



## MAYOR AND COUNCIL COMMUNICATION

DATE: 5/21/2013

**CONSENT**

ITEM #: 3

**AGENDA ITEM:** April 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 April 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 March reflecting the monthly detail supporting the year to date actual results and comparing those results to the 2013 Budget.

As of the end of April, the actual results are within 1% of budget. The most significant variances are highlighted below:

**Revenues:**

- Building Permit revenue for the month was consistent with the budget and is ahead of budget for the year by 36%. As mentioned in previous months, the growth trend has continued even during the winter and 11 new homes have been applied for to date in 2013 compared to 6 homes at this same time in each of 2012 and 2011.
- Plan review fees continue to be strong as a result of the increased housing activity and are were 100% above budget for the month bringing the year to date to 75% 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 annual workers compensation insurance credit was received from the League of Minnesota cities in April. Due to our good actual experience rating for 2012 and how that compared to the estimated results, a refund of \$4.8k was received and is reflected in the departments affected.
- The dues and subscription expense reflected for the Mayor & Council represents the annual cost for memberships in the League of Minnesota Cities (\$6,958) and the Association of Metropolitan Municipalities (\$3,381). The memberships were budgeted later in the year based on when they were paid in 2012.
- Due to coordinating initial audit fieldwork earlier than last year, the initial interim billing expense for audit hit earlier than budgeted for 2013 in the Finance Department budget.
- 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 back in August when the 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 April 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. April Financial Reports