



City of Rockville, Maryland
First Quarter FY 2010 Financial Report
September 30, 2009

Prepared by the Department of Finance

This report presents FY10 revenue and expenditure data for the City's General and Enterprise funds. This report is prepared on a modified accrual/accrual basis consistent with the City's budget and financial statements. Below are the summary totals for each fund. For more detail please see the specific fund pages which include the FY10 adopted budget, FY10 amended budget, FY10 actual expenditures and revenues as of September 30, 2009, and the FY10 end of year projections listed by expenditure category or revenue source. Notes are included with the items that are unclear or that have significant variances from the FY10 adopted budget to the FY10 end of year projection.

Summary of Funds					
Fund		FY10 Adopted Budget	FY10 Amended Budget	Actual as of 09/30/09	FY10 Year End Projection
General	Revenues	62,082,587	62,198,763	7,674,433	59,821,763
	Expenditures / Transfers Out	62,082,587	62,198,763	13,503,250	60,675,668
	Addition to / (Use of) Fund Balance	\$ -	\$ -	\$ (5,828,817)	\$ (853,905)
Water	Revenues	7,667,800	7,667,800	1,645,337	7,667,800
	Expenses	7,579,090	7,579,090	1,109,929	7,694,975
	Net Income / (Loss)	\$ 88,710	\$ 88,710	\$ 535,408	\$ (27,175)
Sewer	Revenues	6,747,000	6,747,000	1,471,594	6,747,000
	Expenses	6,706,180	6,956,180	1,197,928	6,990,677
	Net Income / (Loss)	\$ 40,820	\$ (209,180)	\$ 273,665	\$ (243,677)
Refuse	Revenues	5,493,300	5,493,300	1,370,057	5,493,300
	Expenses	5,453,015	5,453,015	972,155	5,500,478
	Net Income / (Loss)	\$ 40,285	\$ 40,285	\$ 397,902	\$ (7,178)
Parking	Revenues	3,437,000	3,437,000	705,926	3,437,000
	Expenses	3,669,540	3,669,540	180,431	3,692,166
	Net Income / (Loss)	\$ (232,540)	\$ (232,540)	\$ 525,495	\$ (255,166)
SWM	Revenues	2,085,000	2,085,000	245,040	2,085,000
	Expenses	2,569,680	2,569,680	430,464	2,727,780
	Net Income / (Loss)	\$ (484,680)	\$ (484,680)	\$ (185,424)	\$ (642,780)
RedGate	Revenues	1,219,173	1,219,173	424,677	1,219,173
	Expenses	1,617,340	1,617,340	373,697	1,617,340
	Net Income / (Loss)	\$ (398,167)	\$ (398,167)	\$ 50,979	\$ (398,167)
Speed Camera	Revenues	4,130,000	4,130,000	208,243	4,130,000
	Expenditures	2,147,315	2,147,315	272,704	2,171,141
	Addition to / (Use of) Fund Balance	\$ 1,982,685	\$ 1,982,685	\$ (64,461)	\$ 1,958,859

FY10 Beginning and Ending Unreserved Fund Balance / Working Capital

This section depicts the beginning and projected ending fund balance (or, in the case of an enterprise fund, working capital as defined as current assets less current liabilities) for each of the City's funds that are represented in this report. The fund balance or working capital balance is the accumulated total of all prior years' actual revenues in excess of expenditures, commonly referred to as surplus or reserve funds.

It is important to maintain required reserve levels to ensure that City operations are not negatively impacted by unexpected increases in expenditures or reductions in revenues during the year. Overall, all of the funds listed below remain within their reserve policy with the exception of the Sewer Fund and the RedGate Golf Fund. The Sewer Fund's working capital balance is below the required reserve level due to a higher level of receivables and a large payment to the Blue Plains Wastewater Treatment facility during FY 2009. This negative working capital balance will be addressed through planned rate adjustments. The RedGate Golf Fund's working capital is also below the required reserve level due to annual financial losses over several years. Recognizing that the financial situation of the Fund is not improving, staff will present the Mayor and Council with options and a recommendation at the December 7, 2009 Mayor and Council meeting.

	Audited Fund Balance / Working Capital 6/30/09	PLUS Projected FY10 Revenue	LESS Projected FY10 Expenditures	Projected Fund Balance / Working Capital 6/30/10
General Fund	\$ 13,605,376	\$ 59,821,763	\$ 60,675,668	\$ 12,751,471
Water Fund	2,536,426	7,667,800	7,694,975	2,509,251
Sewer Fund	(109,671)	6,747,000	6,990,677	(353,348)
Refuse Fund	2,810,158	5,493,300	5,500,478	2,802,980
Parking Fund	3,846,375	3,437,000	3,692,166	3,591,209
Stormwater Mngt. Fund	5,830,946	2,085,000	2,727,780	5,188,166
RedGate Golf Fund	(1,108,828)	1,219,173	1,617,340	(1,506,995)
Speed Camera Fund	3,926,820	4,130,000	2,171,141	5,885,679

FY10 General Fund Undesignated Fund Balance - September 30, 2009

One of the City's fiscal policies is to maintain the undesignated fund balance in the General Fund at or above 15 percent of annual revenue. These funds provide a cushion to allow the City to continue to provide services even under the most dire circumstances.

The chart below shows the audited FY09 fund balance of \$13.6 million and the estimated FY10 fund balance of \$12.8 million. The \$12.8 million is \$3.4 million more than the target minimum FY10 fund balance of \$9.3 million. The projected General Fund revenues and projected General Fund expenditures include adjustments for purchase orders that carried over from FY09, as well as for the General Fund adjustments that were made in the October 2009 budget amendment.

	Amount	Percent of FY10 Revenue
Audited FY10 Beginning Fund Balance (6/30/09)	\$ 13,605,376	21.9%
Plus Projected General Fund Revenue (page 3)	59,821,763	
Less Projected General Fund Expenditures (page 4)	<u>60,675,668</u>	
Estimated FY10 Ending Fund Balance (6/30/10)	12,751,471	20.5%
Target Minimum FY10 Fund Balance	<u>9,312,388</u>	15.0%
Estimated Variance from FY10 Target	\$ 3,439,083	

FY10 Contingency Funds - September 30, 2009

Adopted Budget Contingency Level	\$ 225,000
Use of Contingency Funds	
None as of 9/30/09	-
Unused Balance	\$ 225,000

General Fund Revenues - September 30, 2009

	FY10 Adopt. Budget	Amended Budget	Actual 09/30/09	FY10 Proj. Year End	Variance	Note
Taxes						
Real property	\$ 31,490,140	\$ 31,490,140	\$ 1,745,970	\$ 31,490,140	\$ -	
Personal property	2,855,000	2,855,000	406,656	2,855,000	-	
Income Taxes	9,300,000	9,300,000	-	9,300,000	-	1
Hotel Tax	800,000	800,000	125,077	800,000	-	2
Intergovernmental Revenue						
Gas/vehicle tax	2,400,000	2,400,000	135,080	240,000	(2,160,000)	3
Tax duplication payment	2,228,449	2,228,449	2,228,449	2,228,449	-	
Admission/amusement tax	850,000	850,000	-	850,000	-	4
Police protection grants	620,000	620,000	101,809	403,000	(217,000)	3
Youth services grant	286,577	286,577	23,786	286,577	-	
Cable franchise fee	495,798	495,798	-	495,798	-	4
Other	56,900	173,076	4,330	173,076	-	5
Licenses and Permits						
Building permits	1,100,000	1,100,000	132,425	1,100,000	-	
Other	854,500	854,500	73,856	854,500	-	
Charges for Services						
Recreation fees	4,462,039	4,462,039	1,713,248	4,462,039	-	
PW permit fees	160,000	160,000	20,220	160,000	-	
Zoning and planning fees	50,000	50,000	39,295	50,000	-	
Facility Rental Fees	771,519	771,519	232,494	771,519	-	
Other	430,000	430,000	50,076	430,000	-	
Fines and Forfeitures						
Red Light Camera	600,000	600,000	169,117	600,000	-	
Other	19,000	19,000	9,953	19,000	-	
Use of Money/Property						
Interest income	300,000	300,000	2,862	300,000	-	6
Rental income	165,855	165,855	38,116	165,855	-	
Other Revenue						
Admin charges other funds	1,506,000	1,506,000	376,500	1,506,000	-	7
Other	280,810	280,810	45,113	280,810	-	8
Total Revenue	\$ 62,082,587	\$ 62,198,763	\$ 7,674,433	\$ 59,821,763	\$ (2,377,000)	

1. First income tax payment of \$320,725 was received in October.
2. This represents two months of hotel tax payments.
3. The year end estimate includes a 90% reduction in Highway User Revenue and a 35% reduction in the Police Protection Grant. These revenues were reduced via the October 2009 budget amendment.
4. Admission and amusement tax and cable franchise fees are paid to the City on a quarterly basis. At the time of this report, the first quarter revenues were not yet received.
5. The change from the adopted to the amended budget was due to \$116,176 in new grants that were recognized during the August budget amendment.
6. The City's interest rate averaged 0.11% over the first quarter; if rates remain at all time lows, the City will amend the revenue budget down in February. This trend is consistent with all interest income revenue throughout this report.
7. First quarter actual revenue includes administrative transfers from Water \$111,000, Sewer \$62,050, Refuse \$117,425, RedGate \$24,475, Stormwater Management \$39,650, and Parking \$21,900 funds.
8. First quarter actual revenue includes sale of vehicles \$4,123, community contributions \$6,900, and miscellaneous revenues \$34,090.

General Fund Expenditures - September 30, 2009

	FY10 Adopt.	Amended	Actual	FY10 Proj.	Variance	Note
	Budget	Budget	09/30/09	Year End		
Personnel						
Salary	\$ 30,086,950	\$ 30,157,854	\$ 6,629,224	\$ 29,807,269	\$ (350,585)	1,3
Benefits	7,924,102	7,924,102	2,083,360	7,849,517	(74,585)	1,3
Overtime	787,200	817,384	203,696	808,784	(8,600)	1,3
Contractual Services						
Professional services	1,574,400	1,574,400	395,087	1,926,456	352,056	2,3
Office expenses	980,950	980,950	257,552	997,399	16,449	2,3
Employment & training	706,580	706,580	160,876	630,358	(76,222)	2,3
Maintenance & repair	2,805,350	2,805,350	337,647	2,939,416	134,066	2,3
Service provision	743,300	753,300	184,571	713,657	(39,643)	2,3
Insurance and Leases	290,000	290,000	208,506	290,853	853	2,3
Commodities						
Utility costs	2,678,000	2,678,000	404,995	2,678,000	-	
Supplies	2,205,630	2,210,718	367,298	2,240,393	29,675	2,3
Contingency	225,000	225,000	-	225,000	-	
Capital Outlays						
Equipment	457,000	457,000	226,765	661,441	204,441	2,3
Non-operating Expenditures						
Disposal of scrap	15,000	15,000	-	15,000	-	
Community Assistance	3,850	3,850	798	3,850	-	
Outside Agencies	1,221,275	1,221,275	140,876	1,232,275	11,000	2,3
Other	48,000	48,000	-	48,000	-	
Total Expenditures	<u>\$52,752,587</u>	<u>\$52,868,763</u>	<u>\$11,601,250</u>	<u>\$53,067,668</u>	<u>\$ 198,905</u>	
Transfers to Other Funds						
Debt Service Fund	\$ 4,000,000	\$ 4,000,000	\$ 1,000,000	\$ 4,000,000	\$ -	
Capital Projects Fund	4,100,000	4,100,000	594,500	2,378,000	(1,722,000)	3
Other funds	1,230,000	1,230,000	307,500	1,230,000	-	4
Sub-total	<u>\$ 9,330,000</u>	<u>\$ 9,330,000</u>	<u>\$ 1,902,000</u>	<u>\$ 7,608,000</u>	<u>\$ (1,722,000)</u>	
Total Exp. and Transfers	<u>\$62,082,587</u>	<u>\$62,198,763</u>	<u>\$13,503,250</u>	<u>\$60,675,668</u>	<u>\$ (1,523,095)</u>	

1. Represents six of twenty-six pay periods.

2. Each year the City reappropriates funds to cover purchase orders that were outstanding at the close of the previous fiscal year. The end of year estimates were increased by a total \$853,905 to reflect the purchase orders that will be included in the February 2010 budget amendment.

3. Included in the end of year estimate is a total of \$2,377,000 in net reductions included in the October 2009 budget amendment.

4. FY10 adopted budget includes total transfers to Parking \$1,200,000 and Refuse \$30,000 funds. First quarter actual transfers include Parking \$300,000, and Refuse \$7,500.

Water Fund - September 30, 2009

	FY10 Adopt. Budget	Amended Budget	Actual 09/30/09	FY10 Proj. Year End	Variance	Note
Revenues						
Utility charges	\$ 7,000,000	\$ 7,000,000	\$ 1,503,390	\$ 7,000,000	\$ -	
Water connections	50,000	50,000	-	50,000	-	1
Sales of materials	25,000	25,000	47	25,000	-	
Interest income	40,000	40,000	1,259	40,000	-	
Miscellaneous revenues	78,000	78,000	21,942	78,000	-	
Transfers from Sewer/Refuse	474,800	474,800	118,700	474,800	-	2
Total Revenues	\$ 7,667,800	\$ 7,667,800	\$ 1,645,337	\$ 7,667,800	\$ -	
Expenses						
Personnel	\$ 3,047,100	\$ 3,047,100	\$ 713,449	\$ 3,047,100	\$ -	3
Operating	1,811,290	1,811,290	277,295	1,825,296	14,006	4
Capital	163,300	163,300	8,186	265,179	101,879	4
Debt serv., transfer, other	2,557,400	2,557,400	111,000	2,557,400	-	5
Total Expenses	\$ 7,579,090	\$ 7,579,090	\$ 1,109,929	\$ 7,694,975	\$ 115,885	
Net Income/(Loss)	\$ 88,710	\$ 88,710	\$ 535,408	\$ (27,175)	\$ (115,885)	

1. Water and sewer connection revenue comes from new developments that connect to the City's water and sewer systems. There were no new developments that connected to these systems during the first quarter.
2. FY10 adopted budget includes total transfers from Sewer \$350,200 and Refuse \$124,600. First quarter actual transfers include Sewer \$87,550 and Refuse \$31,150.
3. Represents six of twenty-six pay periods.
4. Each year the City reappropriates funds to cover purchase orders that were outstanding at the close of the previous fiscal year. The end of year estimate was increased by a total \$115,885 to reflect the purchase orders that are included in the February 2010 budget amendment.
5. FY10 adopted budget includes administrative charges of \$444,000, debt service of \$808,400, and depreciation and amortization charges of \$1,305,000. First quarter actual expenses include administrative charges of \$111,000.

Sewer Fund - September 30, 2009

	FY10 Adopt. Budget	Amended Budget	Actual 09/30/09	FY10 Proj. Year End	Variance	Note
Revenues						
Utility Charges	\$ 6,580,000	\$ 6,580,000	\$ 1,455,670	\$ 6,580,000	\$ -	
Sewer connections	50,000	50,000	-	50,000	-	1
Interest income	52,000	52,000	289	52,000	-	
Miscellaneous revenues	65,000	65,000	15,635	65,000	-	
Total Revenues	\$ 6,747,000	\$ 6,747,000	\$ 1,471,594	\$ 6,747,000	\$ -	
Expenses						
Personnel	\$ 1,327,890	\$ 1,327,890	\$ 314,205	\$ 1,327,890	\$ -	2
Operating	3,156,290	3,406,290	723,250	3,429,914	23,624	3,4
Capital	24,800	24,800	10,873	35,673	10,873	3
Debt serv., transfer, other	2,197,200	2,197,200	149,600	2,197,200	-	5
Total Expenses	\$ 6,706,180	\$ 6,956,180	\$ 1,197,928	\$ 6,990,677	\$ 34,497	
Net Income/(Loss)	\$ 40,820	\$ (209,180)	\$ 273,665	\$ (243,677)	\$ (34,497)	

1. Water and sewer connection revenue comes from new developments that connect to the City's water and sewer systems. There were no new developments that connected to these systems during the first quarter.
2. Represents six of twenty-six pay periods.
3. Each year the City reappropriates funds to cover purchase orders that were outstanding at the close of the previous fiscal year. The end of year estimate was increased by a total \$34,497 to reflect the purchase orders that are included in the February 2010 budget amendment.
4. The \$250,000 change from the adopted to the amended budget was due to the Rock Creek Sewer Capacity Study that was recognized during the August budget amendment.
5. FY10 adopted budget includes administrative charges of \$248,200, debt service of \$693,800, contribution to Water Fund of \$350,200, and depreciation and amortization of \$905,000. First quarter actual expenses include administrative charges of \$62,050 and contribution to Water Fund of \$87,550.

Refuse Fund - September 30, 2009

	FY10 Adopt. Budget	Amended Budget	Actual 09/30/09	FY10 Proj. Year End	Variance	Note
Revenues						
Utility charges	\$ 5,434,900	\$ 5,434,900	\$ 1,362,027	\$ 5,434,900	\$ -	
Interest income	20,000	20,000	530	20,000	-	
Miscellaneous revenues	8,400	8,400	-	8,400	-	
Transfer from General Fund	30,000	30,000	7,500	30,000	-	1
Total Revenues	\$ 5,493,300	\$ 5,493,300	\$ 1,370,057	\$ 5,493,300	\$ -	
Expenses						
Personnel	\$ 2,688,700	\$ 2,688,700	\$ 563,689	\$ 2,688,700	\$ -	2
Operating	1,865,915	1,865,915	259,891	1,913,378	47,463	3
Capital	11,000	11,000	-	11,000	-	
Debt serv., transfer, other	887,400	887,400	148,575	887,400	-	4
Total Expenses	\$ 5,453,015	\$ 5,453,015	\$ 972,155	\$ 5,500,478	\$ 47,463	
Net Income/(Loss)	\$ 40,285	\$ 40,285	\$ 397,902	\$ (7,178)	\$ (47,463)	

1. FY10 adopted budget includes a transfer from the General Fund of \$30,000 for the refuse/trash services to Rockville Housing Enterprises units. First quarter actual transfer includes \$7,500 from the General Fund.
2. Represents six of twenty-six pay periods.
3. Each year the City reappropriates funds to cover purchase orders that were outstanding at the close of the previous fiscal year. The end of year estimate was increased by a total \$47,463 to reflect the purchase orders that are included in the February 2010 budget amendment.
4. FY10 adopted budget includes administrative charges of \$469,700, debt service of \$116,600, contribution to Water Fund of \$124,600, and depreciation and amortization of \$176,500. First quarter actual expenses include administrative charges of \$117,425 and contribution to Water Fund of \$31,150.

Parking Fund - September 30, 2009

	FY10 Adopt. Budget	Amended Budget	Actual 09/30/09	FY10 Proj. Year End	Variance	Note
Revenues						
Meter fees	\$ 1,217,000	\$ 1,217,000	\$ 275,080	\$ 1,217,000	\$ -	
Meter/parking violations	533,000	533,000	130,125	533,000	-	
Interest earnings/other	350,000	350,000	721	350,000	-	1
Parking Tax	137,000	137,000	-	137,000	-	
Transfer from General Fund	1,200,000	1,200,000	300,000	1,200,000	-	2
Total Revenues	\$ 3,437,000	\$ 3,437,000	\$ 705,926	\$ 3,437,000	\$ -	
Expenses						
Personnel	\$ 376,500	\$ 376,500	\$ 69,884	\$ 376,500	\$ -	3
Operating	1,084,540	1,084,540	88,646	1,107,166	22,626	4
Capital	1,300	1,300	-	1,300	-	
Debt serv., transfer, other	2,207,200	2,207,200	21,900	2,207,200	-	5
Total Expenses	\$ 3,669,540	\$ 3,669,540	\$ 180,431	\$ 3,692,166	\$ 22,626	
Net Income/(Loss)	\$ (232,540)	\$ (232,540)	\$ 525,495	\$ (255,166)	\$ (22,626)	

1. Includes \$130,000 PILOT payment and \$180,000 capital contribution from Montgomery County.
2. FY10 adopted budget includes transfers from General Fund of \$1,200,000, which includes the City's capital contribution of \$53,000 and the City's PILOT of \$37,000. First quarter transfer was \$300,000.
3. Represents six of twenty-six pay periods.
4. Each year the City reappropriates funds to cover purchase orders that were outstanding at the close of the previous fiscal year. The end of year estimate was increased by a total \$22,626 to reflect the purchase orders that are included in the February 2010 budget amendment.
5. FY10 adopted budget includes administrative charges of \$87,600, debt service of \$1,413,100, and depreciation and amortization of \$706,500. First quarter actual expenses include administrative charges of \$21,900.

Stormwater Management Fund - September 30, 2009

	FY10 Adopt. Budget	Amended Budget	Actual 09/30/09	FY10 Proj. Year End	Variance	Note
Revenues						
Stormwater permits	\$ 200,000	\$ 200,000	\$ 11,353	\$ 200,000	\$ -	
SWM fees	1,620,000	1,620,000	196,364	1,620,000	-	
SWM waivers	200,000	200,000	36,279	200,000	-	
Interest earnings	65,000	65,000	1,044	65,000	-	
Total Revenues	\$ 2,085,000	\$ 2,085,000	\$ 245,040	\$ 2,085,000	\$ -	
Expenses						
Personnel	\$ 1,614,630	\$ 1,614,630	\$ 346,834	\$ 1,614,630	\$ -	1
Operating	594,000	594,000	38,368	745,948	151,948	2
Capital	2,450	2,450	4,778	8,602	6,152	2
Debt serv., transfer, other	358,600	358,600	40,484	358,600	-	3
Total Expenses	\$ 2,569,680	\$ 2,569,680	\$ 430,464	\$ 2,727,780	\$ 158,100	
Net Income/(Loss)	\$ (484,680)	\$ (484,680)	\$ (185,424)	\$ (642,780)	\$ (158,100)	

1. Represents six of twenty-six pay periods.
2. Each year the City reappropriates funds to cover purchase orders that were outstanding at the close of the previous fiscal year. The end of year estimate was increased by a total \$158,100 to reflect the purchase orders that are included in the February 2010 budget amendment.
3. FY10 adopted budget includes administrative charges of \$158,600 and depreciation and amortization of \$200,000. First quarter actual expenses include administrative charges of \$39,650 and Rainscapes Program rebates totaling \$834.

Golf Fund - September 30, 2009

	FY10 Adopt. Budget	Amended Budget	Actual 09/30/09	FY10 Proj. Year End	Variance	Note
Revenues						
Golf and Cart fees	\$ 1,219,173	\$ 1,219,173	\$ 424,677	\$ 1,219,173	\$ -	
Total Revenues	\$ 1,219,173	\$ 1,219,173	\$ 424,677	\$ 1,219,173	\$ -	
Expenses						
Personnel	\$ 805,100	\$ 805,100	\$ 207,680	\$ 805,100	\$ -	1
Operating	498,940	498,940	123,005	498,940	-	
Capital	83,700	83,700	18,538	83,700	-	
Debt serv., transfer, other	229,600	229,600	24,475	229,600	-	2
Total Expenses	\$ 1,617,340	\$ 1,617,340	\$ 373,697	\$ 1,617,340	\$ -	
Net Income/(Loss)	\$ (398,167)	\$ (398,167)	\$ 50,979	\$ (398,167)	\$ -	

1. Represents six of twenty-six pay periods.
2. FY10 adopted budget includes administrative charges of \$97,900, debt service of \$11,600, and depreciation and amortization of \$120,100. First quarter actual expenses include administrative charges of \$24,475.

Speed Camera Fund - September 30, 2009

	FY10 Adopt. Budget	Amended Budget	Actual 09/30/09	FY10 Proj. Year End	Variance	Note
Revenues						
Speed Camera Citation	\$ 4,080,000	\$ 4,080,000	\$ 207,710	\$ 4,080,000	\$ -	1
Interest earnings	50,000	50,000	533	50,000	-	
Total Revenues	\$ 4,130,000	\$ 4,130,000	\$ 208,243	\$ 4,130,000	\$ -	
Expenditures						
Personnel	\$ 428,800	\$ 428,800	\$ 85,478	\$ 428,800	\$ -	2
Operating	1,718,515	1,718,515	187,225	1,742,341	23,826	3
Total Expenses	\$ 2,147,315	\$ 2,147,315	\$ 272,704	\$ 2,171,141	\$ 23,826	
Addition to / (Use of) Fund Balance	\$ 1,982,685	\$ 1,982,685	\$ (64,461)	\$ 1,958,859	\$ (23,826)	

1. Represents one month (July) of speed camera citation revenue. (Funding note: The State of Maryland passed a new speed camera law that took effect on October 1, 2009. This new law changes the threshold speed limit from 11 miles per hour to 12 miles per hour, it limits the use of speed cameras in school zones to Monday through Friday from 6:00 am to 8:00 pm, and it restricts the annual amount of program revenue the City can retain to ten percent of the City's total revenues. This new law will likely decrease the total number of citations the City issues, thereby decreasing overall program revenues in FY 2010 and future years. Staff will evaluate this revenue source and adjust accordingly through the February budget amendment.)

2. Represents six of twenty-six pay periods.

3. Each year the City reappropriates funds to cover purchase orders that were outstanding at the close of the previous fiscal year. The end of year estimate was increased by a total \$23,826 to reflect the purchase orders that are included in the February 2010 budget amendment.

Summary of CIP Transfers - 1Q FY10

Date	Department Fund	Project	(Decrease) Increase
8/31/2009	Recreation & Parks	Asphalt/Concrete Improvements	\$ (789)
	Capital Projects Fund	Swim Center - Meet/Fit Room	\$ 789
9/4/2009	Public Works	Storm Sewer Rehabilitation	\$ (75,000)
	Stormwater Mgmt Fund	Lakewood SWM Pond	\$ 75,000