



Wm. Patrick Madden
Mayor

Andrew Piotrowski
Deputy City Comptroller

Monica Kurzejeski
Deputy Mayor

Office of the City Comptroller
City Hall
433 River Street – Suite 5001
Troy, New York 12180-3406

Date: April 26, 2019

To: Honorable Wm. Patrick Madden
City Council Members

From: Andrew Piotrowski
Deputy City Comptroller

Re: First Quarter 2019 Financial Report – General Fund

Part I – Revenues

General Fund Revenues

| Revenue | 03/31/2019 | 03/31/2018 | \$ Change | % Change | 2019 Actual | 2019 Budget | \$ Diff | % Achieved |
|--|-------------------|-------------------|------------------|---------------|-------------------|-------------------|---------------------|---------------|
| Real Property Taxes | 12,969,113 | 11,995,871 | 973,242 | 8.11% | 12,969,113 | 24,663,173 | (11,694,060) | 52.58% |
| Local Sources | 1,102,097 | 881,750 | 220,347 | 24.99% | 1,102,097 | 19,465,000 | (18,362,903) | 5.66% |
| General Government Support | 33,682 | 32,050 | 1,632 | 5.09% | 33,682 | 386,000 | (352,318) | 8.73% |
| Public Safety | 331,681 | 492,217 | (160,536) | -32.61% | 331,681 | 699,000 | (367,319) | 47.45% |
| Health | 86,675 | 315,878 | (229,202) | -72.56% | 86,675 | 2,190,000 | (2,103,325) | 3.96% |
| Transportation | 180,020 | 169,038 | 10,982 | 6.50% | 180,020 | 655,000 | (474,980) | 27.48% |
| Recreation | 42,743 | 64,568 | (21,826) | -33.80% | 42,743 | 926,000 | (883,257) | 4.62% |
| Home & Community Services | 0 | 128,703 | (128,703) | -100.00% | 0 | 0 | 0 | - |
| Intergovernmental Charges | 0 | 0 | 0 | - | 0 | 340,000 | (340,000) | 0.00% |
| Use Of Money & Property | 10,147 | 3,230 | 6,917 | 214.12% | 10,147 | 71,500 | (61,353) | 14.19% |
| Licenses & Permits | 162,694 | 236,816 | (74,122) | -31.30% | 162,694 | 837,550 | (674,856) | 19.42% |
| Fines & Forfeitures | 374,931 | 345,046 | 29,884 | 8.66% | 374,931 | 1,550,000 | (1,175,069) | 24.19% |
| Sale Of Property & Compensation For Loss | 11,021 | 10,725 | 296 | 2.76% | 11,021 | 78,000 | (66,979) | 14.13% |
| Miscellaneous | 399,748 | 400,410 | (661) | -0.17% | 399,748 | 1,406,655 | (1,006,907) | 28.42% |
| Interfund Revenues | 406,334 | 271,635 | 134,699 | 49.59% | 406,334 | 2,285,405 | (1,879,071) | 17.78% |
| State Aid | 0 | 0 | 0 | - | 0 | 14,835,338 | (14,835,338) | 0.00% |
| Federal Aid | 0 | 0 | 0 | - | 0 | 385,930 | (385,930) | 0.00% |
| Intrafund Revenues | 1,098,115 | 0 | 1,098,115 | 100.00% | 1,098,115 | 3,469,098 | (2,370,982) | 31.65% |
| Appropriated Fund Balance | 0 | 0 | 0 | - | 0 | 110,000 | (110,000) | 0.00% |
| Total | 17,209,001 | 15,347,937 | 1,861,064 | 12.13% | 17,209,001 | 74,353,649 | (57,144,648) | 23.14% |

Revenues in the General Fund totaled \$17,209,001 as of March 31, 2019, which amounts to 23.14% of the 2019 budgeted total. Total revenues increased by 12.13%, or approximately \$1,861,000, in comparison to the three month total of 2018.

Seasonality has a tremendous impact on the revenue recognition in the General Fund. Items such as property taxes are paid in two installments, one in January and the second in July, therefore receiving a significant portion of revenue in the first quarter. First quarter sales tax however is not received until the second quarter of the fiscal year.

Real Property Taxes

Real property tax collections were \$12,969,113 at the end of the first quarter in 2019, equaling 52.58% of the total revenue budgeted for. This is an increase of 8.11% from 2018, caused entirely on the collection rate. The City Comptroller's Office will begin mailing letters to unpaid accounts in the coming week and will closely monitor collections throughout the second quarter.

Local Sources

Revenues from Local Sources totaled \$1,102,097 which is only 5.66% of the total amount budgeted for in 2019. The cause for this, as mentioned above, is attributable to the seasonality impact of revenues where the first quarter sales tax will not be received until the second quarter of each fiscal year. The 2019 total has increased by 24.99% from the three month total of 2018 due to an increase in revenues from Payment In Lieu Of Taxes (PILOT) which totaled \$674,550 in the first quarter.

Public Safety

Public Safety revenues decreased by 32.61% from the three month total of 2018, with revenues in 2019 totaling \$331,681, due to a decrease in the collection of Vacant Building Fees.

Health

Health revenues, totaling \$86,675 as of March 31, 2019, decreased by 72.56% from 2018 and amounted to 3.96% of the total 2019 budget because of ambulance billing revenues. This was an anticipated decrease in 2019 due to the transition to a new third party billing company. The City Comptroller's Office anticipates revenues to increase as the year goes on and the transition is completed in full.

Recreation

Recreation revenues totaled \$42,743, which is 4.62% of the 2019 budget due to the seasonality impact where the primary source of revenues in this category is from the Frear Park Golf Course.

Licenses & Permits

Revenues from Licenses & Permits totaled \$162,694, which is 19.42% of the 2019 budget. The decrease of 31.30% from the 2018 first quarter results is caused by a decrease in revenues from building permits. There is a factor of variability pertaining to building permits because of when the projects come in to obtain their permit.

Fines & Forfeitures

Fines & Forfeitures revenues were \$374,931 at the end of the first quarter in 2019, which equates to 24.19% of the 2019 budgeted amount. Revenues have increased by 8.66% which was caused by an increase in revenues from parking.

Interfund Revenues

The increase in Interfund Revenues is caused by the transfer from the Garbage Fund to the General Fund for services rendered by the General Fund. This is new in 2019 due to the creation of the new Garbage Fund.

Intrafund Revenues

The Intrafund Revenues recognized in the 2019 first quarter is the transfer from the Debt Service Fund to the General Fund as budgeted for in 2019.

Part II – Expenditures

| General Fund Expenditures | | | | | | | | |
|--|-------------------|-------------------|------------------|----------------|-------------------|-------------------|-------------------|---------------|
| Expenditure | 03/31/2019 | 03/31/2018 | \$ Change | % Change | 2019 Actual | 2019 Budget | \$ Rem | % Expended |
| Code 1 - Salaries | | | | | | | | |
| Permanent Salaries | 5,070,634 | 5,308,890 | (238,256) | -4.49% | 5,070,634 | 23,492,782 | 18,422,148 | 21.58% |
| Temporary Salaries | 64,462 | 55,762 | 8,700 | 15.60% | 64,462 | 647,077 | 582,615 | 9.96% |
| Overtime | 11,525 | 34,303 | (22,778) | -66.40% | 11,525 | 150,500 | 138,975 | 7.66% |
| Overtime - Snow Plowing | 208,181 | 140,885 | 67,295 | 47.77% | 208,181 | 175,000 | (33,181) | 118.96% |
| Overtime - Police | 190,554 | 143,467 | 47,087 | 32.82% | 190,554 | 950,000 | 759,446 | 20.06% |
| Overtime - Fire | 105,703 | 149,905 | (44,203) | -29.49% | 105,703 | 1,220,000 | 1,114,297 | 8.66% |
| Overtime - Public Safety Grants | 18,865 | 11,006 | 7,859 | 71.40% | 18,865 | 119,047 | 100,182 | 15.85% |
| Misc. Other | 73,410 | 272,844 | (199,434) | -73.09% | 73,410 | 2,381,235 | 2,307,825 | 3.08% |
| Total Code 1 | 5,743,334 | 6,117,062 | (373,729) | -6.11% | 5,743,334 | 29,135,641 | 23,392,307 | 19.71% |
| Code 2 - Equipment | 69,475 | 89,441 | (19,965) | -22.32% | 69,475 | 237,163 | 167,688 | 29.29% |
| Code 3 - Materials & Supplies | 677,635 | 556,628 | 121,007 | 21.74% | 677,635 | 2,346,205 | 1,668,570 | 28.88% |
| Code 4 - Contractual Services | | | | | | | | |
| Utilities | 315,967 | 495,701 | (179,735) | -36.26% | 315,967 | 1,932,400 | 1,616,433 | 16.35% |
| Postage | 9,111 | 5,535 | 3,576 | 64.61% | 9,111 | 52,750 | 43,639 | 17.27% |
| Printing & Advertising | 12,134 | 14,647 | (2,514) | -17.16% | 12,134 | 69,208 | 57,074 | 17.53% |
| Repairs & Rentals | 251,402 | 372,997 | (121,595) | -32.60% | 251,402 | 965,460 | 714,058 | 26.04% |
| Insurance | 322,706 | 304,107 | 18,599 | 6.12% | 322,706 | 307,724 | (14,982) | 104.87% |
| Dues | 19,764 | 17,716 | 2,048 | 11.56% | 19,764 | 34,300 | 14,536 | 57.62% |
| Consultant Services | 327,937 | 350,601 | (22,664) | -6.46% | 327,937 | 2,322,330 | 1,994,393 | 14.12% |
| Training | 37,503 | 19,535 | 17,969 | 91.98% | 37,503 | 191,325 | 153,822 | 19.60% |
| Travel | 193 | 1,029 | (836) | -81.23% | 193 | 20,200 | 20,007 | 0.96% |
| Judgements & Claims | 500 | 12,923 | (12,423) | -96.13% | 500 | 300,000 | 299,500 | 0.17% |
| Contingencies | 0 | 0 | 0 | - | 0 | 878,025 | 878,025 | 0.00% |
| Uniforms | 48,059 | 20,375 | 27,683 | 135.87% | 48,059 | 340,023 | 291,965 | 14.13% |
| Medical Expenses | 1,600 | 25,015 | (23,415) | -93.60% | 1,600 | 54,680 | 53,080 | 2.93% |
| Misc. Other | 9,685 | 1,306 | 8,380 | 641.84% | 9,685 | 13,000 | 3,315 | 74.50% |
| Total Code 4 | 1,356,560 | 1,641,485 | (284,926) | -17.36% | 1,356,560 | 7,481,425 | 6,124,865 | 18.13% |
| Code 6/7 - Debt Service | 5,240,178 | 5,025,888 | 214,290 | 4.26% | 5,240,178 | 9,239,572 | 3,999,394 | 56.71% |
| Code 8 - Benefits | | | | | | | | |
| Pension | 1,724,714 | 1,830,220 | (105,506) | -5.76% | 1,724,714 | 7,057,710 | 5,332,996 | 24.44% |
| Healthcare | 3,113,781 | 3,345,025 | (231,244) | -6.91% | 3,113,781 | 13,476,354 | 10,362,573 | 23.11% |
| Dental | 155,999 | 151,834 | 4,165 | 2.74% | 155,999 | 602,898 | 446,899 | 25.87% |
| Social Security | 420,723 | 444,427 | (23,704) | -5.33% | 420,723 | 2,227,577 | 1,806,854 | 18.89% |
| Worker's Compensation | 106,042 | 154,015 | (47,973) | -31.15% | 106,042 | 400,000 | 293,958 | 26.51% |
| Total Code 8 | 5,521,259 | 5,925,521 | (404,262) | -6.82% | 5,521,259 | 23,764,539 | 18,243,280 | 23.23% |
| Code 9 - Interfund Transfers | 153,710 | 160,000 | (6,291) | -3.93% | 153,710 | 1,734,775 | 1,581,066 | 8.86% |
| Grand Total | 18,762,151 | 19,516,026 | (753,875) | -3.86% | 18,762,151 | 73,939,320 | 55,177,169 | 25.38% |

As of March 31, 2019 the total expenditures in the General Fund were \$18,762,151, which is 25.38% of the total adjusted budget. This total is a decrease of \$753,875, or 3.86%, from the three month total of 2018.

Permanent Salaries / Repairs & Rentals

A large portion of the decrease in total General Fund expenditures can be traced to the costs of waste removal being removed from the General Fund and are now within the City's Garbage Fund. The two (2) areas where this is a direct impact is in Permanent Salaries and Repairs & Rentals.

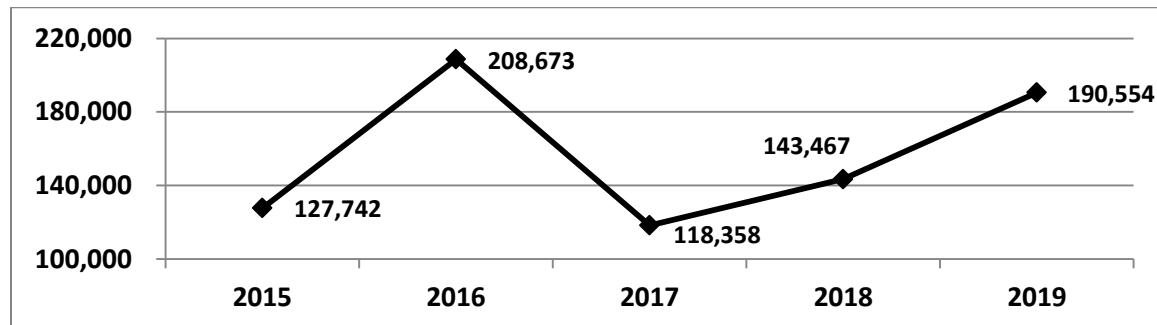
Snow Plowing Overtime

Snow Plowing Overtime totaled \$208,181 at the end of the first quarter, exceeding the budgetary appropriation by \$33,181. A budget transfer will be forthcoming to the City Council to add additional funding. The 2019 total is also an increase of over \$67,000 from the three month total of 2018 when the total was \$140,885. The three causes for the increase are:

1. An increase in the number of storms in 2019
2. The time of when the storm occurred; wherein 2019 there were more storms on weekends and holidays
3. New leadership within the department leading to a change in structure

Police Overtime

Police overtime, as illustrated in the below graph, was \$190,554 at the end of the first quarter in 2019, amounting to 20.06% of the total 2019 budgeted amount. It is important to note that the majority of overtime costs within the Police Department occur during the third and fourth quarters of the fiscal year historically when vacations are more common.



The 2019 total was an increase of 32.82%, or approximately \$47,000, from the three month total of 2018. The increase was primarily caused by an increase in the number of vacant positions within the department in 2019. The below table illustrates the number of vacancies from 2015 – 2019 by month for the first quarter. As the table illustrates there is a direct correlation in 2019 between the increase in vacancies and the increase in overtime.

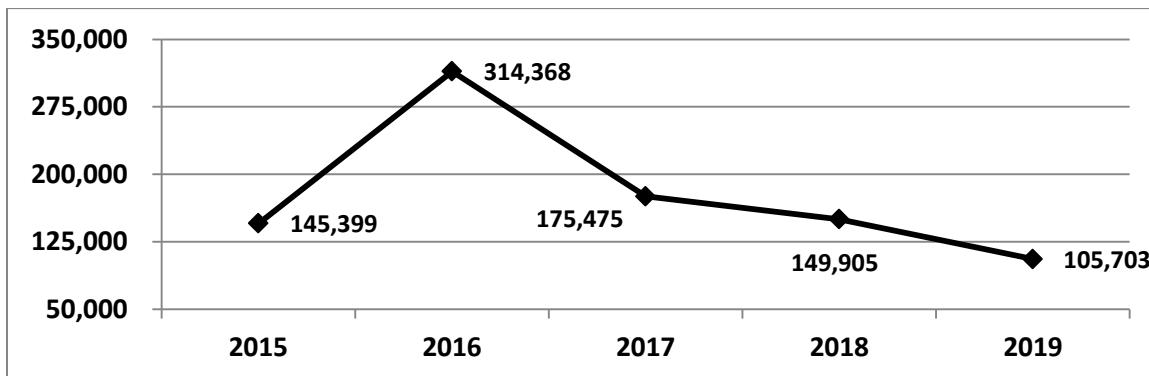
| Month | 2015 | 2016 | 2017 | 2018 | 2019 |
|----------|------|------|------|------|------|
| January | 2 | 0 | 0 | 2 | 5 |
| February | 0 | 1 | 0 | 3 | 5 |
| March | 0 | 3 | 0 | 5 | 6 |

Fire Overtime

Fire overtime, as illustrated in the line graph below, totaled \$105,703 at the end of the first quarter in 2019. This total is 8.66% of the total 2019 budgeted amount. It is important to note that the majority of

overtime costs within the Fire Department occur during the third and fourth quarters of the fiscal year historically when vacations are more common.

When comparing the results of 2019 to 2018, the 2018 amount has decreased by approximately \$44,000 or 29.49%. As the below graph illustrates the total 2019 three month overtime in the Fire Department is the lowest from the time period of 2015 – 2019.



The increase in costs of equipment were for items within the Police and Fire Departments that were authorized to be sent in 2017 but had purchase orders carryover to 2018. This is standard accounting procedure for the City and part of the accounting process.

Materials & Supplies

The total cost of Materials & Supplies in the first quarter of 2019 was \$677,635, or 28.88% of the total amount budgeted for in 2019. This is an increase from the three month total of 2018 in the amount of approximately \$121,000, or 21.74%. The cause of this is attributable to the purchase of salt in 2019 and also the timing of when chemicals were purchased for the Frear Park Golf Course.

Utilities

The total expenses related to Utilities in the General Fund for the first quarter of 2019 of \$315,967 is both a low percent of the budget and a decrease from 2018 caused by the timing of when invoices were posted which was after the quarter end date of March 31, 2019.

Debt Service

Debt Service costs totaled \$5,240,178 at the end of the 2019 first quarter, equating to 56.71% of the total 2019 budget. The reason for the high percentage of the total budgeted costs being expended is the first payment on the City's MAC debt made annually on January 15th.

2019 costs have increased from the three month total of 2018 (\$5,025,888) by approximately \$214,000 or 4.26%. This increase was caused primarily by an increase in both principal and interest costs related to the City's Bond Anticipation Notes (BANs) that were renewed in February. As discussed previously the majority of BANs that are issued are for cash flow purposes due to grant funding associated with the projects. The City however budgets for the interest costs related to the debt within the General Fund to allow for the grant funds to be used for the actual project costs and not debt related costs. Inevitably the City would be required to pay the interest costs in some fashion and is easier for cash flow purposes and also budgeting practices to budget for the annual interest costs on the February and August debt issuances.

Health Insurance

Health Insurance totaled \$3,113,781 as of March 31, 2019, which is 23.11% of the total amount budgeted for. There has also been a decrease from the three month total of 2018 in the amount of approximately \$231,000, or 6.91%. As has been discussed previously the health insurance costs are based on actual usage and while there is optimism based on the three month total there truly is no way of knowing how the year will end until all numbers have been accounted for in March 2020.

Part III – Conclusion

| | 2019 | 2018 | Difference |
|---------------------|--------------------|--------------------|-------------------|
| Revenues | 17,209,001 | 15,347,937 | 1,861,064 |
| Expenditures | 18,762,151 | 19,516,026 | (753,875) |
| Difference | (1,553,150) | (4,168,089) | 2,614,939 |

The results of the first quarter of 2019 show a smaller “deficit” than that of the three month total in 2018; however, the three month results of any fiscal year do not provide a good overall indication of how the City will end the fiscal year. Results are needed from six month totals of revenues and expenditures to begin to provide any indication on how the year will end in the General Fund.

What the first quarter does provide is an indication of areas that the City will need to monitor closely such as health insurance and property tax collections. The City Comptroller’s Office, as it historically has, will continue to monitor these areas closely to obtain a clear understanding monthly on how these areas among others is trending for the year.

If you have any questions regarding the information provided in this report please do not hesitate to contact me for answers.



Wm. Patrick Madden
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Deputy City Comptroller

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Date: April 26, 2019

To: Honorable Wm. Patrick Madden
City Council Members

From: Andrew Piotrowski
Deputy City Comptroller

Re: First Quarter 2019 Financial Report – Water Fund

Part I – Revenues

| Water Fund Revenues | | | | | | | | | |
|-------------------------------|------------------|------------------|------------------|----------------|------------------|-------------------|---------------------|--------------|--|
| Revenue | 03/31/2019 | 03/31/2018 | \$ Change | % Change | 2019 Actual | 2019 Budget | \$ Diff | % Achieved | |
| City Water Sales | 766,197 | 960,358 | (194,161) | -20.22% | 766,197 | 4,550,000 | (3,783,803) | 16.84% | |
| Outside Community Water Sales | 524,877 | 578,830 | (53,953) | -9.32% | 524,877 | 7,735,000 | (7,210,123) | 6.79% | |
| Unmetered Sales | 37,596 | 77,527 | (39,930) | -51.51% | 37,596 | 285,000 | (247,404) | 13.19% | |
| Use Of Money & Property | 94,673 | 90,602 | 4,071 | 4.49% | 94,673 | 210,000 | (115,327) | 45.08% | |
| Permits | 2,650 | 2,340 | 310 | 13.25% | 2,650 | 12,000 | (9,350) | 22.08% | |
| Sale Of Property | 700 | 3,700 | (3,000) | 100.00% | 700 | 51,000 | (50,300) | 1.37% | |
| Miscellaneous | 27,087 | 27,800 | (714) | -2.57% | 27,087 | 139,000 | (111,913) | 19.49% | |
| Interfund Revenues | 81,750 | 81,750 | 0 | 0.00% | 81,750 | 327,000 | (245,250) | 25.00% | |
| Appropriated Fund Balance | 0 | 0 | 0 | - | 0 | 3,630,000 | (3,630,000) | 0.00% | |
| Total | 1,535,530 | 1,822,907 | (287,377) | -15.76% | 1,535,530 | 16,939,000 | (15,403,470) | 9.07% | |

Revenues in the Water Fund totaled \$1,535,530 in the first quarter of 2019, representative of 9.07% of the 2019 budgeted total. In comparison to the 2018 first quarter results of \$1,822,907, current year revenues have decreased by 15.76%

Water Fund revenues to city residents totaled \$766,197 at the end of the first quarter in 2018, which is 16.84% of the budgeted total. In comparison to the three month total of 2018, revenues in the current year have decreased by 20.22%. The decrease is caused by the City having billed three less cycles in 2019 than in 2018. When looking at the amount billed for the three cycles the revenue in 2019 is on par with the 2018 total.

Revenue from outside communities decreased by 9.32% from 2018, with a three month total in 2019 of \$524,877, or 6.79% of the total amount budgeted. The primary cause for the decrease is decreased consumption from year to year in one of the outside communities. The low percentage of budget recognized is caused by only two communities being billed in the first quarter. The majority of communities are billed twice per year, once in the second quarter and the second in the fourth quarter.

The revenues budgeted from Appropriated Fund Balance are for the 2019 Water Fund Capital Plan. The revenue will be recorded as expenditures are incurred for the project.

Part II - Expenditures

| Water Fund Expenditures | | | | | | | | |
|--|-------------------|-------------------|------------------|-----------------|--------------------|--------------------|-------------------|-------------------|
| Expenditure | 03/31/2019 | 03/31/2018 | \$ Change | % Change | 2019 Actual | 2019 Budget | \$ Rem | % Expended |
| Code 1 - Salaries | | | | | | | | |
| Permanent Salaries | 503,859 | 565,031 | (61,171) | -10.83% | 503,859 | 3,164,486 | 2,660,627 | 15.92% |
| Temporary Salaries | 0 | 0 | 0 | 0.00% | 0 | 50,000 | 50,000 | 0.00% |
| Overtime | 36,154 | 50,990 | (14,836) | -29.10% | 36,154 | 199,500 | 163,346 | 18.12% |
| Misc Other | 4,569 | 1,104 | 3,465 | 313.80% | 4,569 | 74,932 | 70,363 | 6.10% |
| Total Code 1 | 544,583 | 617,125 | (72,542) | -11.75% | 544,583 | 3,488,918 | 2,944,335 | 15.61% |
| Code 2 - Equipment | | | | | | | | |
| | 11,815 | 2,810 | 9,006 | 320.51% | 11,815 | 39,376 | 27,561 | 30.01% |
| Code 3 - Materials & Supplies | | | | | | | | |
| | 268,188 | 213,956 | 54,233 | 25.35% | 268,188 | 2,029,944 | 1,761,756 | 13.21% |
| Code 4 - Contractual Services | | | | | | | | |
| Utilities | 64,314 | 104,248 | (39,933) | -38.31% | 64,314 | 366,265 | 301,951 | 17.56% |
| Postage | 5,693 | 5,266 | 427 | 8.11% | 5,693 | 28,000 | 22,307 | 20.33% |
| Printing & Advertising | 1,192 | 183 | 1,009 | 552.36% | 1,192 | 5,500 | 4,308 | 21.67% |
| Repairs & Rentals | 12,889 | 9,924 | 2,965 | 29.88% | 12,889 | 57,500 | 44,611 | 22.42% |
| Insurance | 66,100 | 60,375 | 5,725 | 9.48% | 66,100 | 67,491 | 1,391 | 97.94% |
| Dues | 0 | 0 | 0 | 0.00% | 0 | 4,500 | 4,500 | 0.00% |
| Consultant Services | 17,753 | 9,265 | 8,488 | 91.62% | 17,753 | 122,635 | 104,882 | 14.48% |
| Training | 1,425 | 1,500 | (75) | -5.00% | 1,425 | 12,100 | 10,675 | 11.78% |
| Travel | 0 | 0 | 0 | 0.00% | 0 | 1,500 | 1,500 | 0.00% |
| Uniforms | 7,749 | 7,437 | 312 | 4.20% | 7,749 | 31,500 | 23,751 | 24.60% |
| Misc Other | 659,985 | 669,934 | (9,949) | -1.49% | 659,985 | 4,477,209 | 3,817,224 | 14.74% |
| Total Code 4 | 837,100 | 868,131 | (31,031) | -3.57% | 837,100 | 5,174,200 | 4,337,100 | 16.18% |
| Code 6/7 - Debt Service | | | | | | | | |
| | 71,156 | 72,183 | (1,027) | -1.42% | 71,156 | 689,869 | 618,713 | 10.31% |
| Code 8 - Benefits | | | | | | | | |
| Pension | 143,671 | 143,969 | (298) | -0.21% | 143,671 | 535,259 | 391,588 | 26.84% |
| Healthcare | 231,726 | 227,180 | 4,546 | 2.00% | 231,726 | 1,026,066 | 794,340 | 22.58% |
| Dental | 11,659 | 11,492 | 167 | 1.45% | 11,659 | 45,058 | 33,399 | 25.87% |
| Social Security | 39,725 | 45,214 | (5,489) | -12.14% | 39,725 | 266,902 | 227,177 | 14.88% |
| Workers' Compensation | 21,558 | 11,599 | 9,960 | 85.87% | 21,558 | 28,000 | 6,442 | 76.99% |
| Total Code 8 | 448,339 | 439,454 | 8,885 | 2.02% | 448,339 | 1,901,285 | 1,452,946 | 23.58% |
| Code 9 - Interfund Transfers | | | | | | | | |
| | 0 | 0 | 0 | - | 0 | 3,630,000 | 3,630,000 | 0.00% |
| Grand Total | 2,181,182 | 2,213,659 | (32,477) | -1.47% | 2,181,182 | 16,953,593 | 14,772,411 | 12.87% |

First quarter 2019 expenditures in the Water Fund were \$2,181,182, which is 12.87% of the 2019 budgeted total. In comparison to the first quarter of 2018, when the total was \$2,213,659, the 2019 total has decreased by \$32,477 or 1.47%.

In reviewing the expenditures and comparing the two from year to year there were not many material variances from 2018 to 2019. Given this is reflective of three months of the fiscal year developing trends on how expenditures will fare throughout the fiscal year is difficult. The results in the second quarter will allow for a better indication of how expenditures will forecast throughout the remainder of the fiscal year.

It should be noted that is an increase of \$54,233 in Materials & Supplies within the Water Fund at the end of the first quarter. In review the increase is caused by purchases for purification and transmission.

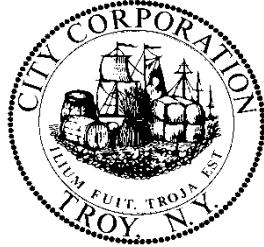
Part III – Conclusion

| | 2018 | 2017 | Difference |
|---------------------|------------------|------------------|-------------------|
| Revenues | 1,535,530 | 1,822,907 | (287,377) |
| Expenditures | 2,249,598 | 2,205,264 | 44,334 |
| Difference | (714,068) | (382,357) | (331,711) |

As of March 31, 2019 the Water Fund has a three month deficit of \$714,068; whereas in 2018 the deficit was \$382,357. It is too early in the year however to have serious concerns regarding the final outcome of the 2019 fiscal year. Over fifty percent of the revenue generated in the Water Fund comes from outside communities, and as mentioned previously the majority of these are billed twice annually with the first bill occurring in the second quarter. Also billings historically have increased throughout the year given the summer months and increased in consumption in comparison to the first and second quarter where the winter months are being billed.

If you have any questions regarding the information provided in this report please do not hesitate to contact me for answers.

Wm. Patrick Madden
Mayor



Andrew Piotrowski
Deputy City Comptroller

Monica Kurzejeski
Deputy Mayor

Office of the City Comptroller
City Hall
433 River Street – Suite 5001
Troy, New York 12180-3406

Date: April 26, 2019

To: Honorable Wm. Patrick Madden
City Council Members

From: Andrew Piotrowski
Deputy City Comptroller

Re: First Quarter 2019 Financial Report – Sewer Fund

Part I – Revenues

| Sewer Fund Revenues | | | | | | | | | |
|-------------------------|----------------|------------------|------------------|----------------|----------------|------------------|--------------------|---------------|--|
| Revenue | 03/31/2019 | 03/31/2018 | \$ Change | % Change | 2019 Actual | 2019 Budget | \$ Diff | % Achieved | |
| Sewer Rents | 763,742 | 951,710 | (187,969) | -19.75% | 763,742 | 4,550,000 | (3,786,258) | 16.79% | |
| Sewer Charges | 200,945 | 139,494 | 61,451 | 44.05% | 200,945 | 319,000 | (118,055) | 62.99% | |
| Use Of Money & Property | 2,002 | 259 | 1,743 | 672.70% | 2,002 | 525 | 1,477 | 381.39% | |
| Miscellaneous | 7,594 | 9,803 | (2,209) | -22.53% | 7,594 | 38,000 | (30,406) | 19.98% | |
| Total | 974,283 | 1,101,267 | (126,984) | -11.53% | 974,283 | 4,907,525 | (3,933,242) | 19.85% | |

Revenues in the Sewer Fund totaled \$974,283 at the end of the first quarter in 2019, which represents 19.85% of the budgeted total. In comparison the 2018 revenues totaled \$1,101,267; therefore the revenues in 2019 have decreased by 11.53%

The principal source of revenue in the Sewer Fund is charges to city residents based on consumption, which totaled \$763,742 in the first three months of 2019, which is 16.79% of the total amount budgeted for. Revenues have decreased by 19.75% from the three month total of 2019; however, similar to the Water Fund this is caused by three less cycling being billed in the first quarter of 2019 than in 2018. When looking at the billings for these three cycles in 2019 the total revenue is comparable between the two years.

Part II – Expenditures

| Sewer Fund Expenditures | | | | | | | | |
|--|----------------|----------------|-----------------|----------------|----------------|------------------|------------------|---------------|
| Expenditure | 03/31/2019 | 03/31/2018 | \$ Change | % Change | 2019 Actual | 2019 Budget | \$ Rem | % Expended |
| Code 1 - Salaries | | | | | | | | |
| Permanent Salaries | 131,538 | 162,494 | (30,956) | -19.05% | 131,538 | 827,323 | 695,785 | 15.90% |
| Temporary Salaries | 4,800 | 4,800 | 0 | 0.00% | 4,800 | 30,000 | 25,200 | 16.00% |
| Overtime | 20,724 | 17,603 | 3,121 | 17.73% | 20,724 | 80,000 | 59,276 | 25.90% |
| Misc. Other | 167 | 0 | 167 | 100.00% | 167 | 17,500 | 17,333 | 0.95% |
| Total Code 1 | 157,229 | 184,897 | (27,669) | -14.96% | 157,229 | 954,823 | 797,594 | 16.47% |
| Code 2 - Equipment | 32,130 | 0 | 32,130 | 100.00% | 32,130 | 47,130 | 15,000 | 68.17% |
| Code 3 - Materials & Supplies | 26,097 | 17,375 | 8,722 | 50.20% | 26,097 | 299,268 | 273,171 | 8.72% |
| Code 4 - Contractual Services | | | | | | | | |
| Utilities | 1,937 | 1,834 | 103 | 5.60% | 1,937 | 10,900 | 8,963 | 17.77% |
| Repairs & Rentals | 0 | 9,000 | (9,000) | -100.00% | 0 | 64,000 | 64,000 | 0.00% |
| Insurance | 16,525 | 15,094 | 1,431 | 9.48% | 16,525 | 17,000 | 475 | 97.21% |
| Consultant Services | 1,689 | 1,077 | 612 | 56.79% | 1,689 | 309,300 | 307,611 | 0.55% |
| Training | 0 | 0 | 0 | 0.00% | 0 | 10,000 | 10,000 | 0.00% |
| Uniforms | 2,189 | 2,985 | (795) | -26.64% | 2,189 | 8,500 | 6,311 | 25.76% |
| Due To Other Funds | 119,802 | 119,833 | (31) | -0.03% | 119,802 | 479,332 | 359,530 | 24.99% |
| Total Code 4 | 142,142 | 149,822 | (7,680) | -5.13% | 142,142 | 899,032 | 756,890 | 15.81% |
| Code 6/7 - Debt Service | 0 | 0 | 0 | 0.00% | 0 | 74,874 | 74,874 | 0.00% |
| Code 8 - Benefits | | | | | | | | |
| Pension | 38,637 | 40,159 | (1,522) | -3.79% | 38,637 | 144,948 | 106,311 | 26.66% |
| Healthcare | 56,271 | 66,436 | (10,165) | -15.30% | 56,271 | 249,163 | 192,892 | 22.58% |
| Dental | 2,721 | 3,514 | (793) | -22.57% | 2,721 | 10,516 | 7,795 | 25.87% |
| Social Security | 11,484 | 13,678 | (2,194) | -16.04% | 11,484 | 73,044 | 61,560 | 15.72% |
| Worker's Compensation | 8,050 | 14,993 | (6,943) | -46.31% | 8,050 | 45,000 | 36,950 | 17.89% |
| Total Code 8 | 117,163 | 138,780 | (21,618) | -15.58% | 117,163 | 522,671 | 405,508 | 22.42% |
| Code 9 - Interfund Transfers | 0 | 0 | 0 | 0.00% | 0 | 2,142,863 | 2,142,863 | 0.00% |
| Grand Total | 474,761 | 490,875 | (16,114) | -3.28% | 474,761 | 4,940,661 | 4,465,900 | 9.61% |

Expenditures in the Sewer Fund totaled \$474,761 in the first quarter of 2019, a decrease of \$16,114 or 3.28% from the first three months of 2018. When comparing the first quarter results to the overall Sewer Fund budget, 9.61% of the total expenditures have been recognized.

When looking at the individual line items within the Sewer Fund the vast majority have not experienced a material increase or decrease in comparison to 2017.

The principal expenditure in the department is the annual transfer to the Capital Projects Fund for the Combined Sewer Overflow (CSO) Project. This transfer will be recorded at the end of the 2019 fiscal year pursuant to the fund balance policy passed in March 2018. The amount of the transfer will be based on actual revenues and operating expenditures within the Sewer Fund.

Part III – Conclusion

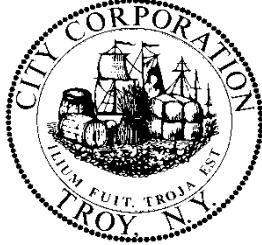
| | 2019 | 2018 | Difference |
|---------------------|----------------|----------------|-------------------|
| Revenues | 974,283 | 1,101,267 | (126,984) |
| Expenditures | 474,761 | 490,875 | (16,114) |
| Difference | 499,522 | 610,392 | (110,870) |

The Sewer Fund has a surplus of \$499,522 as of March 31, 2019, a decrease of \$110,870 from 2018. The cause of this decrease is the timing of billings between 2018 and 2019.

It is important to note that the Sewer Fund will show a surplus throughout the fiscal year because the transfer to the Capital Projects Fund will not occur until the 2019 year-end reconciliation.

If you have any questions regarding the information provided in this report please do not hesitate to contact me for answers.

Wm. Patrick Madden
Mayor



Andrew Piotrowski
Deputy City Comptroller

Monica Kurzejeski
Deputy Mayor

Office of the City Comptroller
City Hall
433 River Street – Suite 5001
Troy, New York 12180-3406

Date: April 26, 2019

To: Honorable Wm. Patrick Madden
City Council Members

From: Andrew Piotrowski
Deputy City Comptroller

Re: First Quarter 2018 Financial Report – Garbage Fund

Part I – Revenues

| Sewer Fund Revenues | | | | |
|-------------------------|----------------|------------------|--------------------|---------------|
| Revenue | 2019 Actual | 2019 Budget | \$ Diff | % Achieved |
| Departmental Income | 449,920 | 3,479,160 | (3,029,240) | 12.93% |
| Use Of Money & Property | 140 | - | 140 | 100.00% |
| Miscellaneous | 233 | 60,000 | (59,767) | 0.39% |
| State Aid | - | 45,945 | (45,945) | 0.00% |
| Interfund Transfers | 153,710 | 614,838 | (461,129) | 25.00% |
| Total | 604,002 | 4,199,943 | (3,595,941) | 14.38% |

Revenues in the Garbage Fund totaled \$604,002 as of March 31, 2019, which is 14.38% of the total 2019 budgeted revenues. Due to waste removal operations being separated from the General Fund with the creation of the Garbage Fund there are revenues to compare from the prior year.

Departmental Income is made up of revenues from garbage bills, payments of prior garbage fee relieved on to the 2019 property tax bills, garbage violations and bulk pickup fees. The revenue for this category totaled \$449,920 at the end of the first quarter which is 12.93% of the total 2019 budget. The primary source of revenue in this category is the current year garbage bill and the first installment is not due until April 30, 2019.

The other revenue item of note is Interfund Transfers which is a payment made by the General Fund to the Garbage Fund for services rendered by the Garbage Fund.

Part II – Expenditures

| Garbage Fund Expenditures | | | | |
|--|--------------------|--------------------|------------------|-------------------|
| Expenditure | 2019 Actual | 2019 Budget | \$ Rem | % Expended |
| Code 1 - Salaries | | | | |
| Permanent Salaries | 215,892 | 1,402,737 | 1,186,845 | 15.39% |
| Overtime | 7,355 | 82,500 | 75,145 | 8.92% |
| Misc. Other | 0 | 25,600 | 25,600 | 0.00% |
| Total Code 1 | 223,247 | 1,510,837 | 1,287,590 | 14.78% |
| Code 3 - Materials & Supplies | 11,895 | 118,302 | 106,407 | 10.05% |
| Code 4 - Contractual Services | | | | |
| Printing & Advertising | 343 | 1,000 | 657 | 34.30% |
| Tipping Fees | 152,525 | 1,135,420 | 982,895 | 13.43% |
| Insurance | 12,170 | 16,196 | 4,026 | 75.14% |
| Consultant Services | 1,419 | 18,739 | 17,320 | 7.57% |
| Contingency | 0 | 4,079 | 4,079 | 0.00% |
| Due To Other Funds | 134,729 | 538,918 | 404,189 | 25.00% |
| Total Code 4 | 301,186 | 1,714,352 | 1,413,166 | 17.57% |
| Code 6/7 - Debt Service | 0 | 10,000 | 10,000 | 0.00% |
| Code 8 - Benefits | | | | |
| Pension | 63,120 | 235,795 | 172,675 | 26.77% |
| Healthcare | 96,455 | 427,094 | 330,639 | 22.58% |
| Dental | 4,653 | 17,983 | 13,330 | 25.88% |
| Social Security | 16,009 | 115,580 | 99,571 | 13.85% |
| Worker's Compensation | 2,916 | 50,000 | 47,084 | 5.83% |
| Total Code 8 | 183,152 | 846,452 | 663,300 | 21.64% |
| Grand Total | 719,479 | 4,199,943 | 3,480,464 | 17.13% |

Expenditures in the Garbage Fund totaled \$719,479 in the first quarter of 2019, which is 17.13% of the total 2019 budget. As was the case with revenues within the Garbage Fund there are no prior year expenditures to compare to the first three months of 2019.

In reviewing the Garbage Fund expenditures there were no individual lines that were of concern at the end of the first quarter. Expenditures such as Insurance that have a high percentage of the budget used to date are caused by the annual expense being recorded in the first three months of the year. Other lines such as Tipping Fees have a timing impact where invoices were recorded after March 31, 2019 and will then be included in the second quarter report.

Part III – Conclusion

| Description | 2019 |
|---------------------|------------------|
| Revenues | 604,002 |
| Expenditures | 719,479 |
| Difference | (115,477) |

The Garbage Fund has a deficit of \$115,477 as of March 31, 2019 based on the total revenues and expenditures. However given that the primary revenue source had no payments made until the second quarter it is too soon in the fiscal year to have an idea as to how this fund will end the fiscal year.

It will be imperative to, as the City Comptroller's Office has historically done in all funds, monitor the progress of the Garbage Fund throughout the 2019 fiscal year. Heightened awareness is required however given that this is the first year of the Garbage Fund's existence.

If you have any questions regarding the information provided in this report please do not hesitate to contact me for answers.