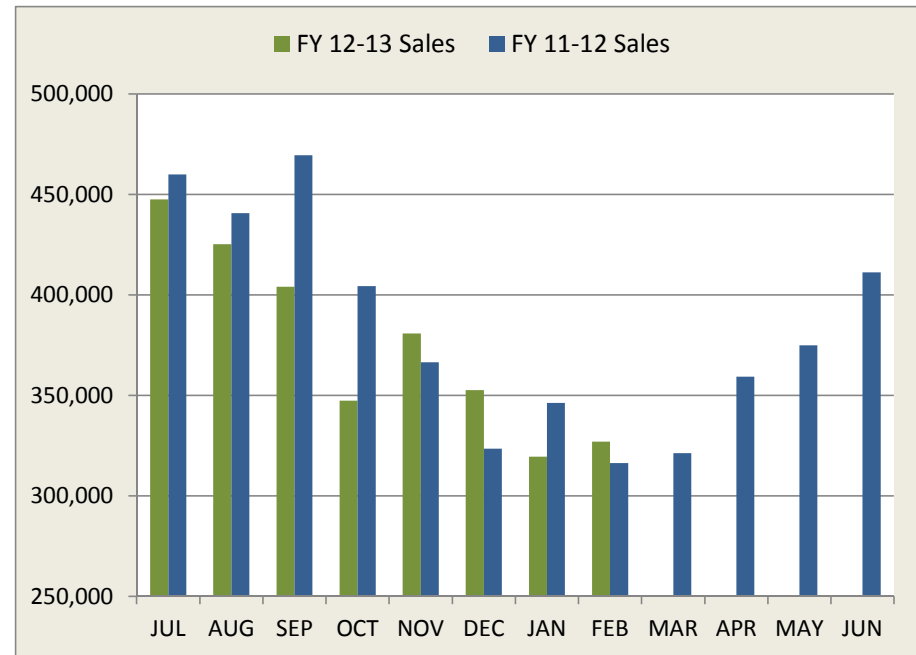
Revenues in the Water and Sewer Fund are \$2.1 million above expenditures in the eighth month of the fiscal year. Revenues are 65% of budget, which is only slightly below the target of 67%; expenditures are at 51%, which is below the target. For the year revenues are \$6.3 million ahead of expenditures.

WATER AND SEWER FUND

KEY WATER AND SEWER PERFORMANCE INDICATOR

Unit Water Sales*

	2012-13	% of Budget	2011-12	% of Budget	Net Difference
JUL	447,586		459,969		(12,383)
AUG	425,311		440,780		(15,469)
SEP	404,137		469,473		(65,336)
OCT	347,350		404,414		(57,064)
NOV	380,887		366,456		14,431
DEC	352,662		323,466		29,196
JAN	319,615		346,377		(26,762)
FEB	327,101		316,304		10,797
MAR					
APR					
MAY					
JUN					
TOTAL	3,004,649	63.6%	3,127,239	66.8%	(122,590)
Projected	4,725,000		4,680,000		



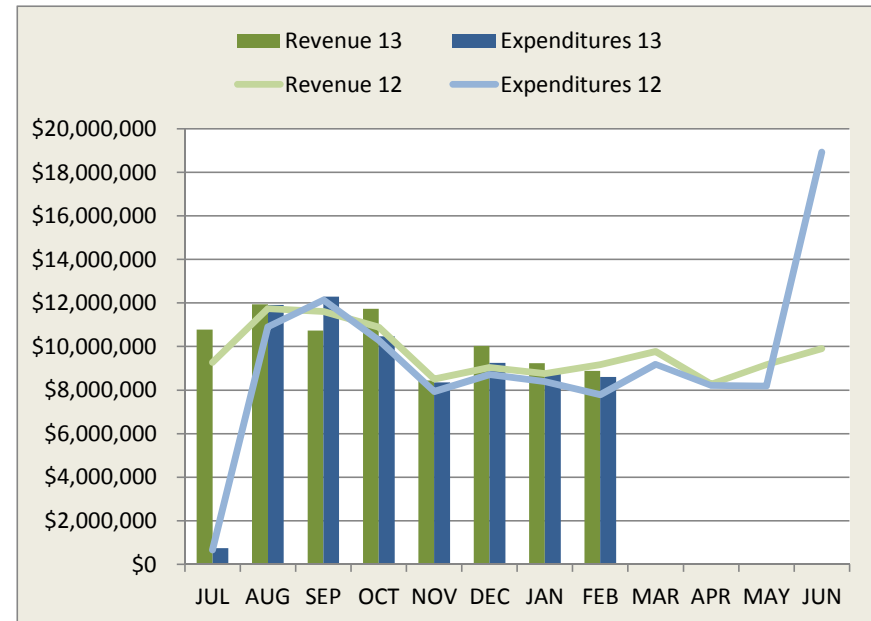
In February, water sales increased by 3.4% from the same month last year. Given that February was a wet month this improvement is a positive sign. Because of the previous negative trend sales are still down by 3.9% through the eighth month. Sales are behind budget at 63.6% with 66.7% of the year completed. Because this metric is below the figures from last year, it will warrant continued monitoring.

*Water sales are reported in units. Each unit represents 748 gallons of water use.

ELECTRIC FUND

FY 2012-13 REVENUE vs. EXPENDITURES

	2012-13 <u>Revenue</u>	% of <u>Budget</u>	2012-13 <u>Expenses</u>	% of <u>Budget</u>	Net <u>Difference</u>
JUL	\$10,778,323		\$746,653		\$10,031,670
AUG	\$11,939,737		\$11,909,879		\$29,858
SEP	\$10,735,116		\$12,287,803		(\$1,552,687)
OCT	\$11,737,087		\$10,473,887		\$1,263,200
NOV	\$8,443,260		\$8,352,199		\$91,061
DEC	\$10,033,425		\$9,252,367		\$781,058
JAN	\$9,242,517		\$8,825,261		\$417,256
FEB	\$8,875,847		\$8,609,327		\$266,520
MAR					
APR					
MAY					
JUN					
TOTAL	\$81,785,312	67%	\$70,457,376	57%	\$11,327,936
Budget	\$122,136,686		\$123,242,833		

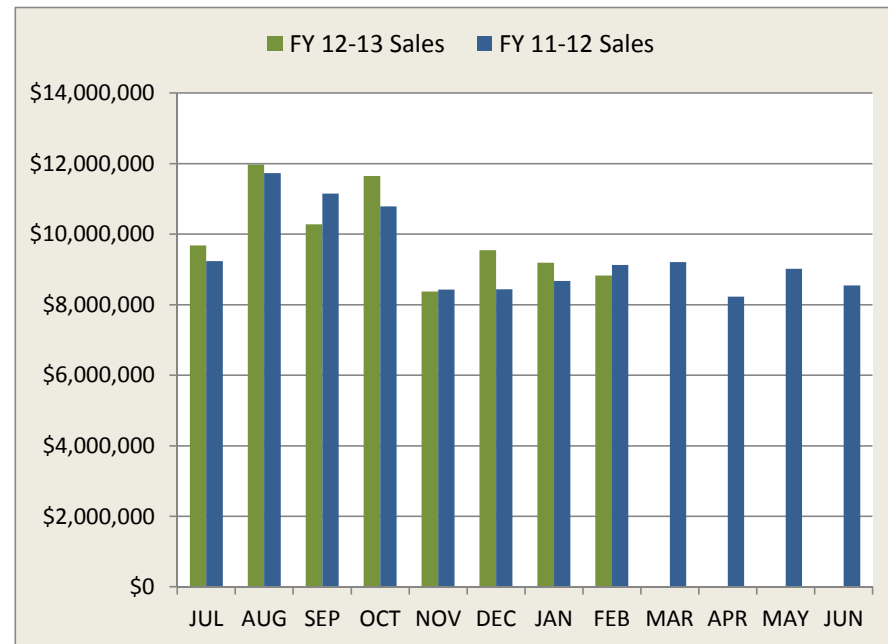


Revenues in the Electric Fund are \$81.8 million, which is ahead of the same period in the previous year and \$11.3 million ahead of expenditures through the eighth month of the fiscal year. Expenditures for this period were higher than the same period last year. Expenditures for July do not include the wholesale power bill, as that is received one month in arrears, and will be credited back against the fund at the end of the fiscal year.

ELECTRIC FUND

KEY ELECTRIC FUND PERFORMANCE INDICATOR

	Electric Sales*		%		Net
	<u>2012-13</u>	<u>% of Budget</u>	<u>2011-12</u>	<u>Budget</u>	<u>Difference</u>
JUL	\$9,680,577		\$9,234,792		\$445,785
AUG	\$11,977,235		\$11,734,395		\$242,840
SEP	\$10,276,443		\$11,145,146		(\$868,703)
OCT	\$11,648,414		\$10,786,513		\$861,901
NOV	\$8,374,939		\$8,423,423		(\$48,484)
DEC	\$9,546,046		\$8,441,232		\$1,104,814
JAN	\$9,190,019		\$8,668,395		\$521,624
FEB	\$8,827,012		\$9,129,225		(\$302,213)
MAR					
APR					
MAY					
JUN					
TOTAL	\$79,520,685	66.8%	\$77,563,121	71.6%	\$1,957,564
Projected	\$119,050,232		\$108,380,823		



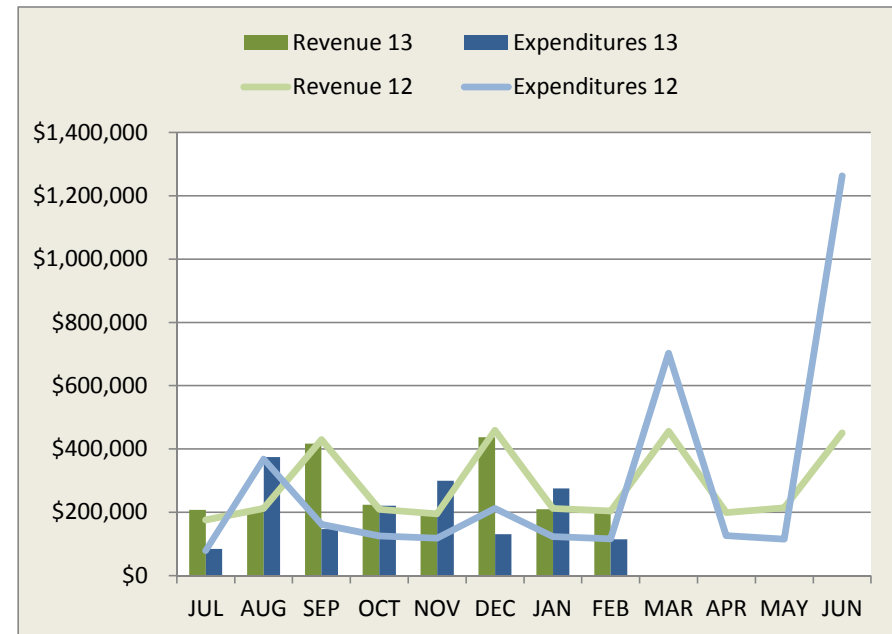
Electric sales are lower than last month again and 3.3% below the same period last year. Through this point in the year, sales are \$1.96 million above the same period last year.

*Sales include industrial, commercial and residential service.

STORMWATER FUND

FY 2012-13 REVENUE vs. EXPENDITURES

	2012-13 <u>Revenue</u>	% of <u>Budget</u>	2012-13 <u>Expenses</u>	% of <u>Budget</u>	Net <u>Difference</u>
JUL	\$207,822		\$83,844		\$123,978
AUG	\$207,619		\$374,203		(\$166,584)
SEP	\$416,606		\$147,146		\$269,460
OCT	\$223,070		\$220,475		\$2,595
NOV	\$198,324		\$299,799		(\$101,475)
DEC	\$437,103		\$130,398		\$306,705
JAN	\$209,016		\$274,964		(\$65,948)
FEB	\$201,513		\$113,971		\$87,542
MAR					
APR					
MAY					
JUN					
TOTAL	\$2,101,073	63%	\$1,644,800	49%	\$456,273
Budget	\$3,341,039		\$3,341,039		



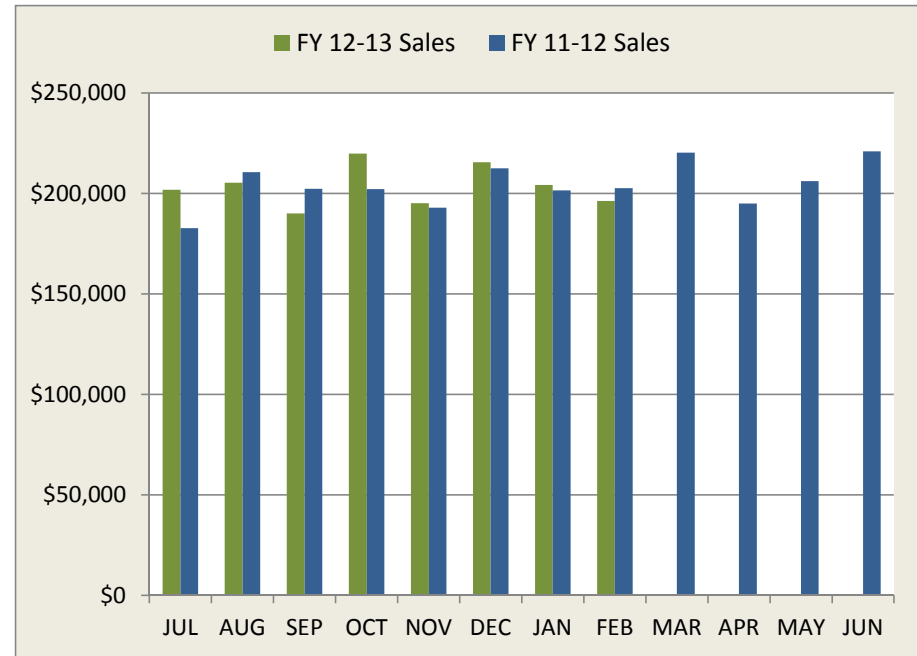
The Stormwater Fund is in a positive position through the eighth month of the fiscal year with revenues being over expenditures by \$456,273. Revenues and expenditures were both slightly below the same period last year.

STORMWATER FUND

KEY STORMWATER FUND PERFORMANCE INDICATOR

Stormwater Sales

	<u>2012-13</u>	<u>% of Budget</u>	<u>2011-12</u>	<u>% of Budget</u>	<u>Net Difference</u>
JUL	\$201,906		\$182,719		\$19,187
AUG	\$205,420		\$210,683		(\$5,263)
SEP	\$190,142		\$202,282		(\$12,140)
OCT	\$219,919		\$202,175		\$17,744
NOV	\$195,251		\$192,965		\$2,286
DEC	\$215,544		\$212,535		\$3,009
JAN	\$204,280		\$201,565		\$2,715
FEB	\$196,245		\$202,701		(\$6,456)
MAR					
APR					
MAY					
JUN					
TOTAL	\$1,628,707	67.7%	\$1,607,625	69.8%	\$21,082
Projected	\$2,404,397		\$2,301,897		



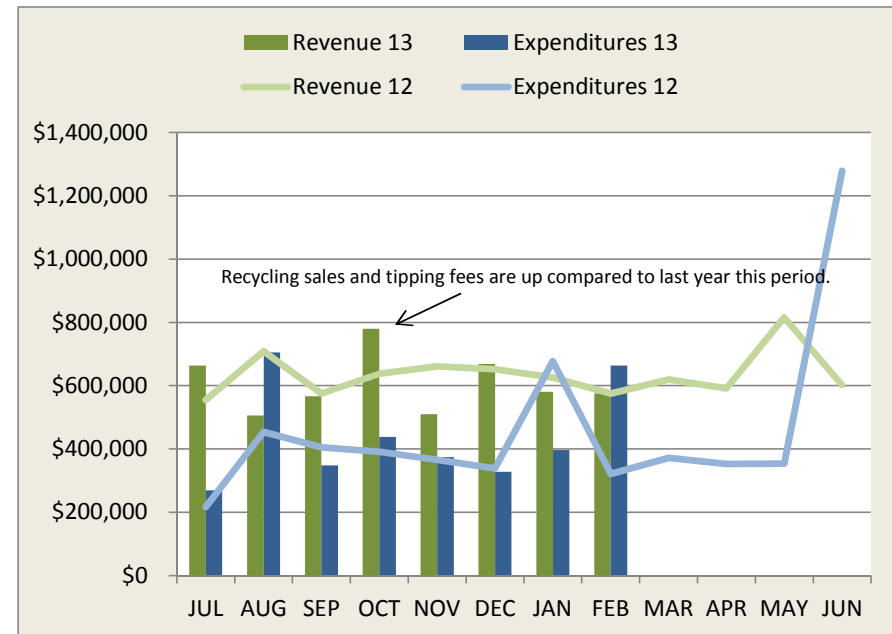
Stormwater sales are slightly ahead through the eighth month of FY 12-13 as compared to the same time period in FY 11-12. For the month they are behind by 3.2% as compared to the same month last year. Sales at 67.7% of budget are slightly ahead of targeted budget benchmark of 66.7% for this point in the year.

LANDFILL FUND

FY 2012-13 REVENUE vs. EXPENDITURES

(Operating expenses exclude capital expenditures and interfund reimbursements)

	2012-13 <u>Revenue</u>	% of <u>Budget</u>	2012-13 <u>Expenses</u>	% of <u>Budget</u>	Net <u>Difference</u>
JUL	\$663,005		\$269,482		\$393,523
AUG	\$505,691		\$705,173		(\$199,482)
SEP	\$565,905		\$347,851		\$218,054
OCT	\$779,713		\$438,460		\$341,253
NOV	\$510,154		\$374,685		\$135,469
DEC	\$668,773		\$327,558		\$341,215
JAN	\$580,751		\$396,052		\$184,699
FEB	\$575,673		\$663,240		(\$87,567)
MAR					
APR					
MAY					
JUN					
TOTAL	\$4,849,665	67%	\$3,522,501	68%	\$1,327,164
Budget	\$7,280,000		\$5,166,609		

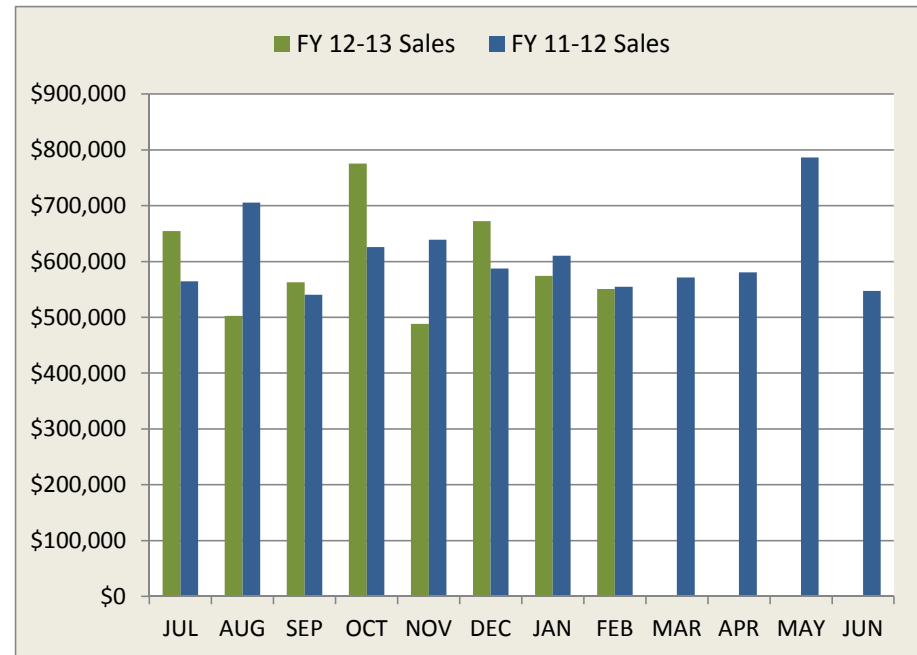


Revenues in the Landfill Fund for the eighth month of FY 12-13 are \$575,673, which is all but even with the same period during the previous year. Revenues are 67% of budget, which is even with the budget benchmark of 67% for this point in the year. Expenditures are above this benchmark as well as 68%. Revenues are running ahead of expenditures for the year. The differential between expenditures Feb. 2012 to Feb. 2013 is because of a large Seaboard payment and a capital payment in this period this year which were made in January last year.

LANDFILL FUND

KEY LANDFILL FUND PERFORMANCE INDICATOR

	Landfill Sales				
	<u>2012-13</u>	<u>% of Budget</u>	<u>2011-12</u>	<u>% of Budget</u>	<u>Net Difference</u>
JUL	\$654,578		\$564,587		\$89,991
AUG	\$502,554		\$705,336		(\$202,782)
SEP	\$562,862		\$540,257		\$22,605
OCT	\$775,437		\$626,029		\$149,408
NOV	\$488,263		\$639,061		(\$150,798)
DEC	\$672,139		\$587,191		\$84,948
JAN	\$574,370		\$610,272		(\$35,902)
FEB	\$550,970		\$554,633		(\$3,663)
MAR					
APR					
MAY					
JUN					
TOTAL	\$4,781,173	66%	\$4,827,366	74%	(\$46,193)
Projected	\$7,190,000		\$6,495,000		



Landfill sales through February 2013 are 1% below the same period in FY 11-12 and are also just below budgeted projections. Sales during February as compared to the same month last year were lower by 0.7%. Sales through this month are \$46,193 below sales through the same period last year.