



## City of Montpelier, Vermont

*"The Smallest Capital City in the United States"*

DATE: November 26, 2014

TO: Mayor and City Council Members

FROM: Sandra Gallup, Finance Director

SUBJECT: DETAILED BUDGET STATUS REPORTS FOR GENERAL FUND, WATER FUND, SEWER FUND, CEMETERY FUND, PARKS FUND, PARKING FUND, SENIOR CENTER FUND AND DISTRICT HEAT FUND FOR A FOUR MONTH PERIOD BEGINNING JULY 1, 2014 AND ENDING OCTOBER 31, 2014

Enclosed please find budget reports for the above reference funds. **For the General Fund, please note that 82% of revenues budgeted have been received (compared to 89% last fiscal year) and 41.5% of expenditures budgeted have been expensed for this time period (compared to 39.5% last year). This represents 33% of the budget year completed.**

### GENERAL FUND NOTES:

#### Revenue:

State PILOT funds were not received until November which is why our year-to-date revenue is less than last year. And, the PILOT funds are \$54,000 less than budgeted. We are asking the State for the detail on this substantial reduction. The downtown improvement district tax appears to be excluded from this PILOT amount. We will be working with the State to understand what processes we need to follow receive PILOT funds for the downtown improvement tax. Receipt of this year's funds may be delayed until next year.

#### Expenditures:

Forecasting personnel costs for this year is challenging given the uncertainties of some of the DPW staff changes as well as the state reimbursement for police salaries and the ongoing negotiations with the police union. We will have better information in a month or so. It is expected that salaries will be higher than budgeted. As always, winter weather has a major role in determining our general fund expenditures. The size and number of winter storms will affect DPW overtime, salt/sand costs and snow removal purchased services. The recent reduction in gas prices will help offset this year's increases in salt prices.

### WATER FUND:

Water Fund revenues and expenditures are in line with the budget except for a \$42,000 emergency repair to a water line on Guernsey Avenue. The cost of this repair will be reflected on next month's financial report.

### SEWER FUND:

The wastewater treatment plant has very high equipment repair, maintenance and purchased services costs. Most of these expenditures are related to digester safety, computer issues, waste gas burner and other necessary projects. These repairs and maintenance projects will be completed in November and hopefully there will be no additional costs in this fiscal year.

### PARKING FUND:

32% of revenues budgeted have been received (compared to 34% last fiscal year) and 31% of expenditures budgeted have been expensed for this time period (compared to 36% last year). Overall parking revenue is up \$53,000 in the first four months compared to last year. This is due to the substantial increase in parking rates that went into effect last February.

These Budget Reports are scheduled for the City Council Consent Agenda for December 10, 2014.