

City of Burlington

January 2014

FINANCIAL STATEMENTS





OFFICE OF THE CLERK/TREASURER

City of Burlington

City Hall, Room 20, 149 Church Street, Burlington, VT 05401

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To: Mayor, City Council, and Board of Finance

From: Bob Rusten, Chief Administrative Officer
Rich Goodwin, Assistant Chief Administrative Officer

Date: February 24, 2014

Subject: January 2014 Financial Report

This report summarizes the City of Burlington financial performance through January 2014. It compares actual revenues and expenditures against the amended budget for Fiscal Year 2014. In addition, it highlights any significant variances.

Financial analysis and summaries are provided for the General Fund, Enterprise Fund, and Special Funds. This was the first month we requested narratives, and this report includes what was submitted

General Funds Departments

00 -Non- Departmental:

The total year-to-date (YTD) revenue budgeted for this department is \$41.7 million, and the amount collected is \$21.4 million representing 51.3% of projected revenue. The primary revenue sources consist of the following: property taxes, pilot fees, fees for services, gross receipts, tax increment financing, and miscellaneous taxes.

The Non-Departmental budget represents approximately 67% of revenue for the General Fund. The detail for the Non-Departmental is shown in tables below:

As you can see, Property Taxes and Pilot Fee revenue are on track YTD.

Account	Description	Amended Budget	YTD Transactions	BalanceLeftTD	% Collected
Property Taxes					
4000_220	Property Taxes Debt Service	\$ 2,241,285.00	\$ 1,134,663.93	\$ 1,106,621.07	50.6%
4000_210	Property Taxes Retirement	\$ 6,461,614.00	\$ 3,271,198.41	\$ 3,190,415.59	50.6%
4000_200	Property Taxes County	\$ 174,827.00	\$ 88,551.77	\$ 86,275.23	50.7%
4000_190	Property Taxes CCTA	\$ 1,475,542.00	\$ 746,918.45	\$ 728,623.55	50.6%
4000_180	Property Taxes Library Tax	\$ 174,827.00	\$ 88,551.77	\$ 86,275.23	50.7%
4000_170	Property Taxes Highway / Streets	\$ 1,090,922.00	\$ 552,694.30	\$ 538,227.70	50.7%
4000_165	Property Taxes Penny for Parks	\$ 349,654.00	\$ 176,377.82	\$ 173,276.18	50.4%
4000_160	Property Taxes Parks	\$ 874,136.00	\$ 442,736.03	\$ 431,399.97	50.6%
4000_150	Property Taxes Housing Trust	\$ 188,813.00	\$ 95,694.89	\$ 93,118.11	50.7%
4000_130	Property Taxes Open Space	\$ 188,813.00	\$ 95,694.89	\$ 93,118.11	50.7%
4000_120	Property Taxes Police/Fire	\$ 2,821,711.00	\$ 1,428,868.88	\$ 1,392,842.12	50.6%
4000_110	Property Taxes Capital Street	\$ 2,157,368.00	\$ 1,057,046.35	\$ 1,100,321.65	49.0%
4000_100	Property Taxes General City	\$ 8,318,279.00	\$ 4,029,905.59	\$ 4,288,373.41	48.4%
	Total Property Taxes	\$ 26,517,791.00	\$ 13,208,903.08	\$ 13,308,887.92	49.8%
Pilot Fees					
4027_113	Pilot Burlington Telecom	\$ 46,500.00	\$ 49,694.24	\$ (3,194.24)	106.9%
4027_110	Pilot Champlain Housing Trust	\$ 11,638.00	\$ 16,084.62	\$ (4,446.62)	138.2%
4027_109	Pilot Burl Area Foundation	\$ 1,700.00	\$ 1,766.04	\$ (66.04)	103.9%
4027_108	Pilot VPPSA	\$ 104,000.00	\$ 107,958.44	\$ (3,958.44)	103.8%
4027_107	Pilot Burl Housing Authority	\$ 55,000.00	\$ 118,739.82	\$ (63,739.82)	215.9%
4027_106	Pilot Fern	\$ 41,500.00	\$ 43,812.00	\$ (2,312.00)	105.6%
4027_105	Pilot Cathedral Square	\$ 32,000.00	\$ 33,357.00	\$ (1,357.00)	104.2%
4027_104	Pilot Degoesbriand Unit Pilot.	\$ 22,000.00	\$ -	\$ 22,000.00	0.0%
4027_103	Pilot Burlington Electric	\$ 390,000.00	\$ 377,229.32	\$ 12,770.68	96.7%
4027_102	Pilot Howard Health	\$ 24,500.00	\$ 25,430.78	\$ (930.78)	103.8%
4027_101	Pilot Wastewater	\$ 425,000.00	\$ 432,432.38	\$ (7,432.38)	101.7%
4027_100	Pilot Water	\$ 181,500.00	\$ 187,378.62	\$ (5,878.62)	103.2%
4025_105	Pilot Local	\$ -	\$ 37,566.69	\$ (37,566.69)	
4025_100	Pilot State	\$ 746,000.00	\$ 674,329.00	\$ 71,671.00	90.4%
	Total Pilot Fees	\$ 2,081,338.00	\$ 2,105,778.95	\$ (24,440.95)	101.2%

At a glance from the table shown below, you will see YTD performance is on track. The one area that we will focus on is fees for services. We will work with University of Vermont (UVM) to finish an agreement, and typically Fletcher Allen pays the City at the end of the fiscal year.

Account	Description	Amended Budget	YTD Transactions	BalanceLeftTD	% Collected
Fees For Services					
4600_103	Fees For Services Champlain College	\$ 103,000.00	\$ 60,273.74	\$ 42,726.26	58.5%
4600_102	Fees For Services UVM	\$ 1,220,000.00	\$ 40,248.26	\$ 1,179,751.74	3.3%
4600_101	Fees For Services Fletcher Allen Hospital	\$ 410,000.00	\$ 107,207.75	\$ 302,792.25	26.1%
Total Fees For Services		\$ 1,733,000.00	\$ 207,729.75	\$ 1,525,270.25	12.0%

Other Revenue

Other revenue includes Street Franchise Fees, Gross Receipts, Tax Increment Financing, and miscellaneous taxes. We are track to budget. However, sales tax and gross receipts can be extremely volatile even in stable economic times; therefore, staff continues to monitor this large revenue source on a monthly basis and investigate significant variances. It should be noted, we do not receive our Commercial Tax Assessment fees until the last month of the fiscal year.

Account	Description	Amended Budget	YTD Transactions	BalanceLeftTD	% Collected
4230	Street Franchise Fees	\$ 2,200,000.00	\$ 1,156,482.37	\$ 1,043,517.63	52.6%
4020	Gross Receipts	\$ 2,800,000.00	\$ 1,684,088.86	\$ 1,115,911.14	60.1%
4015	Tax Increment Financing	\$ 2,289,497.00	\$ 1,000,419.07	\$ 1,289,077.93	43.7%
Miscellaneous Taxes					
4010	Local Option Sales Tax	\$ 2,180,000.00	\$ 541,585.56	\$ 1,638,414.44	24.8%
4005	DID Taxes	\$ 310,082.00	\$ 153,519.85	\$ 156,562.15	49.5%
4002	Commercial Tax Assessment	\$ 1,072,414.00	\$ -	\$ 1,072,414.00	0.0%
Total Miscellaneous Taxes		\$ 3,562,496.00	\$ 695,105.41	\$ 2,867,390.59	19.5%
Grand Total		\$ 41,184,122.00	\$ 20,058,507.49	\$ 21,125,614.51	48.7%

The Non- Department Expenditures has an annual budget of \$17.7 million. This includes \$4.6 million in health benefit expenditures. Currently, we carry all cost of health insurance in a separate distinct fund, but budget the expense in the General Fund. We will need to provide a budget modification to transfer this budgeted expenditure to the Self Insurance Fund. This change will modify our budget to \$13.1 million. The total expenditures incurred are \$4.6 million, or 35% of the total revised budget. The YTD expenditures are on track to plan.

04 - Clerk / Treasurer:

The annual revenue for the Clerk/Treasurer's office is \$2.6 million, and the YTD collected is \$1.6 million, representing total collections of 62.9%. This number is slightly less than what was collected at this time of year 64%. We feel confident that we are on target and will achieve our revenue goals for the year.

The annual expenditures for the Clerk/Treasurer's Office are \$1.9 million, and our YTD expenditures are \$1.3 million, representing total expenditures to be 64.3%, compared to 61.0% from the prior year. The Clerk/Treasurer's office required additional support for the annual audit, and incurred additional costs to build the foundation of Kronos. The Kronos clocks will automate and streamline the timekeeping, and result in greater efficiencies for the payroll team. The combination of these initiatives resulted in the Professional and Consulting expenses to exceed our budgeted plan. The finance team will be submit a budget amendment, and has developed a plan to reduce its expenses for the balance of the year.

23 - Parks and Recreation:

Overview: Parks and Recreation is showing general fund revenues of 60% and expenses of 61% as of mid-February. This shows a strong picture currently but we know there are hidden revenue shortfalls and tight expenses within that larger picture.

Revenues:

- Recreation is expecting a shortfall in its administrative budget of at least \$10,000 due to a sponsor pulling out at the last minute for July 3rd.
- Recreation Programs and Athletics are currently projecting a shortfall of at least \$25,000 due to over projection from prior years.
- No rental bus operations therefore no bus revenue as originally projected.
- Positive outlook for gardens and tree/greenways.
- No revenue for Public Buildings – shortfall of approx. \$38,000
- Waterfront Marina revenues are tracking well but spring weather will determine final success.
- Parking revenues will be short approx. \$40,000 due to poor projections and purchasing delays on a new multi-space meter.
- Leddy Revenues are down approx. \$35,000 to decreased ice from some youth programs and decline of figure skating program rentals that occurred well after budgeting season.

Expenses

- Problem area in all facilities around building maintenance. We have had multiple equipment failures at Leddy, Memorial and elsewhere.

301 - Community Economic Development Office:

The majority of CEDO funding is from reimbursable grants and grant funding is as projected. Expenditures are tied to project completion and project expenses and are not evenly distributed throughout the fiscal year. At this time, CEDO admin revenue is behind schedule