

ATTACHMENT A

City of Rockville, Maryland Fourth Quarter FY 2012 Financial Report June 30, 2012

Prepared by the Department of Finance

This report presents FY12 revenue and expenditure data for the City's General and Enterprise funds. This report is prepared on a modified accrual/accrual basis consistent with the City's budget and financial statements. Below are the summary totals for each fund. For more detail please see the specific fund pages which include the FY12 adopted budget, FY12 amended budget, FY12 unaudited actual expenditures and revenues as of September 10, 2012, and the FY12 end of year variances from the amended budget, listed by expenditure category or revenue source. Notes are included with the items that are unclear or that have end of year variances of \$100,000 or more from the FY12 amended budget.

Summary of Funds				
Fund		FY12 Adopted Budget	FY12 Amended Budget	Actual as of 6/30/12
General	Revenues	66,042,880	65,985,070	66,353,081
	Expenditures / Transfers Out	66,042,880	70,129,683	69,113,760
	Addition to / (Use of) Fund Balance	\$ -	\$ (4,144,613)	\$ (2,760,679)
Water	Revenues	10,101,470	10,101,470	10,166,302
	Expenses	9,517,250	10,063,665	9,481,485
	Net Income / (Loss)	\$ 584,220	\$ 37,805	\$ 684,817
Sewer	Revenues	8,087,000	8,087,000	7,963,990
	Expenses	7,897,180	9,233,849	8,419,350
	Net Income / (Loss)	\$ 189,820	\$ (1,146,849)	\$ (455,360)
Refuse	Revenues	5,698,800	5,869,300	5,975,163
	Expenses	6,008,870	6,232,620	5,734,343
	Net Income / (Loss)	\$ (310,070)	\$ (363,320)	\$ 240,820
Parking	Revenues	2,373,000	2,223,000	2,366,895
	Expenses	3,037,640	4,041,143	4,022,382
	Net Income / (Loss)	\$ (664,640)	\$ (1,818,143)	\$ (1,655,488)
SWM	Revenues	2,641,200	2,641,200	2,948,954
	Expenses	3,186,180	3,406,388	3,175,019
	Net Income / (Loss)	\$ (544,980)	\$ (765,188)	\$ (226,065)
RedGate	Revenues	1,787,480	1,081,430	1,093,925
	Expenses	1,722,190	1,247,750	1,036,864
	Net Income / (Loss)	\$ 65,290	\$ (166,320)	\$ 57,061
Speed Camera	Revenues	1,429,000	1,903,700	2,060,740
	Expenditures	1,264,200	1,604,740	1,423,888
	Addition to / (Use of) Fund Balance	\$ 164,800	\$ 298,960	\$ 636,852

FY12 Beginning and Ending Unreserved Fund Balance / Working Capital

This section depicts the beginning and projected ending fund balance (or, in the case of an enterprise fund, working capital as defined as current assets less current liabilities) for each of the City’s funds that are represented in this report. The fund balance or working capital balance is the accumulated total of all prior years’ actual revenues in excess of expenditures, commonly referred to as reserves.

It is important to maintain required reserve levels to ensure that City operations are not negatively impacted by unexpected increases in expenditures or reductions in revenues during the year. Overall, all of the funds listed below remain within their reserve policy with the exception of the Water, Sewer, and RedGate Golf Funds.

The Water and Sewer Funds' beginning and ending working capital balances are below the required 90-day reserve because the actual revenues being generated from the current rates and rate structures are not sufficient to pay for all the infrastructure improvements that are needed in the Water and Sewer Funds. For both funds the planned usage rates will increase each year with the goal of bringing the funds into compliance with the 90-day reserve, over a ten-year period.

The RedGate Golf Fund's working capital is also below the required reserve level due to annual financial losses over several years. On October 17, 2011, the Mayor and Council voted to lease the golf course and its operations to Billy Casper Golf, which took over course operations on January 1, 2012.

	Audited Fund Balance / Working Capital 6/30/11	PLUS Actual FY12 Revenue	LESS Actual FY12 Expenditures	Estimated Fund Balance / Working Capital 6/30/12
General Fund*	\$ 13,671,199	\$ 66,353,081	\$ 69,113,760	\$ 10,910,520
Water Fund	(8,464,661)	10,166,302	9,481,485	(7,779,844)
Sewer Fund	(3,196,369)	7,963,990	8,419,350	(3,651,729)
Refuse Fund	2,896,823	5,975,163	5,734,343	3,137,643
Parking Fund	2,991,186	2,366,895	4,022,382	1,335,698
Stormwater Mngt. Fund	3,348,427	2,948,954	3,175,019	3,122,362
RedGate Golf Fund	(9,959)	1,093,925	1,036,864	47,102
Speed Camera Fund	2,848,085	2,060,740	1,423,888	3,484,937

**Includes adjustment to recognize retiree health care benefit expenses.*

FY12 General Fund Undesignated Fund Balance - June 30, 2012

One of the City's financial management policies is to maintain the unassigned fund balance in the General Fund at or above 15 percent of annual budgeted revenue. These funds provide a cushion to allow the City to continue to provide services even under the most strenuous financial conditions.

In accordance with the updated Financial Management Policies that were adopted by the Mayor and Council on July 12, 2012, the way the City calculates General Fund reserve requirement has changed. This change has been made in accordance with a recently issued accounting standard (GASB 54), which requires governments to report on specific categories of fund balance. Instead of reporting a total fund balance figure, from now on the City will report an unassigned fund balance figure, which is the fund balance as previously calculated, minus any portion of that balance that is nonspendable, restricted, committed, or assigned. The detail below shows the calculation of the unassigned fund balance, the target minimum reserve requirement, and the estimated variance from the reserve requirement.

	Amount	Percent of FY12 Revenue
Audited FY12 Beginning Fund Balance (6/30/11)*	\$ 13,671,199	20.7%
Plus Actual General Fund Revenue (page 3)	66,353,081	
Less Actual General Fund Expenditures (page 4)	<u>69,113,760</u>	
Estimated FY12 Ending Fund Balance (6/30/12)	10,910,520	16.5%
Less Adjustments**	<u>1,009,434</u>	
Estimated FY12 Ending Unassigned Fund Balance (6/30/12)	9,901,086	15.0%
 Target Minimum FY13 Reserve Requirement	 9,795,855	
Estimated Variance from FY13 Target	\$ 105,231	

**Includes adjustment to recognize retiree health care benefit expenses.*

***Includes assigned (purchase orders) and nonspendable (inventory and advances) items not included in the reserve requirement.*

FY12 Contingency Funds - June 30, 2012

Adopted Budget Contingency Level	\$ 250,000
Use of Contingency Funds	
Host for "111 Maryland Ave." program	(6,000)
Recruitment for City Manager position	(50,000)
Hurricane Irene clean-up costs	(16,000)
Settlement of REDI common area maint. (CAM) charges	(16,084)
Personnel investigation	(90,000)
Legal Fees	<u>(71,916)</u>
Unused Balance	\$ -

General Fund Revenues - June 30, 2012

	FY12 Adopt. Budget	Amended Budget	Actual 6/30/12	Variance from Amend.	Note
Taxes					
Real property	\$ 33,850,000	\$ 32,669,670	\$ 31,870,596	\$ (799,074)	1
Personal property	3,045,000	3,245,000	3,159,709	(85,291)	1
Income Taxes	10,000,000	10,500,000	10,785,535	285,535	1
Hotel Tax	950,000	950,000	903,586	(46,414)	
Intergovernmental Revenue					
Gas/vehicle tax	709,800	709,800	765,579	55,779	
Tax duplication payment	1,799,110	1,894,182	1,894,182	-	
Admission/amusement tax	1,000,000	1,000,000	1,056,916	56,916	
Police protection grants	417,000	417,000	417,386	386	
Youth services grant	276,000	342,500	341,546	(954)	
Cable franchise fee	574,190	574,190	657,571	83,381	
Other	39,900	185,143	173,497	(11,646)	
Licenses and Permits					
Building permits	1,295,000	1,295,000	1,598,964	303,964	2
Other	966,000	1,036,000	1,210,403	174,403	3
Charges for Services					
Recreation fees	4,662,280	4,460,980	4,507,291	46,311	
PW permit fees	160,000	240,000	343,217	103,217	4
Zoning and planning fees	193,500	193,500	134,176	(59,324)	
Facility Rental Fees	786,830	786,830	755,860	(30,970)	
Other	330,000	330,000	400,927	70,927	
Fines and Forfeitures					
Red Light Camera	630,000	630,000	830,598	200,598	5
Other	15,000	15,000	19,956	4,956	
Use of Money/Property					
Interest income	50,000	170,000	110,940	(59,060)	
Rental income	355,300	355,300	205,554	(149,746)	6
Other Revenue					
Admin charges other funds	3,710,070	3,611,370	3,611,370	-	7
Other	227,900	373,605	597,722	224,117	8
Total Revenue	\$ 66,042,880	\$ 65,985,070	\$ 66,353,081	\$ 368,011	

1. The amended budget includes a reduction in real property tax revenue due to properties that appealed past assessments and received more favorable reassessments in calendar year 2011, which was partially offset by increases in personal property tax and income tax revenues.

2. The end of year variance is mainly due to the size of the projects that are applying for permits. The increased revenue indicates that the value of the projects, on average, is higher than in the past. This trend might not continue into FY13 as some of the large scale projects have economic development agreements that waive fees.

3. The amended budget includes an increase of \$70,000 in rental license revenue. The end of year variance is due to additional rental licenses and non-business licenses issued in excess of amended projections.

4. The amended budget includes an increase in public works permit revenue, which was included on the spring budget amendment. The end of year variance is due to a large permit fee received in the fourth quarter.

5. The end of year variance is due to transitioning from a modified 60-day accrual to a full accrual since redlight camera citations are legally enforceable. Accounting for this revenue source is now consistent with the method the City uses for both parking and speed camera citation revenue.

6. The end of year variance is due to the loss of anticipated monopole revenue.

7. The amended budget includes a reduction of (\$98,700) in administrative charges from RedGate. Fourth quarter actual revenue includes administrative transfers from Water \$1,010,110, Sewer \$547,070, Refuse \$987,250, RedGate \$98,700, Stormwater Management \$610,990, Parking \$132,710, and Speed Camera \$224,540 funds.

8. The amended budget includes \$145,705 in insurance claim, grant, and auctioned item revenue included on the fall and spring budget amendments. Fourth quarter actual revenue includes community contributions \$86,642, insurance claim revenue \$164,030, auctioned items and vehicles \$56,425, and miscellaneous revenues \$290,625.

General Fund Expenditures - June 30, 2012

	FY12 Adopt. Budget	Amended Budget	Actual 6/30/12	Variance from Amend.	Note
Personnel					
Salary	\$30,026,210	\$29,795,780	\$29,156,572	\$ (639,208)	1
Benefits	10,704,140	10,364,140	10,751,074	386,934	1
Overtime	875,970	920,189	791,364	(128,825)	2
Contractual Services					
Professional services	1,427,340	1,664,315	1,482,113	(182,202)	
Office expenses	1,122,970	1,135,923	1,045,690	(90,233)	
Employment & training	415,440	410,040	490,614	80,574	
Maintenance & repair	2,829,040	2,837,490	2,542,054	(295,436)	3
Service provision	787,710	778,598	742,373	(36,225)	
Insurance and Leases	506,080	506,080	513,453	7,373	
Commodities					
Utility costs	3,001,490	2,901,490	2,738,524	(162,966)	4
Supplies	2,021,930	1,974,496	2,050,269	75,773	
Contingency	250,000	250,000	250,000	-	5
Capital Outlays					
Equipment	511,250	644,127	637,983	(6,144)	
Non-operating Expenditures					
Disposal of scrap	2,900	2,900	1,220	(1,680)	
Community Assistance	1,750	1,750	2,185	435	
Outside Agencies	1,252,040	1,252,040	1,253,396	1,356	
Other	61,250	61,250	35,801	(25,449)	
Total Expenditures	\$55,797,510	\$55,500,608	\$54,484,685	\$(1,015,923)	
Transfers to Other Funds					
Debt Service Fund	\$ 5,100,000	\$ 5,100,000	\$ 5,100,000	\$ -	
Capital Projects Fund	3,967,000	8,315,055	8,315,055	-	
Other funds	1,178,370	1,214,020	1,214,020	-	6
Sub-total	\$10,245,370	\$14,629,075	\$14,629,075	\$ -	
Total Exp. and Transfers	\$66,042,880	\$70,129,683	\$69,113,760	\$(1,015,923)	

1. The end of year salary variance is due to vacancy savings and several employees paid short-term disability, which comes through the Benefits category, contributing to the positive variance there. Also contributing to the Benefits variance was an additional workers comp invoice that was paid as a result of an audit from a previous fiscal year.

2. The end of year variance is due to overtime savings across departments due to mild weather and an overall effort to control overtime spending.

3. The end of year variance is due to savings from the redlight camera contract, credit card fees, and miscellaneous contractual services.

4. The end of year variance is due to savings in electricity, gasoline and oil.

5. The contingency account was adopted at \$250,000. Of the adopted budget, \$6,000 was transferred to the City Manager's Office to fund host fees for the "111 Maryland Avenue" program, \$50,000 was transferred to Human Resources to fund recruitment costs for the City Manager position, \$16,000 was transferred to Rec & Parks to cover clean-up costs from Hurricane Irene, 16,084 was used to cover the settlement of REDI common area maintenance (CAM) charges, \$90,000 was used to pay for the personnel investigation, and \$71,916 was used to cover legal fees that were reclassified from the CIP.

6. FY12 adopted budget includes total transfers to Parking Fund \$500,000, Refuse Fund for the RHE contribution \$41,200, RedGate Golf Fund \$630,000, and Special Activities Fund Art in Public Architecture program per City policy \$7,170. The amended budget includes a transfer of \$35,650 in unused FY11 General Fund REAP funds to the REAP Special Activities Fund, included in the October 2011 budget amendment. Fourth quarter actual transfers match these amounts as amended.

Water Fund - June 30, 2012

	FY12 Adopt. Budget	Amended Budget	Actual 6/30/12	Variance from Amend.	Note
Revenues					
Utility charges	\$ 9,500,000	\$ 9,500,000	\$ 9,409,592	\$ (90,408)	
Water connections	20,000	20,000	142,384	122,384	1
Sales of materials	5,000	5,000	37,370	32,370	
Interest income	34,000	34,000	666	(33,334)	
Miscellaneous revenues	91,500	91,500	125,320	33,820	
Transfers from Sewer/Refuse	450,970	450,970	450,970	-	2
Total Revenues	\$10,101,470	\$ 10,101,470	\$10,166,302	\$ 64,832	
Expenses					
Personnel	\$ 3,472,090	\$ 3,472,090	\$ 3,363,001	\$ (109,089)	3
Operating	2,277,730	2,400,097	2,011,093	(389,004)	4
Capital	71,200	80,848	73,480	(7,368)	
Debt serv., transfer, other	3,696,230	4,110,630	4,033,911	(76,719)	5
Total Expenses	\$ 9,517,250	\$ 10,063,665	\$ 9,481,485	\$ (582,180)	
Net Income / (Loss)	\$ 584,220	\$ 37,805	\$ 684,817	\$ 647,012	

1. The end of year variance is due to more developments than anticipated paying connection fees.
2. FY12 adopted budget includes total transfers from Sewer \$311,490 and Refuse \$139,480, which matches the total transfers through fourth quarter.
3. End of year variance is due to vacancies.
4. End of year variance is due to significant electricity and gasoline savings, as well as to savings across several contractual services and supplies accounts.
5. FY12 adopted budget includes administrative charges of \$1,010,110, debt service of \$971,120, and depreciation and amortization charges of \$1,715,000. The amended budget includes an increase of \$414,400 due to updated depreciation estimates for FY12, which take into account the capitalization of CIP projects that were placed in service as of 6/30/11. This adjustment was included on the spring budget amendment. Fourth quarter actual expenses include administrative charges of \$1,010,110, debt service of \$890,894, and depreciation and amortization charges of \$2,132,907.

Sewer Fund - June 30, 2012

	FY12 Adopt. Budget	Amended Budget	Actual 6/30/12	Variance from Amend.	Note
Revenues					
Utility Charges	\$ 8,000,000	\$ 8,000,000	\$ 7,655,038	\$ (344,962)	1
Sewer connections	20,000	20,000	213,600	193,600	2
Interest income	4,000	4,000	807	(3,193)	
Miscellaneous revenues	63,000	63,000	94,545	31,545	
Total Revenues	\$ 8,087,000	\$ 8,087,000	\$ 7,963,990	\$ (123,010)	
Expenses					
Personnel	\$ 1,507,060	\$ 1,507,060	\$ 1,490,168	\$ (16,892)	
Operating	2,809,940	3,426,651	2,914,105	(512,546)	3
Capital	70,340	87,298	87,807	509	
Debt serv., transfer, other	3,509,840	4,212,840	3,927,271	(285,569)	4
Total Expenses	\$ 7,897,180	\$ 9,233,849	\$ 8,419,350	\$ (814,499)	
Net Income / (Loss)	\$ 189,820	\$ (1,146,849)	\$ (455,360)	\$ 691,489	

1. Actual sewer fund usage came in below projections, leading to the negative end of year variance. Staff will continue to adjust the usage model to better align projections with actual usage and resulting revenues.
2. The end of year variance is due to more developments than anticipated paying connection fees.
3. The amended budget includes an increase of \$300,000 for the Blue Plains contract, included in the spring budget amendment. The end of year variance is due to the fourth quarter Blue Plains bill being significantly less than originally planned, as well as to savings in contractual repair services.
4. FY12 adopted budget includes administrative charges of \$547,070, debt service of \$1,141,280, contribution to Water Fund of \$311,490, and depreciation and amortization of \$1,510,000. The amended budget includes updated depreciation estimates for FY12, which take into account the capitalization of CIP projects that were placed in service as of 6/30/11. This adjustment was included on the spring budget amendment. Fourth quarter actual expenses include administrative charges of \$547,070, debt service of \$855,460, payment to Water Fund of \$311,490, and depreciation and amortization of \$2,213,251.

Refuse Fund - June 30, 2012

	FY12 Adopt.	Amended	Actual	Variance	
	Budget	Budget	6/30/12	from Amend.	Note
Revenues					
Utility charges	\$ 5,450,000	\$ 5,450,000	\$ 5,394,894	\$ (55,106)	
Interest income	25,000	25,000	2,186	(22,814)	
Miscellaneous revenues	182,600	353,100	536,883	183,783	1
General Fund contribution to RHE	41,200	41,200	41,200	-	2
Total Revenues	\$ 5,698,800	\$ 5,869,300	\$ 5,975,163	\$ 105,863	
Expenses					
Personnel	\$ 2,650,250	\$ 2,650,250	\$ 2,377,073	\$ (273,177)	3
Operating	1,778,050	2,001,800	1,791,638	(210,162)	1,2,4
Capital	15,040	15,040	14,189	(851)	
Debt serv., transfer, other	1,565,530	1,565,530	1,551,442	(14,088)	5
Total Expenses	\$ 6,008,870	\$ 6,232,620	\$ 5,734,343	\$ (498,277)	
Net Income / (Loss)	\$ (310,070)	\$ (363,320)	\$ 240,820	\$ 604,140	

1. The amended budget includes an additional \$170,500 in revenue and \$200,000 in expenses to account for revenues from the sale of recyclables as well as recycling process fees, included in the October 2011 budget amendment. The end of year revenue variance is due to an increase in the market rate for the sale of recyclables.
2. FY12 adopted budget includes a General Fund contribution of \$41,200 for the refuse/trash services to Rockville Housing Enterprises units, which matches the contributions through fourth quarter.
3. End of year variance is due to vacancies and overtime savings.
4. The end of year variance is due to savings in gasoline and oil and refuse dump fees, as well as unspent contingency funding.
5. FY12 adopted budget includes administrative charges of \$987,250, debt service of \$86,800, contribution to Water Fund of \$139,480, and depreciation and amortization of \$352,000. Fourth quarter actual expenses include administrative charges of \$987,250, debt service of \$85,515, payment to Water Fund of \$139,480, and depreciation and amortization of \$339,197.

Parking Fund - June 30, 2012

	FY12 Adopt.	Amended	Actual	Variance	
	Budget	Budget	6/30/12	from Amend.	Note
Revenues					
Meter fees	\$ 400,000	\$ 550,000	\$ 582,826	\$ 32,826	
Violations	700,000	700,000	869,305	169,305	1
Garage Lease	300,000	-	-	-	2
Interest Income / Other	310,000	310,000	475,091	165,091	3
Property Tax	163,000	163,000	(60,328)	(223,328)	4
Transfer from General Fund	500,000	500,000	500,000	-	
Total Revenues	\$ 2,373,000	\$ 2,223,000	\$ 2,366,895	\$ 143,895	
Expenses					
Personnel	\$ 271,280	\$ 271,280	\$ 238,438	\$ (32,842)	
Operating	235,950	1,239,453	2,134,543	895,090	5
Debt serv., transfer, other	2,530,410	2,530,410	1,649,401	(881,009)	5,6
Total Expenses	\$ 3,037,640	\$ 4,041,143	\$ 4,022,382	\$ (18,761)	
Net Income / (Loss)	\$ (664,640)	\$ (1,818,143)	\$ (1,655,488)	\$ 162,655	

1. The end of year variance is due to more parking violations than anticipated, as actual violations did not decrease as significantly as anticipated due to the loss of the violation revenue from the garages.
2. The amended budget includes the removal of the garage lease revenue from the operating budget, which was included on the spring budget amendment. Due to the 50-year duration of the parking garage lease, it is classified as a capital lease, which allows the City to remove the garages as assets from the City's books, along with the associated depreciation, and instead list the lease as an asset. As a result, the lease revenue will not be reflected in the operating budget, as the lease revenue reduces the asset.
3. The budget includes \$115,000 PILOT payment and \$180,000 capital contribution from Montgomery County, as well as \$15,000 for interest income. The end of year variance is due to bond premium revenue received as well as parking garage settlement revenue.
4. Property tax revenue appears negative due to the commercial property owners in Town Square appealing assessments and receiving refunds for taxes paid in previous years. These refunds totaled (\$223,303), while actual property tax received totaled \$162,975.
5. The amended budget includes \$1 million to cover a portion of the legal fees for the current garage litigation, which were reclassified from the CIP to the operating budget. The remainder of the legal fees (approximately an additional \$1 million) is being funded from savings in debt service and depreciation. These legal fees will impact the future General Fund transfers to support the Parking Fund. The total impact on the Parking Fund and resulting impact on the General Fund transfer will not be known until the conclusion of the litigation.
6. FY12 adopted budget includes administrative charges of \$132,710, debt service of \$1,631,200, depreciation and amortization of \$706,500, and \$60,000 for uncollected parking tickets. Fourth quarter actual expenses include administrative charges of \$132,710, debt service of \$950,552, depreciation and amortization charges (including amortization of lease loss and deferred loss on refunding) of \$557,497, and \$8,642 for unpaid parking tickets.

Stormwater Management Fund - June 30, 2012

	FY12 Adopt.	Amended	Actual	Variance	
	Budget	Budget	6/30/12	from Amend.	Note
Revenues					
Stormwater permits	\$ 40,000	\$ 40,000	\$ 348,852	\$ 308,852	1
SWM fees	2,500,000	2,500,000	2,410,860	(89,140)	2
SWM waivers	80,000	80,000	184,161	104,161	1
Interest earnings / Other	21,200	21,200	5,080	(16,120)	
Total Revenues	\$ 2,641,200	\$ 2,641,200	\$ 2,948,954	\$ 307,754	
Expenses					
Personnel	\$ 1,818,240	\$ 1,818,240	\$ 1,687,417	\$ (130,823)	3
Operating	486,580	706,788	597,943	(108,845)	4
Debt serv., transfer, other	881,360	881,360	888,995	7,635	5
Total Expenses	\$ 3,186,180	\$ 3,406,388	\$ 3,175,019	\$ (231,369)	
Net Income / (Loss)	\$ (544,980)	\$ (765,188)	\$ (226,065)	\$ 539,123	

1. Permit and waiver revenue exceeded budgeted amounts due to several large developments paying permit fees.
2. The end of year variance for stormwater management fee revenue is due to Montgomery County and Montgomery College not paying the City's fee.
3. The end of year variance is due to vacancies throughout the year.
4. The end of year variance is due to unspent contingency funding and funding remaining on a Rock Creek Watershed Study purchase order that will roll to FY13.
5. FY12 adopted budget includes administrative charges of \$610,990, debt service of \$10,370, depreciation and amortization of \$250,000, and Rainscapes Rebate program of \$10,000. Fourth quarter actual expenses include administrative charges of \$610,990, debt service of \$10,937, depreciation of \$259,137, and Rainscapes rebates of \$7,931.

Golf Fund - June 30, 2012

	FY12 Adopt.	Amended	Actual	Variance	
	Budget	Budget	6/30/12	from Amend.	Note
Revenues					
Golf and Cart fees	\$ 1,157,480	\$ 451,430	\$ 445,874	\$ (5,556)	1
Miscellaneous revenues	-	-	18,051	18,051	2
Transfer from General Fund	630,000	630,000	630,000	-	
Total Revenues	\$ 1,787,480	\$ 1,081,430	\$ 1,093,925	\$ 12,495	
Expenses					
Personnel	\$ 405,840	\$ 680,000	\$ 513,015	\$ (166,985)	1,3
Operating	963,900	314,000	239,537	(74,463)	1,4
Capital	19,750	19,750	33,282	13,532	
Debt serv., transfer, other	332,700	234,000	251,030	17,030	1,5
Total Expenses	\$ 1,722,190	\$ 1,247,750	\$ 1,036,864	\$ (210,886)	
Net Income / (Loss)	\$ 65,290	\$ (166,320)	\$ 57,061	\$ 223,381	

1. The FY12 Adopted Budget assumed in-house course management for the first half of the year and a management contract arrangement for the second half of the year. On October 17, 2011, the Mayor and Council approved a lease arrangement with Billy Casper Golf that began January 1, 2012. The amended budget reflects this change, as included on the spring budget amendment.

2. The projected end of year estimate includes miscellaneous revenues recognized as a result of the transition to Billy Casper Golf, including facility rental revenue as well as revenue from the sale of auctioned items.

3. The amended personnel costs include the Mayor and Council approved severance agreements for RedGate employees, added via the spring budget amendment, as well as an additional \$50,000 in Personnel to cover sick leave payouts, added via the May budget amendment. The end of year variance is due to the lack of a leave accrual for employees at year end, since the golf course no longer has City employees.

4. The amended budget includes \$35,000 to cover the installation of utility meters, added via the May budget amendment.

5. FY12 adopted budget includes administrative charges of \$197,400, debt service of \$10,200, and depreciation and amortization of \$125,100. The amended budget includes a reduction in the administrative charge of (\$98,700) due to the lease agreement, which was included on the spring budget amendment. Fourth quarter actual expenses include administrative charges of \$98,700, debt service of \$9,945, and depreciation and amortization of \$142,385.

Speed Camera Fund - June 30, 2012

	FY12 Adopt. Budget	Amended Budget	Actual 6/30/12	Variance from Amend.	Note
Revenues					
Speed Camera Citation	\$ 1,392,000	\$ 1,902,400	\$ 2,059,181	\$ 156,781	1
Interest earnings	37,000	1,300	1,559	259	
Total Revenues	\$ 1,429,000	\$ 1,903,700	\$ 2,060,740	\$ 157,040	
Expenditures					
Personnel	\$ 414,520	\$ 414,520	\$ 358,753	\$ (55,767)	2
Operating	625,140	835,680	811,694	(23,986)	1
Debt serv., transfer, other	224,540	354,540	253,441	(101,099)	3
Total Expenditures	\$ 1,264,200	\$ 1,604,740	\$ 1,423,888	\$ (180,852)	
Addition to / (Use of) Fund Balance	\$ 164,800	\$ 298,960	\$ 636,852	\$ 337,892	

1. The amended budget reflects an increase in the number of citations issued, resulting in increased revenues as well as increased payments to the vendor who processes the citations. These adjustments were included on the spring budget amendment. End of year actual citation revenue exceeded these estimates.

2. The end of year personnel variance is due to a vacancy.

3. FY12 amended budget includes administrative charges of \$224,540, and unpaid citation charges of \$130,000. Actual fourth quarter charges include administrative charges of \$224,540, and unpaid citation charges of \$28,901. The end of year variance is due to lower than anticipated unpaid citation charges.

Summary of CIP Transfers - 4Q FY12

Date	Department Fund	Project	(Decrease) Increase
There were no CIP transfers in 4Q FY12.			