



MAYOR AND COUNCIL COMMUNICATION

DATE: 8/20/2013  
CONSENT  
ITEM #: 4

**AGENDA ITEM:** July 2013 Financial Reporting

**SUBMITTED BY:** Cathy Bendel, Finance Director

**THROUGH:** Dean Zuleger, City Administrator

**REVIEWED BY:** Dean Zuleger, City Administrator

**SUMMARY AND ACTION REQUESTED:** As part of its Consent Agenda, The City Council is asked to accept the July 2013 Financial Reporting Packet. No specific motion is needed, as this is recommended to be part of the overall approval of the *Consent Agenda*.

**BACKGROUND INFORMATION:** The City of Lake Elmo has fiduciary authority and responsibility to conduct normal business operations and report the financial (unaudited) statement to the City Council. City guidelines suggest the Council be updated on a regular basis.

**STAFF REPORT:** Attached please find a report for July reflecting the monthly detail supporting the year to date actual results and comparing those results to the 2013 Budget.

On a year to date basis through July 31, 2013, the actual results are \$132k better than budget.

The most significant variances are highlighted below:

Revenues:

- Building Permit revenue for the month was 31% below budget. On a year to date basis actual activity is still above plan by 6%. It is believed that the severe storms caused numerous building delays for July.
- Plan review fees for the month were 5% above budget bringing the year to date revenue to 43% above budget.

Expenses:

Most departments are below budget for the month as all Departments continue to be very cost conscious. A few key items to note:

- The Levy funds were received early in July as expected. The Ad Valorum Taxes were slightly below budget (3%) but Lake Elmo once again qualified for the Fiscal Desparity Funds which were not budgeted for in 2013 (\$114k).
- Due to a lack of resources in the Finance Department, contract services had to be sought out from Smith Schaefer to assist with this process. As a result, the contract services for the month were \$5k over budget since it was hoped that this would be compiled internally.
- The Planning Department has incurred expenses above the amounts budgeted for many expense items due to the City expansion initiative. The majority of the expenses were related to Engineering support and Contractor expenses.
- Please note that the salary expenses are based on more accurate departmental allocations than we had in August 2012 when the 2013 budget was initially compiled. As a result, some departments are above budget, while others are under but overall, personnel expenses are below budget.

**RECOMMENDATION:** It is recommended that the City Council receive the July monthly Financial Reporting Packet *as part of tonight's Consent Agenda.*

Alternately, the City Council does have the authority to remove this item from the Consent Agenda and further discuss and review.

**ATTACHMENTS:**

1. July Financial Reports