

Financial Report



January 2013

Monthly Financial Report at a Glance

January 2013



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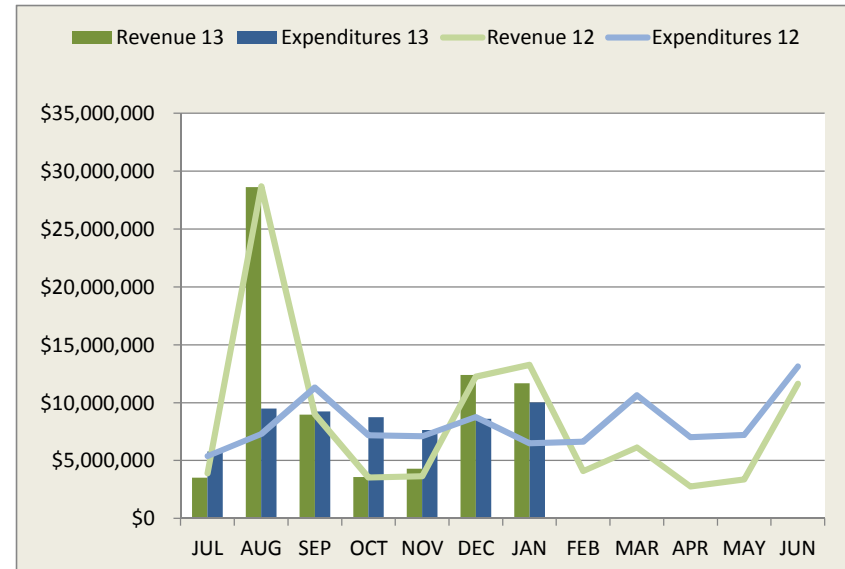
POSITIVE	= Positive variance or negative variance of less than 2% compared to seasonal trends.
WARNING	= Negative variance of 2% - 10% compared to seasonal trends.
NEGATIVE	= Negative variance of greater than 10% compared to seasonal trends.

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					
MAR					
APR					
MAY					
JUN					
TOTAL	\$73,000,002	73%	\$59,467,758	56%	\$13,532,244
Budget	\$100,684,742		\$105,554,850		\$4,870,108 *

*reflects appropriated Fund Balance

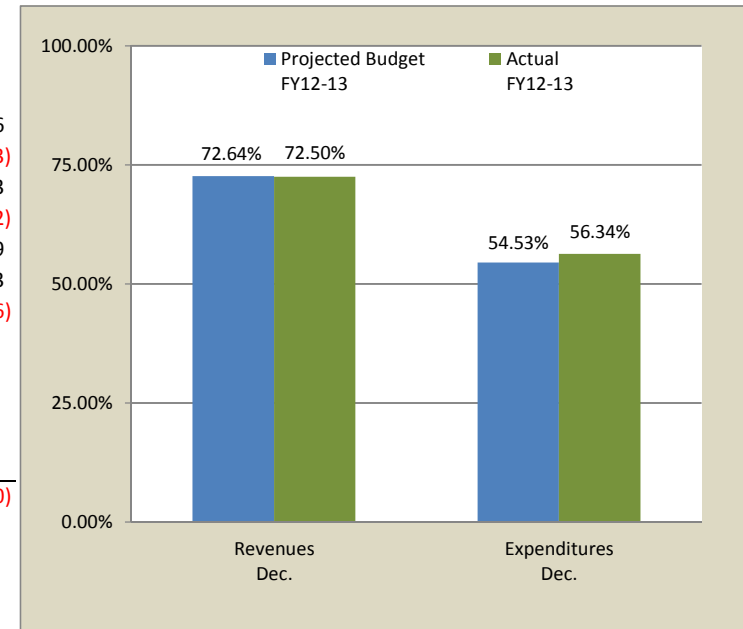


Revenues for seven months into the fiscal year are \$1.7 million behind revenues from the same period last year. However, revenues in the General Fund are \$13.5 million above expenditures through seven months of the fiscal year and for the month, ahead by \$1.7 million. Expenditures are slightly below projections at 56% of budget with 58% of the fiscal year being completed and revenues are ahead of the target at 73%. Expenditures are a bit higher than average because January had three pay periods instead of two.

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						
MAR						
APR						
MAY						
JUN						
Total	\$73,000,002	\$73,139,374	(\$139,372)	\$59,467,758	\$57,558,608	(\$1,909,150)



This chart illustrates the percentage of revenues and expenditures through seven months of fiscal year 2012-13, actuals compared to projected budget. Revenues for January are below what would be expected for this period, and for the year revenues are \$139,372 below expectations.

Expenditures are ahead of the projected budget for January. For the year expenditures are \$1.9 million ahead of projected budget because of the third pay period in January.

GENERAL FUND

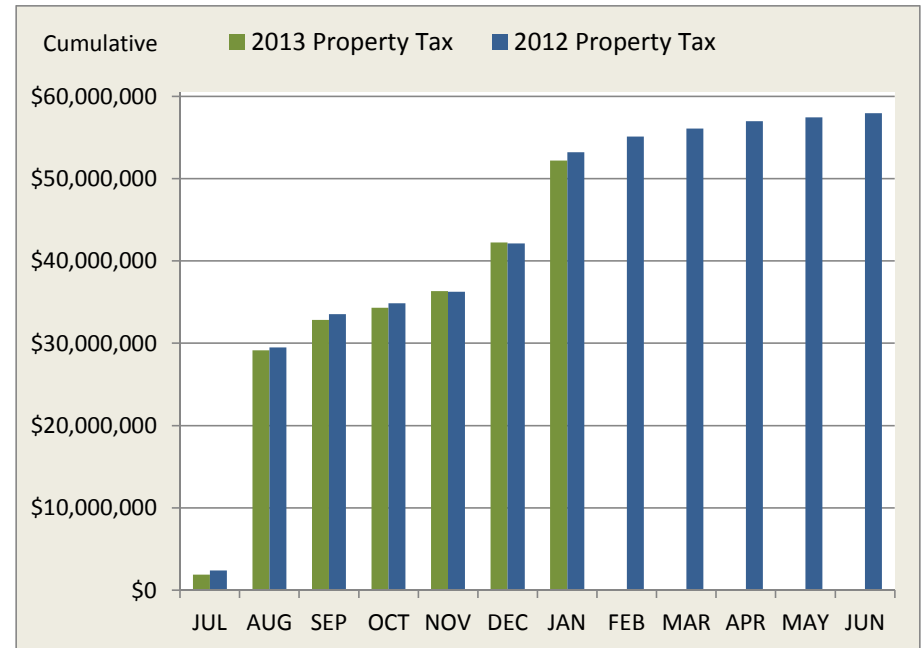
KEY GENERAL FUND PERFORMANCE INDICATORS -- PROPERTY TAX

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					
MAR					
APR					
MAY					
JUN					
TOTAL	\$52,197,600	91.3%	\$53,187,679	93.0%	(\$990,079)

Projected \$ 56,266,089

\$57,187,197



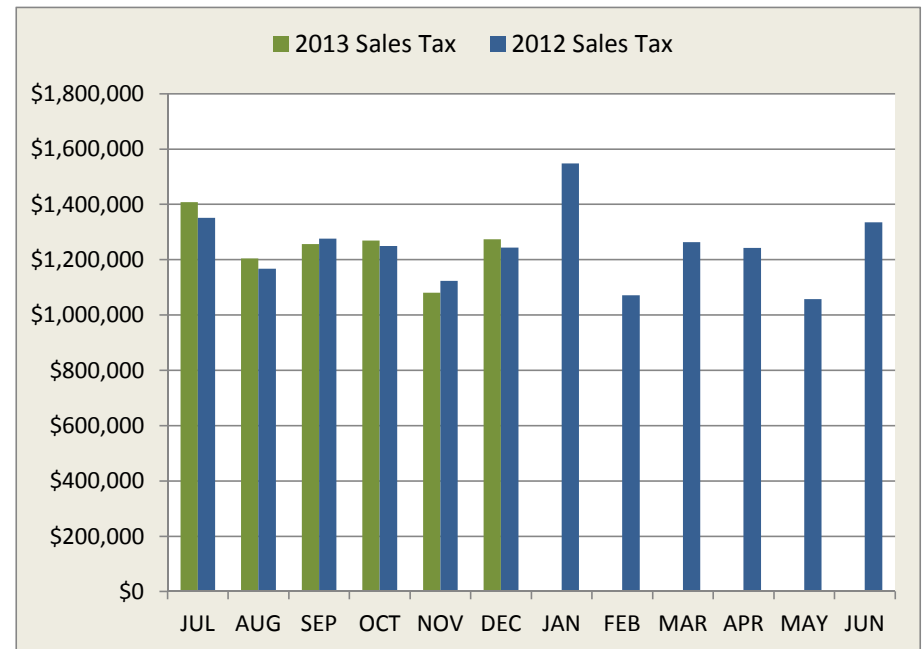
January 2013 property tax receipts were \$9.95 million, which reflects a decline of 9.9% from January 2012. Through seven months, almost one million less cumulative property taxes have been received as compared to the same period last fiscal year. With the lower tax base and an adopted property tax rate that is lower than the revenue neutral rate, property tax was budgeted with the expectation of coming in about \$921,000 below budget. Taking that into consideration, property tax is only slightly below expectations.

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					
FEB					
MAR					
APR					
MAY					
JUN					
TOTAL	\$7,491,914	48.3%	\$7,411,936	51.5%	\$79,978
Projected	\$15,500,000		\$14,388,815		



Sales taxes are collected by the State of North Carolina and distributed monthly. The receipts received for December came in February because tax distributions run on a 2-month delay (i.e. August receipts are distributed in October). December sales tax distributions were ahead of the same month in the prior year. This revenue stream has been fluctuating so far this fiscal year and will need to be monitored.

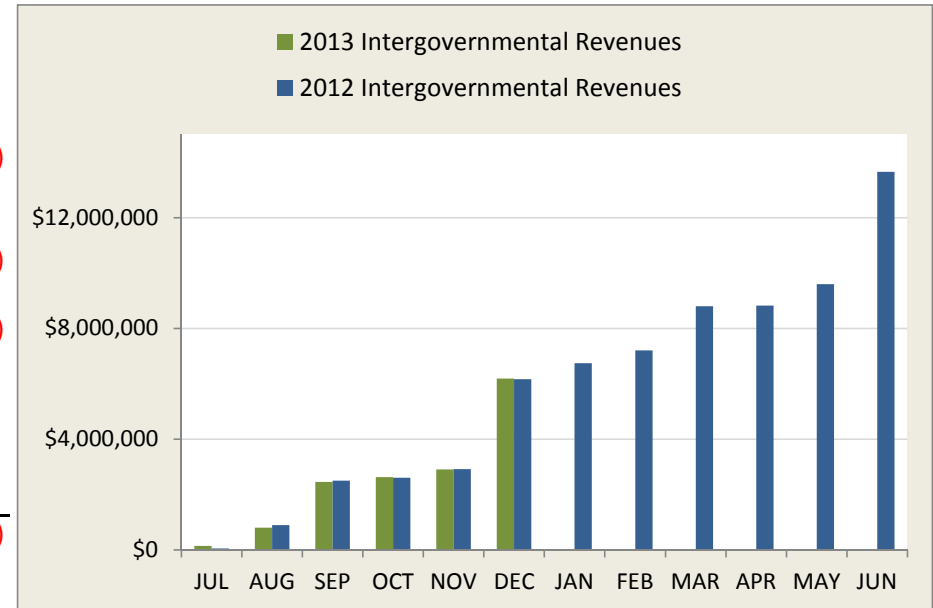
Receipts through the sixth month of the fiscal year are 1.1% ahead of the same period last year.

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					
MAR					
APR					
MAY					
JUN					
TOTAL	\$6,287,318	45.5%	\$6,741,944	49.9%	(\$454,626)
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.

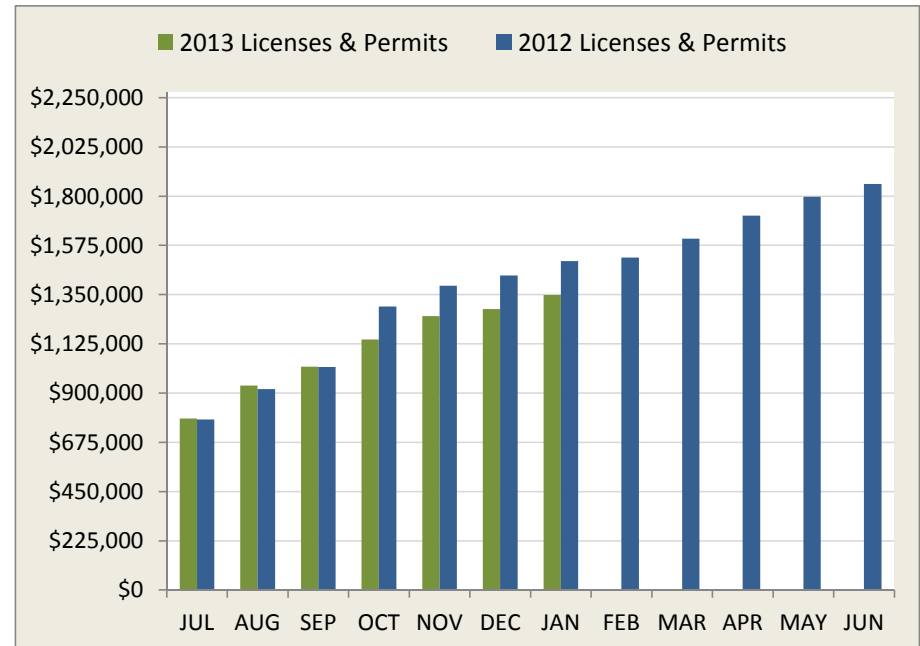
Through January these revenues are 6.7% behind last fiscal year at the same point. The State of North Carolina changed the Powell Bill distribution from an annual distribution to a semi-annual reimbursement for half of the funds due to the City. With both of these payments having been received, intergovernmental revenues are now 45.5% of budget, well below the target of 58%. Only \$565,000 of \$800,000 budgeted Hold Harmless revenues have been received explaining a large portion of the deficit. Additionally, last fiscal year the library payment was received in January but has not been received yet this year.

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					
MAR					
APR					
MAY					
JUN					
TOTAL	\$1,348,273	75.5%	\$1,503,814	83.3%	(\$155,541)
Projected	\$1,784,800		\$1,804,900		



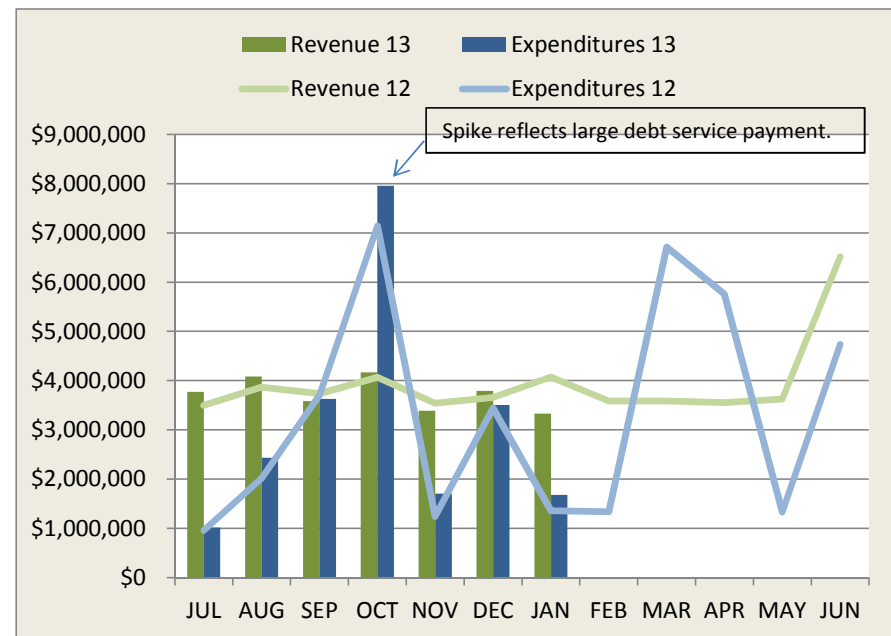
Licenses and Permits consist primarily of business license fees and building permits. Receipts through January are continuing a downward trend, below the same period last year by 10.3%. The main area below budgeted projections is in the building permit related lines, which may be affected by the seasonal nature of the construction business, as well as a lower transportation development fee. This difference is seen in the October differential with the transportation fee accounting for \$130,000.

Compared to budget, the licenses and permits category is 75.5% of the anticipated budget as compared to 83.3% 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					
MAR					
APR					
MAY					
JUN					
TOTAL	\$26,110,600	57%	\$21,911,945	48%	\$4,198,655
Budget	\$45,684,224		\$45,684,224		



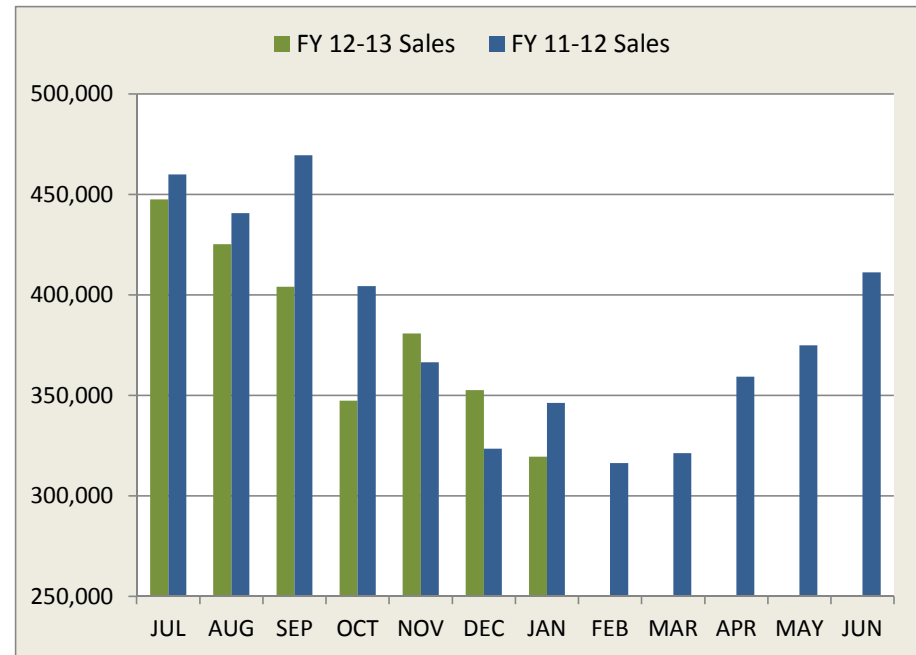
Revenues in the Water and Sewer Fund are \$1.7 million above expenditures in the seventh month of the fiscal year. Revenues are 57% of budget, which is only slightly below the target of 58.3%; expenditures are at 48%, which is below the target. For the year revenues are \$4.2 million ahead of expenditures.

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					
MAR					
APR					
MAY					
JUN					
TOTAL	2,677,548	56.7%	2,810,935	60.1%	(133,387)
Projected	4,725,000		4,680,000		



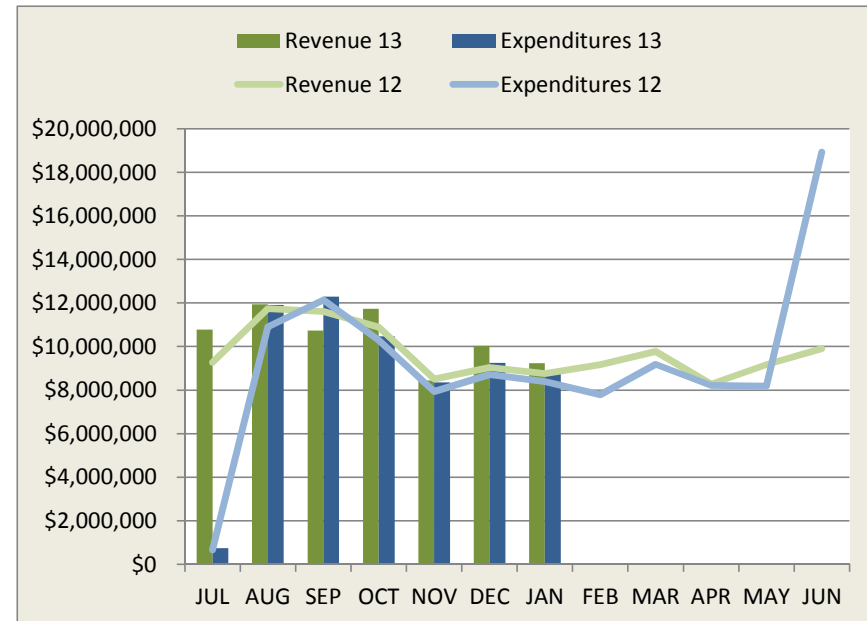
In January, water sales were down (by 26,762 units or 7.7%) from the same month last year and still down by 4.7% through the seventh month of FY 12-13 as compared to the same time period in FY 11-12. Sales are a bit behind budget at 56.7% with 58.3% of the year completed. This metric is still below the figures from last year and 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					
MAR					
APR					
MAY					
JUN					
TOTAL	\$72,909,465	60%	\$61,848,049	50%	\$11,061,416
Budget	\$122,136,686		\$123,242,833		

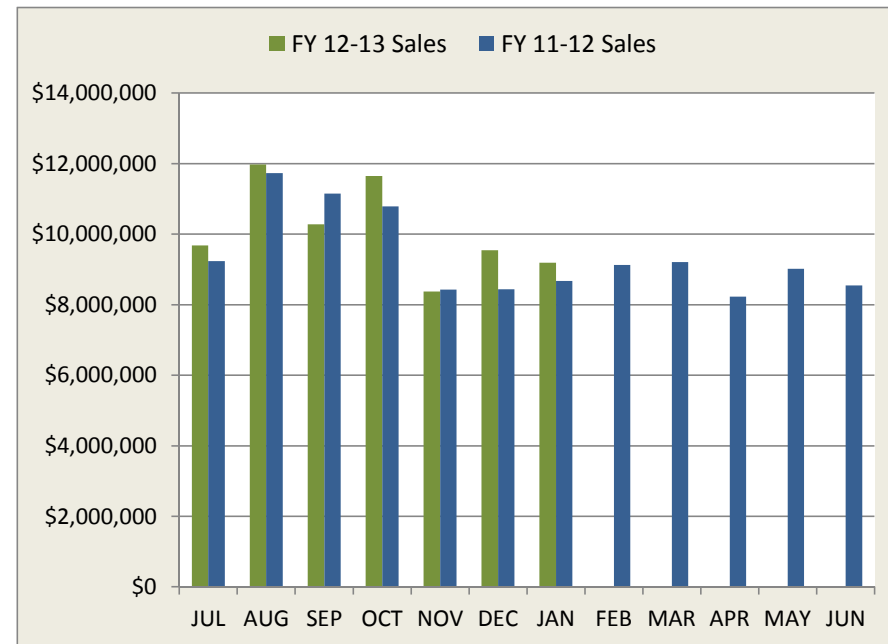


Revenues in the Electric Fund are \$72.9 million, which is ahead of the same period in the previous year and \$11.1 million ahead of expenditures through the seventh month of the fiscal year. Expenditures for this period were higher than the same period last year. Expenditures for July do not include 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					
MAR					
APR					
MAY					
JUN					
TOTAL	\$70,693,673	59.4%	\$68,433,896	63.1%	\$2,259,777
Projected	\$119,050,232		\$108,380,823		



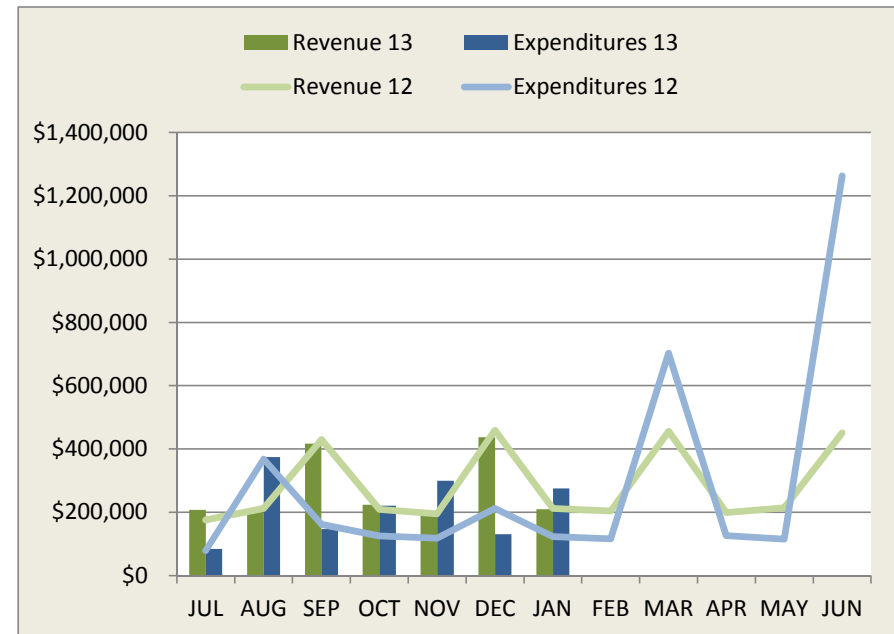
Electric sales are lower than last month but 6% above the same period last year. Through this point in the year, sales are \$2.3 million above the same period last year.

*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					
MAR					
APR					
MAY					
JUN					
TOTAL	\$1,899,560	57%	\$1,530,829	46%	\$368,731
Budget	\$3,341,039		\$3,341,039		



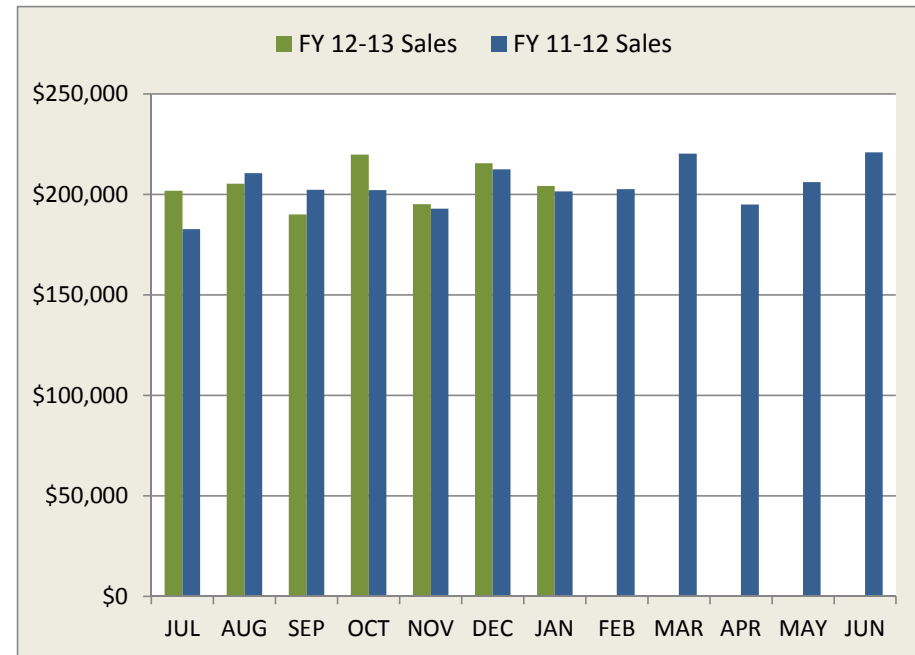
The Stormwater Fund is in a positive position through the seventh month of the fiscal year with revenues being over expenditures by \$368,731. Expenditures exceeded revenues in January by a large percentage mainly stemming from a large capital expenditure.

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					
MAR					
APR					
MAY					
JUN					
TOTAL	\$1,432,462	59.6%	\$1,404,924	61.0%	\$27,538
Projected	\$2,404,397		\$2,301,897		



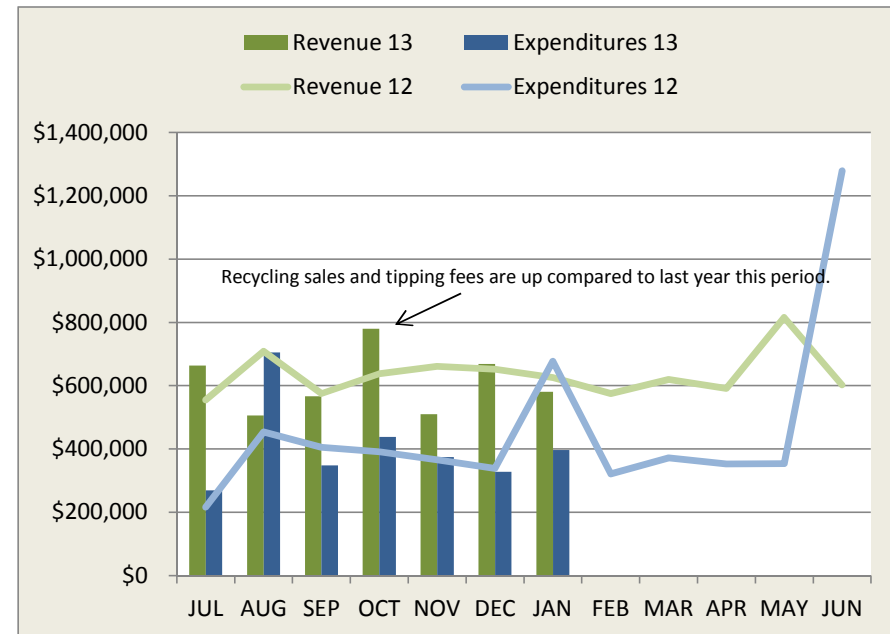
Stormwater sales are slightly ahead through the seventh month of FY 12-13 as compared to the same time period in FY 11-12. For the month they are also ahead by 1.4% as compared to the same month last year. Sales at 59.6% of budget are slightly ahead of targeted budget benchmark of 58.3% for this point 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					
MAR					
APR					
MAY					
JUN					
TOTAL	\$4,273,992	59%	\$2,859,261	55%	\$1,414,731
Budget	\$7,280,000		\$5,166,609		

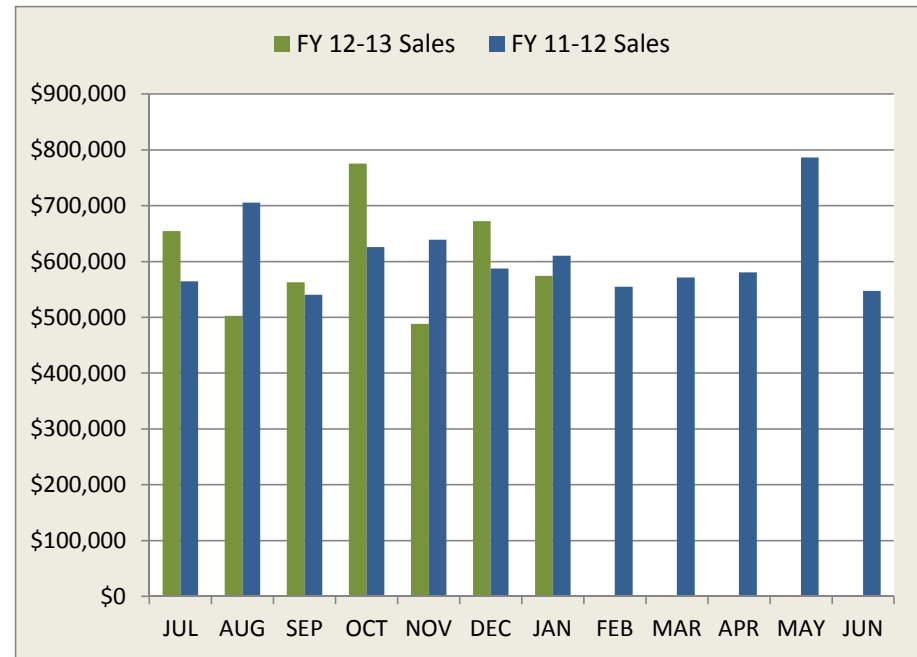


Revenues in the Landfill Fund for the seventh month of FY 12-13 are \$580,751, which is 7.1% below the same period during the previous year. Revenues are 59% of budget, which is slightly ahead of target to the budget benchmark of 58.3% for this point in the year. Expenditures are under this benchmark at 55%. Revenues are running ahead of expenditures for the month and year. The differential between expenditures Jan. 2012 to Jan. 2013 is because of a large capital outlay and a large Seaboard payment in this period 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					
MAR					
APR					
MAY					
JUN					
TOTAL	\$4,230,203	59%	\$4,272,733	66%	(\$42,530)
Projected	\$7,190,000		\$6,495,000		



Landfill sales through January 2013 are 1% below the same period in FY 11-12 but are right above budgeted projections. Sales during January as compared to the same month last year were lower by 6.9%. Sales through this month are \$42,530 below sales through the same period last year.