



MAYOR & COUNCIL COMMUNICATION

DATE: April 19, 2016
**CONSENT
ITEM
MOTION** #3

AGENDA ITEM: March 2016 Financial Reporting

SUBMITTED BY: Cathy Bendel, Finance Director

THROUGH: Cathy Bendel, Finance Director

REVIEWED BY: Finance Committee

SUGGESTED ORDER OF BUSINESS:

- Introduction of Item.....City Administrator
- Report/Presentation.....City Administrator
- Questions from Council to Staff..... Mayor Facilitates
- Call for Motion Mayor & City Council
- Discussion..... Mayor & City Council
- Action on Motion..... Mayor Facilitates

POLICY RECOMMENDER: Finance

FISCAL IMPACT: NA

SUMMARY AND ACTION REQUESTED: As part of its Consent Agenda, the City Council is asked to accept the March 2016 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 the comparative financial statements for the month of March 2016 reflecting the monthly and year to date detail, comparing the actual results to the 2016 Budget.

GENERAL FUND:

Revenues:

Total revenue for the month was 53.9% above budget for the month. The most significant budget to actual revenue variances are as follows:

- Building Permit revenue was 53.3% above budget for the month bringing the year to date revenue at 82.4% better budget. This is primarily due to the nice weather allowing for building activity beginning months earlier than anticipated in the 2016 budget. There were 24 new homes permitted in March and 57 new homes year to date.
- Utility Permits (right of way) permits far exceeded budget by \$5.5k for the month and \$14.4k year to date.
- Plan check fee revenue was 59.9% above budget for the month for the same reasons mentioned related to building permit revenue.

Expenses:

Total expenses for the month were 29.06 higher than budget for March. This is primarily due to March having 3 pay periods rather than April as anticipated in the budget. 2016 was a leap year which shifted the payroll calendar.

The following summarizes variances of note:

General:

- General Government expenses were 50.7% higher than budget for the month bringing the year to date expenses to 13.12% higher than budget. This was primarily due legal expenses running at 100% higher than budgeted.
- Total Public Safety expenses were 20.8% higher than budget for the month bringing the year to date expenses to 9.05% better than budget. This was primarily due to the payout of outstanding PTO time to a departing employee.
- Public Works – The total Public Works expenses were 11.9% higher than budget for the month bringing year to date expenses to 18.3% better than budget.

In summary, the March revenues were 50.7% better than budget and the expenses were 29.1% higher than budget resulting in a net income of 12.5% less than budget. On a year to date basis, the revenues are 13.1% above budget and the expenses were 7.0% less than budget resulting in a net income of 44.9% better than budget year to date.

RECOMMENDATION: Based on the aforementioned, the staff recommends the City Council accept the attached March Financial Report.

ATTACHMENT:

1. March Financial Reports