

# Financial Report



March 2013

# Monthly Financial Report at a Glance

March 2013



	Current Month	Year to Date	Reference
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## GENERAL FUND

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General Fund Expenditures	POSITIVE	POSITIVE	Page 2
Overall Property Tax Revenue	POSITIVE	WARNING	Page 4
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Overall Intergovernmental Revenues	NEGATIVE	POSITIVE	Page 6
Overall Licenses and Permits	NEGATIVE	WARNING	Page 7

## ENTERPRISE FUNDS

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Water Sales	WARNING	WARNING	Page 9
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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**

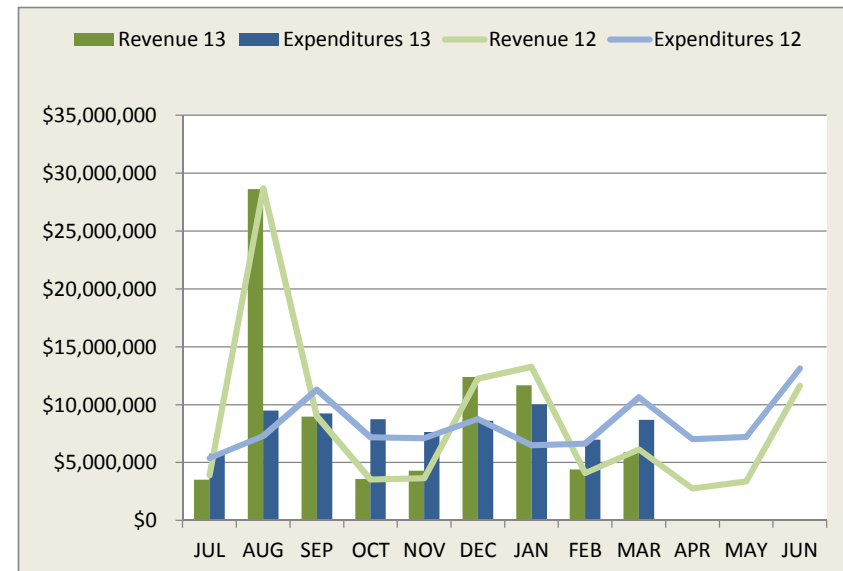
= Negative variance of greater than 10% compared to seasonal trends.

# 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	\$5,885,340		\$8,679,641		(\$2,794,301)
APR					
MAY					
JUN					
<b>TOTAL</b>	<b>\$83,274,528</b>	<b>83%</b>	<b>\$75,120,696</b>	<b>71%</b>	<b>\$8,153,832</b>
<b>Budget</b>	<b>\$100,684,742</b>		<b>\$105,554,850</b>		<b>\$4,870,108 *</b>

\*reflects appropriated Fund Balance

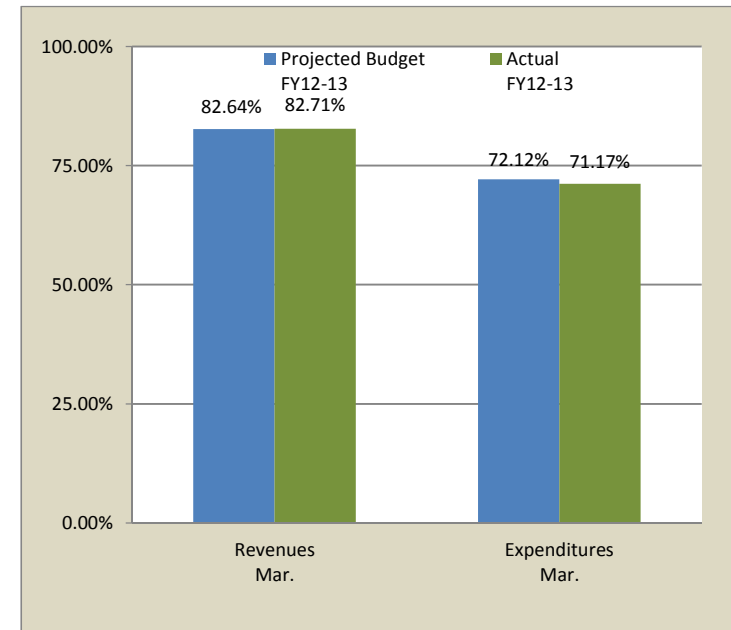


Revenues for nine months into the fiscal year are \$1.2 million behind revenues from the same period last year. However, revenues in the General Fund are \$8.2 million above expenditures through nine months of the fiscal year but for the month, behind by \$2.8 million. Expenditures are slightly below projections at 71% of budget with 75% of the fiscal year being completed and revenues are ahead of the target at 83%.

# 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	\$5,885,340	\$6,042,919	(\$157,579)	\$8,679,641	\$11,434,578	\$2,754,937
APR						
MAY						
JUN						
Total	\$83,274,528	\$83,209,006	\$65,522	\$75,120,696	\$76,129,967	\$1,009,271



This chart illustrates the percentage of revenues and expenditures through nine months of fiscal year 2012-13, actuals compared to projected budget. Revenues for March are behind of what would be expected for this period, and for the year revenues are \$65,522 ahead of expectations.

Expenditures are behind the projected budget for March. For the year expenditures are now \$1.0 million behind projected budget.

# GENERAL FUND

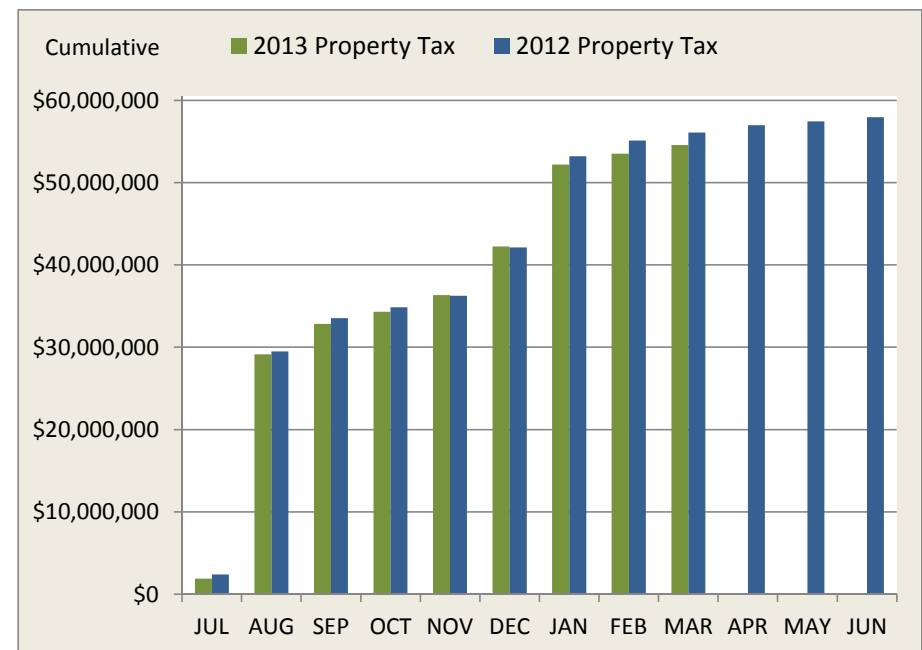
## KEY GENERAL FUND PERFORMANCE INDICATORS -- PROPERTY TAX

### 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	\$1,040,781		\$977,686		\$63,095
APR					
MAY					
JUN					
<b>TOTAL</b>	<b>\$54,547,739</b>	<b>95.4%</b>	<b>\$56,066,212</b>	<b>98.0%</b>	<b>(\$1,518,473)</b>

Projected \$ 56,266,089

\$57,187,197



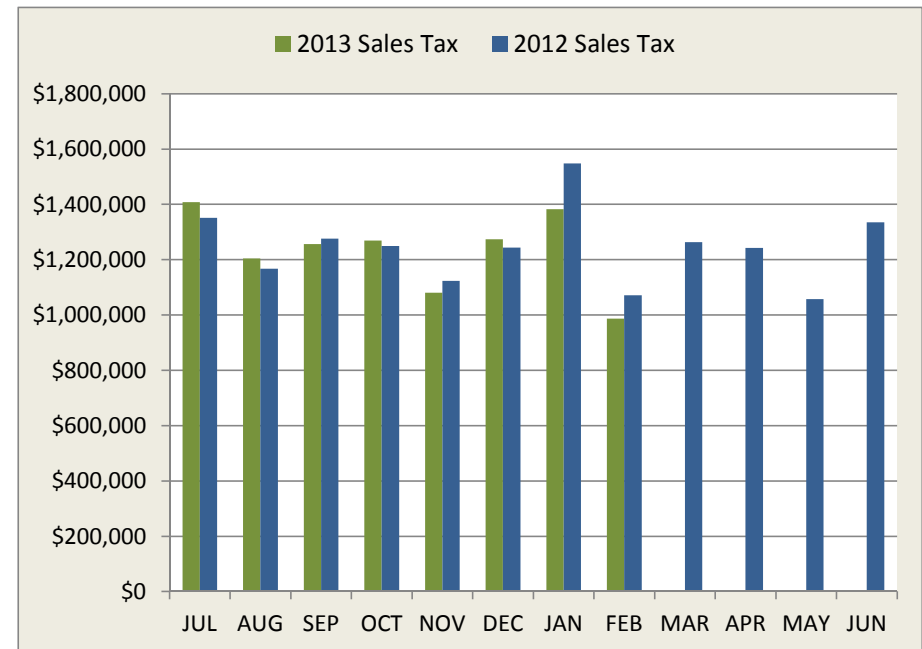
March 2013 property tax receipts were \$1.04 million, which reflects an increase of 6.5% over March 2012. Through nine months, \$1.5 million less cumulative property taxes have been received as compared to the same period last fiscal year. With the lower tax base and an adopted property tax rate that 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	\$986,850		\$1,071,658		(\$84,808)
MAR					
APR					
MAY					
JUN					
<b>TOTAL</b>	<b>\$9,860,935</b>	<b>63.6%</b>	<b>\$10,032,142</b>	<b>69.7%</b>	<b>(\$171,207)</b>
Projected	\$15,500,000		\$14,388,815		



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

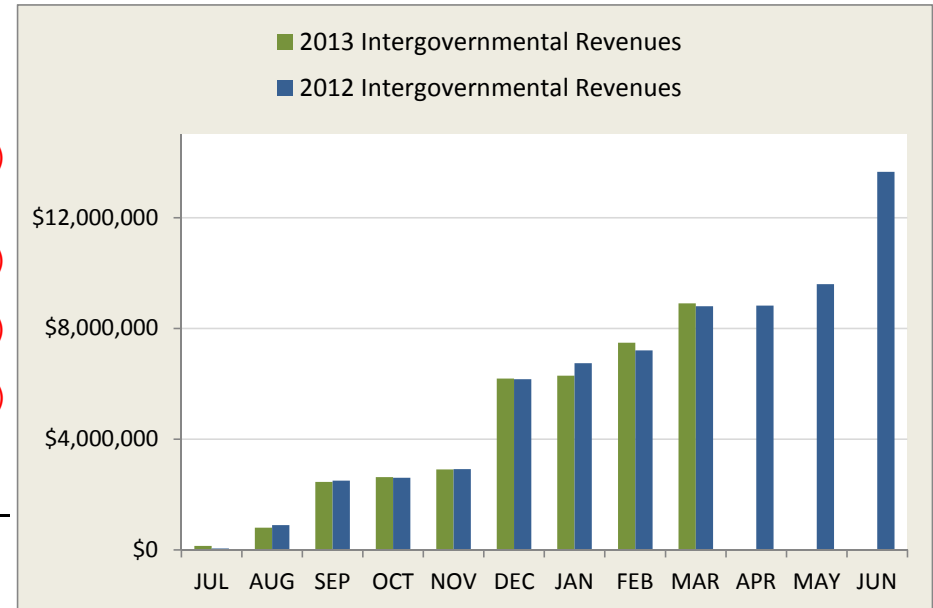
Receipts through the eighth month of the fiscal year are 1.7% behind the same period last year.

# 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	\$1,198,320		\$465,661		\$732,659
MAR	\$1,416,111		\$1,592,619		(\$176,508)
APR					
MAY					
JUN					
<b>TOTAL</b>	<b>\$8,901,749</b>	<b>65.5%</b>	<b>\$8,800,224</b>	<b>65.1%</b>	<b>\$101,525</b>
Projected	\$13,585,092		\$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.

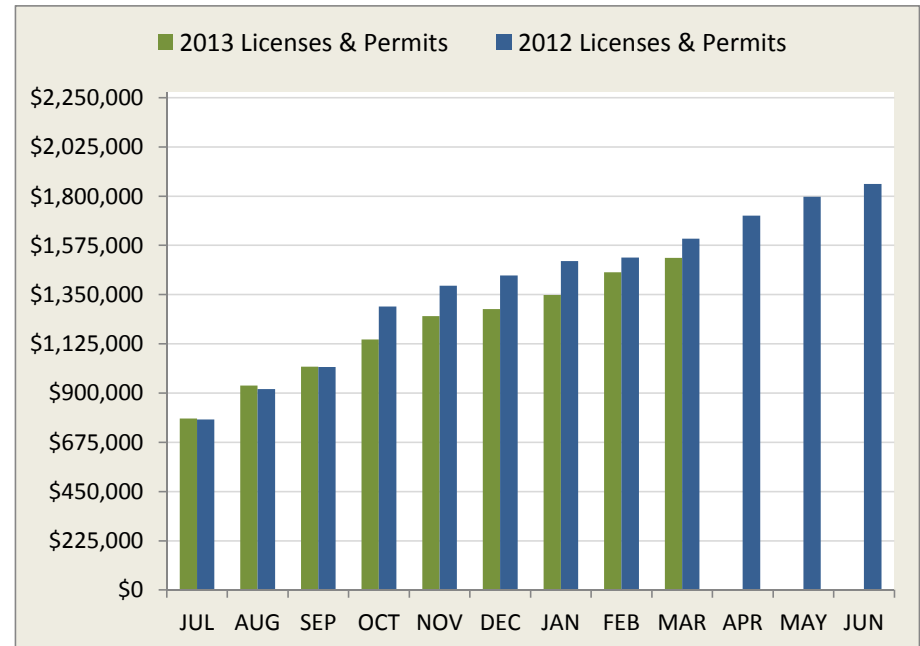
Through March these revenues are 1.2% above last fiscal year at the same point. The State of North Carolina changed the Powell Bill distribution from an annual distribution to a semi-annual reimbursement for half of the funds due to the City. With both of these payments having been received, intergovernmental revenues are now 65.5% of budget, below the target of 75%.

# 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	\$66,600		\$86,625		(\$20,025)
APR					
MAY					
JUN					
<b>TOTAL</b>	<b>\$1,518,300</b>	<b>85.1%</b>	<b>\$1,606,038</b>	<b>89.0%</b>	<b>(\$87,738)</b>
Projected	\$1,784,800		\$1,804,900		



Licenses and Permits consist primarily of business license fees and building permits. Receipts through March are again below the same period last year, now by 5.5%.

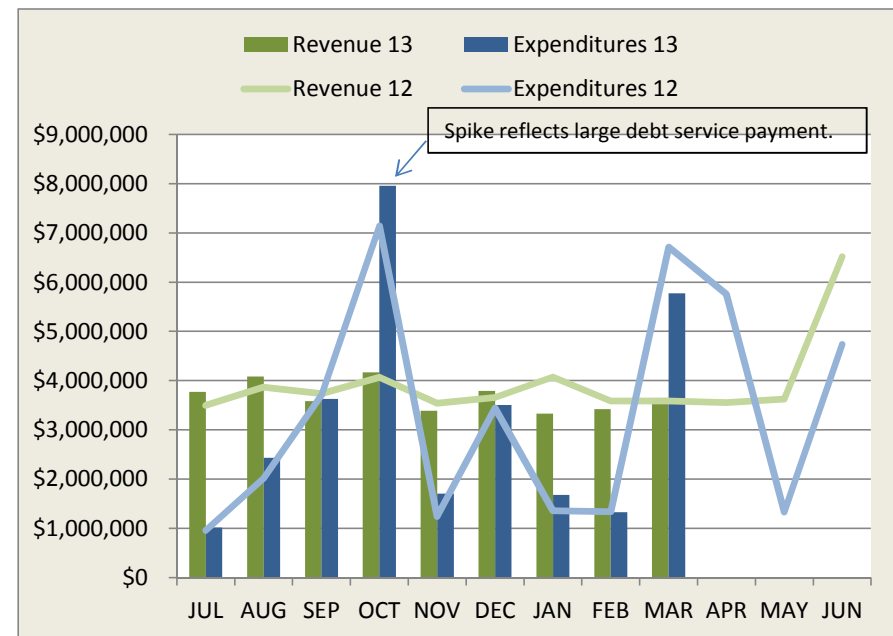
Compared to budget, the licenses and permits category is 85.1% of the anticipated budget as compared to 89.0% for the same period in 2011-12.



# 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	\$3,648,672		\$5,776,454		(\$2,127,782)
APR					
MAY					
JUN					
TOTAL	\$33,176,803	73%	\$29,013,156	64%	\$4,163,647
Budget	\$45,684,224		\$45,684,224		



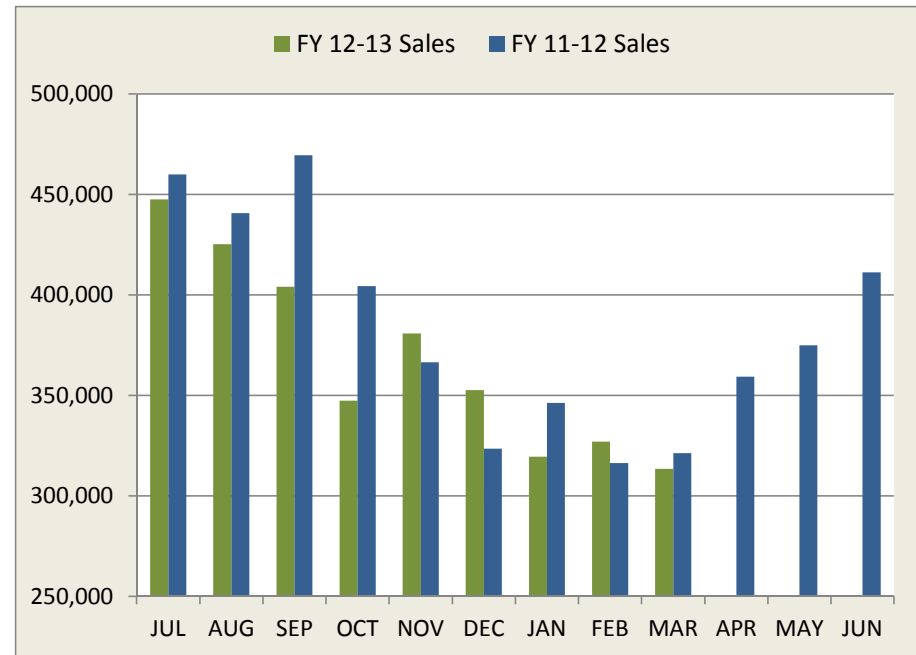
Revenues in the Water and Sewer Fund are \$2.1 million behind expenditures in the ninth month of the fiscal year. A large debt service payment was made in March. Revenues are 73% of budget, which is slightly below the target of 75%; expenditures are at 64%, which is below the target. For the year revenues 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	327,101		316,304		10,797
MAR	313,509		321,375		(7,866)
APR					
MAY					
JUN					
<b>TOTAL</b>	<b>3,318,158</b>	<b>70.2%</b>	<b>3,448,614</b>	<b>73.7%</b>	<b>(130,456)</b>
Projected	4,725,000		4,680,000		



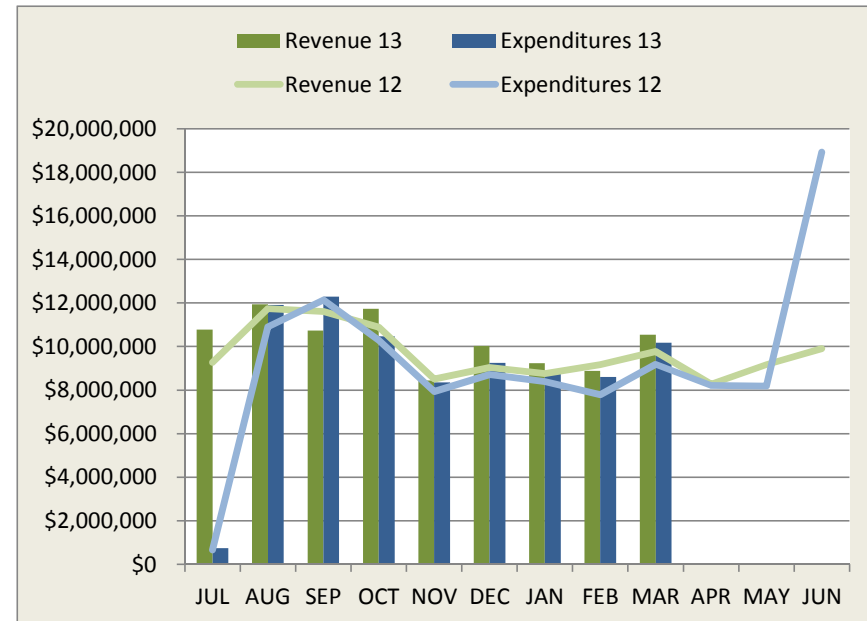
In March, water sales decreased by 2.4% from the same month last year. Generally this measure has been trending negatively and sales are down by 3.8% through the ninth month. Sales are behind budget at 70.2% with 75% of the year completed. Because this metric is below the figures from last year, it will 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	\$10,542,376		\$10,171,563		\$370,813
APR					
MAY					
JUN					
<b>TOTAL</b>	<b>\$92,327,688</b>	<b>76%</b>	<b>\$80,628,939</b>	<b>65%</b>	<b>\$11,698,749</b>
<b>Budget</b>	<b>\$122,136,686</b>		<b>\$123,242,833</b>		

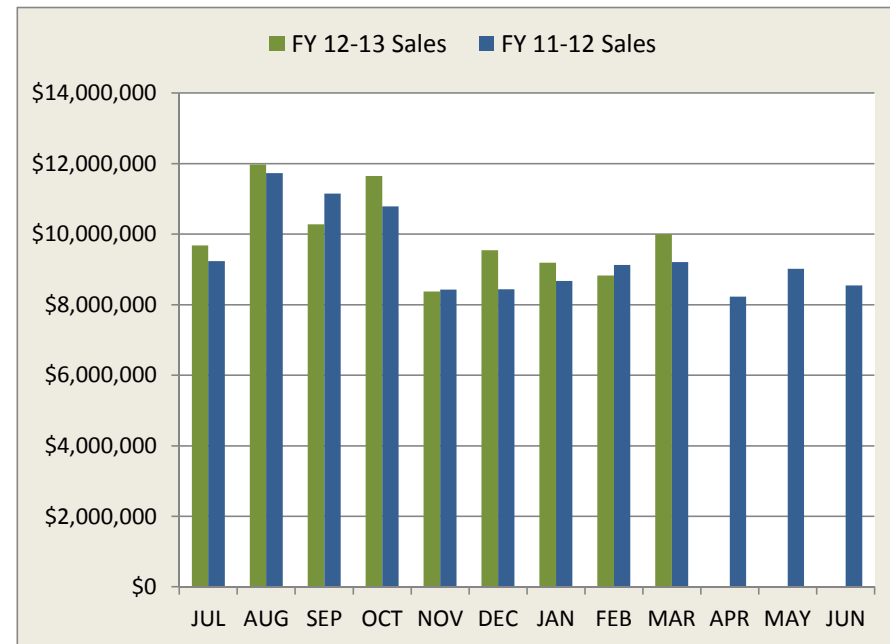


Revenues in the Electric Fund are \$92.3 million, which is ahead of the same period in the previous year and \$11.7 million ahead of expenditures through the ninth month of the fiscal year. Expenditures for this period were higher than the same period last year. Expenditures for July do not include the 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	\$9,998,981		\$9,212,206		\$786,775
APR					
MAY					
JUN					
<b>TOTAL</b>	<b>\$89,519,666</b>	<b>75.2%</b>	<b>\$86,775,327</b>	<b>80.1%</b>	<b>\$2,744,339</b>
Projected	\$119,050,232		\$108,380,823		



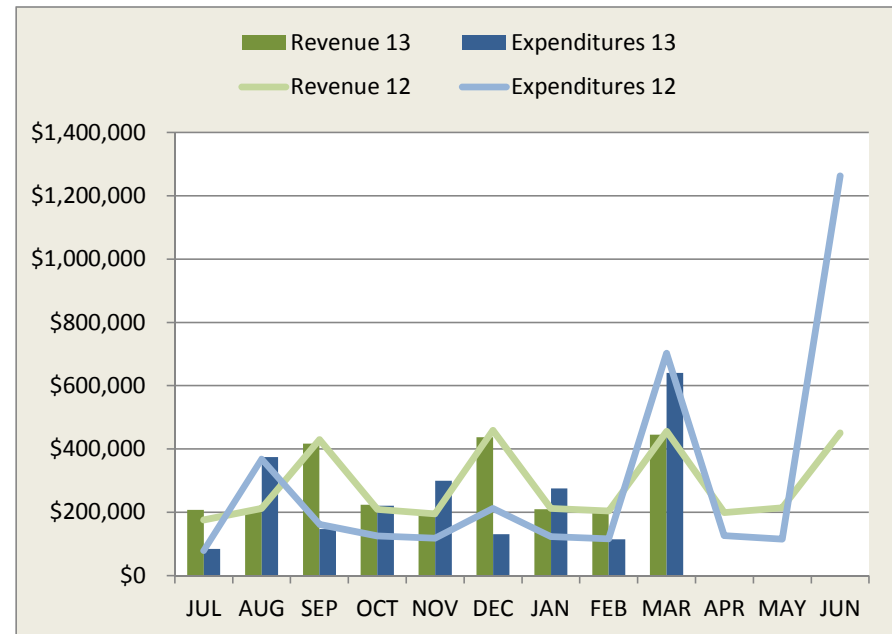
Electric sales are higher than last month and 3.2% ahead the same period last year. Through this point in the year, sales are \$2.7 million above the same period last year.

\*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	\$445,282		\$640,722		(\$195,440)
APR					
MAY					
JUN					
<b>TOTAL</b>	<b>\$2,546,355</b>	<b>76%</b>	<b>\$2,285,522</b>	<b>68%</b>	<b>\$260,833</b>
<b>Budget</b>	<b>\$3,341,039</b>		<b>\$3,341,039</b>		



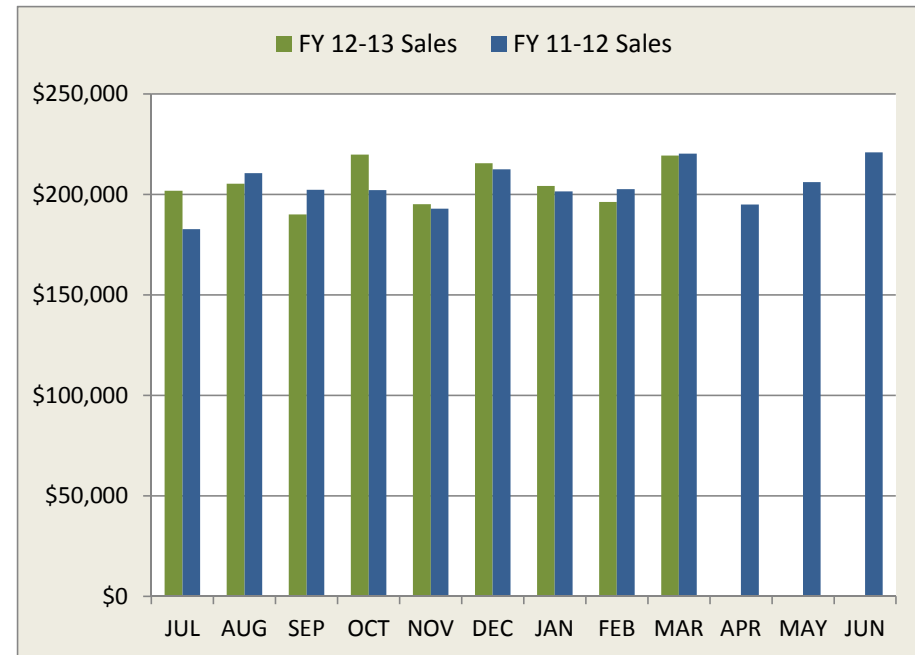
The Stormwater Fund is in a positive position through the ninth month of the fiscal year with revenues being over expenditures by \$260,833. Revenues and expenditures were both slightly below the same period last year.

# STORMWATER FUND

## KEY STORMWATER FUND PERFORMANCE INDICATOR

### Stormwater Fees

	<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	\$219,319		\$220,306		(\$987)
APR					
MAY					
JUN					
<b>TOTAL</b>	<b>\$1,848,026</b>	<b>76.9%</b>	<b>\$1,827,931</b>	<b>79.4%</b>	<b>\$20,095</b>
Projected	\$2,404,397		\$2,301,897		



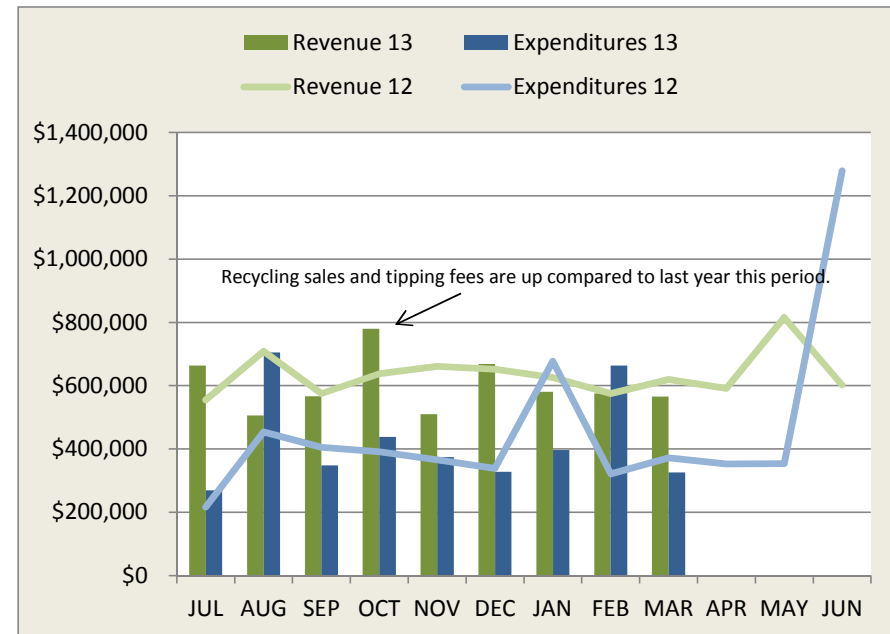
Stormwater fees are slightly ahead through the ninth month of FY 12-13 as compared to the same time period in FY 11-12. For the month they are behind by one-half a percent as compared to the same month last year. Fees at 76.9% of budget are slightly ahead of targeted budget benchmark of 75% for this 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	\$564,945		\$325,393		\$239,552
APR					
MAY					
JUN					
<b>TOTAL</b>	<b>\$5,414,610</b>	<b>74%</b>	<b>\$3,847,894</b>	<b>74%</b>	<b>\$1,566,716</b>
<b>Budget</b>	<b>\$7,280,000</b>		<b>\$5,166,609</b>		

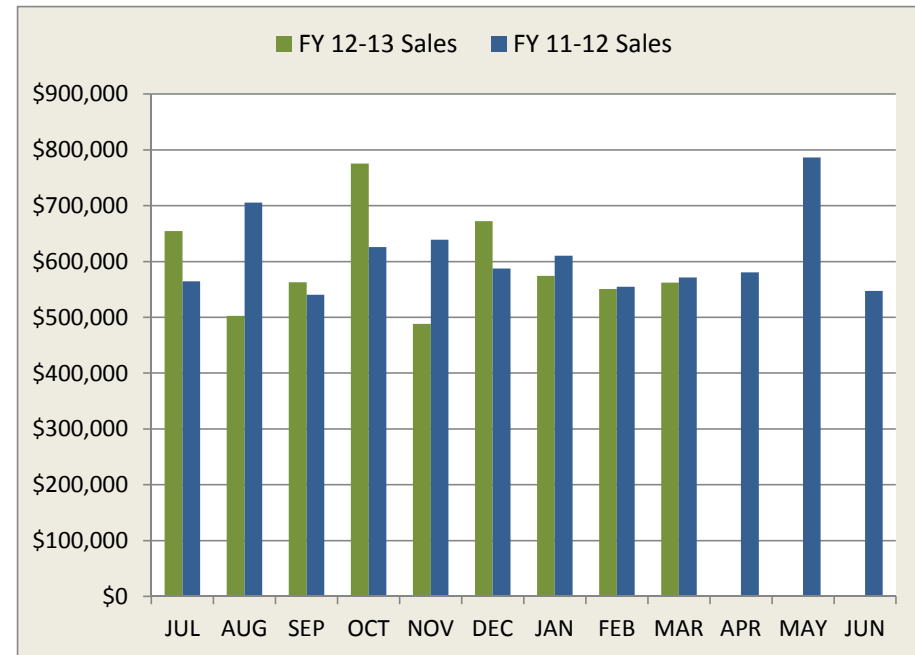


Revenues in the Landfill Fund for the ninth month of FY 12-13 are \$564,945, which is behind the same period during the previous year. Revenues are 74% of budget, which is also just below the budget benchmark of 75% for this point in the year. Expenditures are below this benchmark as well at 74%. Revenues are running ahead of expenditures for the 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	\$562,411		\$571,626		(\$9,215)
APR					
MAY					
JUN					
<b>TOTAL</b>	<b>\$5,343,584</b>	<b>74%</b>	<b>\$5,398,992</b>	<b>83%</b>	<b>(\$55,408)</b>
Projected	\$7,190,000		\$6,495,000		



Landfill sales through March 2013 are 1% below the same period in FY 11-12 and are just below budgeted projections. Sales during March as compared to the same month last year were lower by 1.2%. Sales through this month are \$55,408 below sales through the same period last year.