

General Fund Status Report – FY 2012 2nd Quarter

Please see accompanying summary detail (page 3)

Revenues

In total, General Fund revenues collected through the second quarter of Fiscal Year 2012 (July – December) were slightly lower than the average of the past three years' second quarter collection rates, as a percentage of year-end amounts (49.7% compared to 51.0%). The following is a breakdown by revenue category.

- The vast majority of **Property Taxes** are collected in the first month of the fiscal year. At the end of the first quarter this year, they were slightly higher, as a percentage of budget, compared to the average of the past three year's first quarter collection rates, at 98.5% compared to 95.8%. However, the City has a number of pending commercial property tax appeals which will likely impact property tax revenues for in this fiscal year.
- As a percentage of budget, **Income Tax** collections were lower than the average collection rate for the past three years, at 32.5% of budget, compared to 34.1%. Income tax revenues fluctuate from previous trends due to timing differences in remittances. This year's trend is of concern and is being tracked closely.
- **Revenue Sharing**, Fire Protection, and Bad Driver revenues from the State were at 20.2% of budget, compared to an average collection rate of 23.7% for the past three years. However, this difference is attributable to a change in payment schedules by the State for the Economic Vitality Program (EVIP); the City is expected to receive the full amount budgeted. The City has complied with the first two EVIP requirements for submitting a citizen's guide and dashboard and consolidation/collaboration/ cooperation efforts. The third EVIP requirement, compensation intent, deadline is May 1, 2012.
- **Charges for Services** were on track as a percentage of year-end totals for the average of the same period for the last three years, at 43.0% of budget compared to 42.2% in prior years.
- In total, **Licenses and Permits** revenues were higher than the average collection rate of the same period for the last three years as a percentage of year-end totals, at 21.3% of budget, compared to 27.9%. It should be noted that licenses and permits make up only 1.5% of General Fund revenues.
- Collection rates for **Fines and Forfeiture** were lower as a percentage of year-end totals for the average of the last three years, at 32.9% of the budget compared to 42.6%, due to lower-than-expected receipts of ordinance fines and costs.
- The City's **Return on Equity** payment from the Board of Water and Light (BWL), which accounts for \$11% of General Fund revenues is not collected until after the fiscal year-end. The Board is currently projecting the payment to be \$400,000 higher than what was budgeted by the City.
- **Interest** revenue is posted as investments mature, the timing of which varies from year-to-year.

Expenditures

In total, taking into account the vacancy factor, expenditures for General Fund operating departments (excluding debt service, human service agency payments, and transfers to other funds) were right on the budget target -- at 46.0% as of December 31, compared to a budgetary target of 46.0%.

Summary

As of the second quarter-end, total General Fund revenues appear to be somewhat lower than expected, due mainly to income tax revenues, and General Fund expenditures were on track. Both revenues and expenditures are monitored closely, especially income tax revenues, and a budget amendment will be brought to Council if warranted.

General Fund Status Report – FY 2012 December 31, 2011

Revenues	Annual Budget	Actual as of 12/31/11	Percent of Budget	Avg. Percent of Year-End Actuals as of September 30
				FY 2008 - 2011
Property Taxes	\$ 33,708,498	\$ 33,320,564	98.8%	95.8%
Income Taxes	29,800,000	9,689,849	32.5%	34.1%
Revenue Sharing	13,525,960	2,733,202	20.2%	23.7%
Licenses & Permits	1,685,140	358,722	21.3%	27.9%
Charges for Services	9,453,732	4,068,914	43.0%	42.2%
Fines & Forfeitures	2,662,920	875,506	32.9%	42.6%
Interest & Rent	119,000	38,613	32.4%	46.8%
Return on Equity	12,800,000	300,000	2.3%	2.7%
Other Revenue	219,750	282,856	128.7%	23.7%
Total Revenues	\$ 103,975,000	\$ 51,668,224	49.7%	51.0%

Expenditures	Annual Budget	Actual as of 12/31/11	Percent of	
			Annual Amount Budgeted	Target, Including Vacancy Factor
Council	\$ 539,759	\$ 249,040	46.1%	
Internal Audit	149,549	73,351	49.0%	
Courts	4,513,257	2,215,628	49.1%	
Mayor's Office	648,970	307,648	47.4%	
Media Center	260,229	113,805	43.7%	
Clerk's Office	831,992	408,056	49.0%	
Planning & Neighborhood Development	2,425,042	1,155,380	47.6%	
Finance	10,053,300	4,634,941	46.1%	
Human Resources	1,499,774	714,153	47.6%	
Attorney's Office	1,219,163	601,532	49.3%	
Vacancy Factor	(800,000)	-		
Police	30,911,667	14,275,884	46.2%	
Fire	28,173,397	13,258,998	47.1%	
Public Service	6,104,398	1,694,758	27.8%	
Human Relations & Community Service	736,199	347,829	47.2%	
Parks & Recreation	7,181,368	3,398,071	47.3%	
	\$ 94,448,063	\$ 43,449,075	46.0%	46.0%
Library Lease	\$ 155,000	\$ 79,669	51.4%	
Human Services & City Supported Agencies	1,581,400	1,213,308	76.7%	
Debt Service	1,665,000	826,196	49.6%	
Transfers	6,125,537	4,476,175	73.1%	
	\$ 103,975,000	\$ 50,044,424		

Please see Pages 1 and 2 for an explanation of revenues and expenditures.

⁽¹⁾ Note: Due to varying rates at which revenue sources are collected (for example property taxes are collected at the beginning of the year), revenues and expenditures are not expected to match at this time of year. Property taxes include delinquent amounts for real property that will be reimbursement by the counties upon settlement.