



MAYOR AND COUNCIL COMMUNICATION

DATE: 09/17/2013

CONSENT

ITEM #: 3

AGENDA ITEM: August 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 August 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 August 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 August 31, 2013, the actual results are \$113k better than budget.

The most significant variances are highlighted below:

Revenues:

- Building Permit revenue for the month was 12% below budget. On a year to date basis actual activity continues to be above plan by 3%.
- 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 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.
- The Focus Engineering bill for August has not yet been reflected in the August statements. This was a result of first Council meeting in September being on the first working day of the month.
- The Cost for the Permit Works software and licenses of \$16.3k is reflected in the August Financials in the Building Inspection department under software programs. This expense was not budgeted.
- The contract services costs in the Animal Control department is 200% above budget for the month. These costs represent the costs charged by the Humane Society to house and care for stray animals. In August, there was a specific request to capture a large number of stray cats and most of the costs can and will be recovered.
- The part-time salaries under the Parks and Recreation department are higher than budgeted due to having to cover the Park Maintainer functions with part time resources until the full-time position is filled. Overall the salary costs are right in line with budget for the month and 25% less than budgeted year to date.
- Please note that the salary and benefit 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 August 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. August Financial Reports