

ATTACHMENT A



City of Rockville, Maryland Fourth Quarter FY 2010 Financial Report June 30, 2010

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, and FY10 actual expenditures and revenues as of September 24, 2010. Notes are included with the items that are unclear or that have variances of \$100,000 or more from the FY10 amended budget.

Summary of Funds				
Fund		FY10 Adopted Budget	FY10 Amended Budget	Actual as of 6/30/10
General	Revenues	62,082,587	59,744,024	61,953,857
	Expenditures / Transfers Out	62,082,587	61,487,195	60,334,908
	Addition to / (Use of) Fund Balance	\$ -	\$ (1,743,171)	\$ 1,618,949
Water	Revenues	7,667,800	7,597,800	6,834,812
	Expenses	7,579,090	7,794,307	7,393,901
	Net Income / (Loss)	\$ 88,710	\$ (196,507)	\$ (559,089)
Sewer	Revenues	6,747,000	6,659,000	6,406,862
	Expenses	6,706,180	7,013,165	6,383,194
	Net Income / (Loss)	\$ 40,820	\$ (354,165)	\$ 23,668
Refuse	Revenues	5,493,300	5,475,800	5,565,195
	Expenses	5,453,015	5,327,728	5,037,777
	Net Income / (Loss)	\$ 40,285	\$ 148,072	\$ 527,418
Parking	Revenues	3,437,000	3,052,000	3,078,610
	Expenses	3,669,540	3,696,349	3,393,400
	Net Income / (Loss)	\$ (232,540)	\$ (644,349)	\$ (314,789)
SWM	Revenues	2,085,000	1,827,000	1,719,358
	Expenses	2,569,680	2,758,759	2,467,376
	Net Income / (Loss)	\$ (484,680)	\$ (931,759)	\$ (748,018)
RedGate	Revenues	1,219,173	1,019,173	961,410
	Expenses	1,617,340	1,602,000	1,507,740
	Net Income / (Loss)	\$ (398,167)	\$ (582,827)	\$ (546,330)
Speed Camera	Revenues	4,130,000	1,322,390	1,963,076
	Expenditures	2,147,315	1,158,824	1,090,713
	Addition to / (Use of) Fund Balance	\$ 1,982,685	\$ 163,566	\$ 872,363

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 City's measurement of 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 the increase in the City's contribution to the Blue Plains Wastewater Treatment facility. 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, the Mayor and Council directed staff to pursue a viability study through the National Golf Foundation (NGF), which will take place this fall, and to transfer approximately \$2.4 million from General Fund reserves to eliminate the RedGate Fund's accumulated and FY11 annual operating deficit.

	Audited Fund Balance / Working Capital 6/30/09	PLUS FY10 Revenue	LESS FY10 Expenditures	Estimated Fund Balance / Working Capital 6/30/10
General Fund	\$ 13,605,376	\$ 61,953,857	\$ 60,334,908	\$ 15,224,325
Water Fund	2,536,426	6,834,812	7,393,901	1,977,337
Sewer Fund	(109,671)	6,406,862	6,383,194	(86,003)
Refuse Fund	2,810,158	5,565,195	5,037,777	3,337,576
Parking Fund	3,846,375	3,078,610	3,393,400	3,531,586
Stormwater Mngt. Fund	5,830,946	1,719,358	2,467,376	5,082,928
RedGate Golf Fund	(1,108,828)	961,410	1,507,740	(1,655,158)
Speed Camera Fund	3,926,820	1,963,076	1,090,713	4,799,183

FY10 General Fund Undesignated Fund Balance - June 30, 2010

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. The chart below shows the audited FY09 fund balance of \$13.6 million and the estimated FY10 fund balance of \$15.2 million. The \$15.2 million is \$5.9 million more than the target minimum FY10 fund balance of \$9.3 million. **Of the \$5.9 million, the FY11 budget utilized \$1.0 million to balance the budget, \$2.4 million for RedGate, and \$0.5 million for Purchase Orders that carried over from FY10.**

	Amount	Percent of FY10 Revenue
Audited FY10 Beginning Fund Balance (6/30/09)	\$ 13,605,376	21.9%
Plus Actual General Fund Revenue (page 3)	61,953,857	
Less Actual General Fund Expenditures (page 4)	60,334,908	
Estimated FY10 Ending Fund Balance (6/30/10)	15,224,325	24.5%
Target Minimum FY10 Fund Balance	9,312,388	15.0%
Estimated Variance from FY10 Target	\$ 5,911,937	

FY10 Contingency Funds - June 30, 2010

Adopted Budget Contingency Level	225,000
Amendment to Budget Contingency Level (February)	300,000
Total Amended Budget Contingency Level	\$ 525,000
Use of Contingency Funds	
Insurance Broker	(50,000)
Snow / Ice Removal	(475,000)
Unused Balance	\$ -

General Fund Revenues - June 30, 2010

	FY10 Adopt. Budget	Amended Budget	Actual 6/30/10	Variance (Amended & Actual)	Note
Taxes					
Real property	\$ 31,490,140	\$ 31,490,140	\$ 32,079,914	\$ 589,774	1
Personal property	2,855,000	2,855,000	3,374,924	519,924	2
Income Taxes	9,300,000	9,300,000	10,306,947	1,006,947	3
Hotel Tax	800,000	800,000	770,454	(29,546)	
Intergovernmental Revenue					
Gas/vehicle tax	2,400,000	240,000	325,985	85,985	4
Tax duplication payment	2,228,449	2,228,449	2,228,449	-	
Admission/amusement tax	850,000	950,000	1,006,370	56,370	5
Police protection grants	620,000	403,000	417,386	14,386	4
Youth services grant	286,577	286,577	297,036	10,459	
Cable franchise fee	495,798	495,798	537,573	41,775	
Other	56,900	464,201	314,646	(149,555)	6
Licenses and Permits					
Building permits	1,100,000	800,000	690,330	(109,670)	7
Other	854,500	854,500	1,046,855	192,355	8
Charges for Services					
Recreation fees	4,462,039	4,462,039	4,553,559	91,520	
PW permit fees	160,000	150,000	102,514	(47,486)	
Zoning and planning fees	50,000	60,000	84,777	24,777	
Facility Rental Fees	771,519	782,277	791,562	9,285	
Other	430,000	430,000	234,138	(195,862)	9
Fines and Forfeitures					
Red Light Camera	600,000	630,000	663,427	33,427	
Other	19,000	19,000	24,305	5,305	
Use of Money/Property					
Interest income	300,000	25,000	14,921	(10,079)	10
Rental income	165,855	165,855	170,039	4,184	
Other Revenue					
Admin charges other funds	1,506,000	1,506,000	1,506,000	-	11
Other	280,810	346,188	411,745	65,557	6,12
Total Revenue	\$ 62,082,587	\$ 59,744,024	\$ 61,953,857	\$ 2,209,833	

- The end of year variance represents a 2 percent increase over FY09 real property revenue. While the City continues to see an increase in this revenue source, the FY10 increase was much smaller than increases over the previous two years, which averaged 5.8 percent each year.
- The end of year variance represents a 10.2 percent increase over FY09 personal property revenue. Budget staff will monitor this revenue source and adjust it upward if needed during FY11.
- The end of year variance represents a 1 percent decrease over FY09 income tax revenue, which is a much smaller decrease compared to the City's neighboring jurisdictions.
- The amended budget 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.
- The amended budget includes an increase in admission and amusement tax revenue included in the February 2010 budget amendment.
- Amended budget includes a total of \$322,679 in grant revenue, as well as \$150,000 in funding for air pollution particulate filters (encumbered in FY09) included in the August 2009 and February 2010 budget amendments. Since several of these grants span fiscal years, grant revenue not received in FY10 will roll to FY11.
- Amended budget includes a reduction in building permit revenue included in the February 2010 budget amendment. End of year projection includes a decrease of an additional \$109,670 due to limited construction during the fiscal year.
- End of year variance is mainly due to increases in rental license and other non-business license revenue. These revenue sources will be monitored and adjusted upward if necessary in FY11.
- End of year variance is due to decreased fire safety and fire review fee revenues, which are tied to new development.
- The City's interest rate has averaged between 0.1 and 0.3 percent this fiscal year. Amended budget includes a reduction in interest income included in the February 2010 budget amendment. This trend is consistent with all interest income revenue throughout this report.
- Fourth quarter actual revenue includes administrative transfers from Water \$444,000, Sewer \$248,200, Refuse \$469,700, RedGate \$97,900, Stormwater Management \$158,600, and Parking \$87,600 funds.
- Fourth quarter actual revenue includes sale of vehicles \$4,123, community contributions \$59,530, and miscellaneous revenues \$348,092.

General Fund Expenditures - June 30, 2010

	FY10 Adopt.	Amended	Actual	Variance	
	Budget	Budget	6/30/10	(Amended &	Note
				Actual)	
Personnel					
Salary	\$ 30,086,950	\$ 29,813,295	\$ 29,052,648	\$ (760,647)	1,3,4,5
Benefits	7,924,102	8,491,841	8,673,656	181,815	1,3,4,6
Overtime	787,200	857,284	1,147,470	290,186	1,3,4,7
Contractual Services					
Professional services	1,574,400	1,965,556	1,709,392	(256,164)	2,3,4,8
Office expenses	980,950	997,199	1,016,197	18,997	2,3,4
Employment & training	706,580	575,741	415,085	(160,656)	2,3,4, 9
Maintenance & repair	2,805,350	2,909,626	2,687,457	(222,169)	2,3,4,10
Service provision	743,300	710,184	735,501	25,318	2,3,4
Insurance and Leases	290,000	282,007	283,871	1,864	2,3,4
Commodities					
Utility costs	2,678,000	2,623,303	2,527,441	(95,862)	4,5
Supplies	2,205,630	2,320,836	2,256,907	(63,929)	2,3,4,5,7
Contingency	225,000	525,000	525,000	-	11
Capital Outlays					
Equipment	457,000	721,312	704,822	(16,490)	2,3,4,5
Non-operating Expenditures					
Disposal of scrap	15,000	7,620	-	(7,620)	4
Community Assistance	3,850	3,850	3,664	(186)	
Outside Agencies	1,221,275	1,232,275	1,159,321	(72,954)	2,3
Other	48,000	48,000	34,209	(13,791)	
Total Expenditures	\$52,752,587	\$54,084,929	\$52,932,642	\$ (1,152,287)	
Transfers to Other Funds					
Debt Service Fund	\$ 4,000,000	\$ 4,000,000	\$ 4,000,000	\$ -	
Capital Projects Fund	4,100,000	2,378,000	2,378,000	-	3
Other funds	1,230,000	1,024,266	1,024,266	-	12
Sub-total	\$ 9,330,000	\$ 7,402,266	\$ 7,402,266	\$ -	
Total Exp. and Transfers	\$62,082,587	\$61,487,195	\$60,334,908	\$ (1,152,287)	

1. Represents 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 amended budget includes a total of \$853,905 in purchase orders that carried over from FY09.
3. Amended budget includes a total of \$2,377,000 in net reductions included in the October 2009 budget amendment.
4. Amended budget includes a total of \$368,226 in personnel and operating reductions included in the February 2010 budget amendment.
5. Amended budget includes a total of \$215,677 in expenditures offset by additional revenue (including \$206,503 in grant revenue) included in the February 2010 budget amendment. End of year variance in salaries is due to General Fund vacancies throughout the year. Staff utilized this vacancy savings to cover increases in health benefit costs and overtime needs, as well as to fund other one-time needs within the operating budget.
6. Amended budget includes \$649,810 in funding for additional retiree benefits included in the February 2010 budget amendment. Additional funding needs for the increase in health benefits were covered through salary savings as shown in the end of year variance.
7. Amended budget includes a total of \$120,000 for additional overtime, supplies, and chemicals for snow and ice removal included in the February 2010 budget amendment. Additional snow/ice removal overtime needs were covered through salary savings as shown in the end of year variance.
8. Amended budget includes \$100,000 added for additional outside legal fees, included in the February 2010 budget amendment. End of year variance is due to consultant savings as well as to consultant funding encumbered in purchase orders that will roll to FY11.
9. End of year variance is due to underspending in travel and professional development.
10. End of year variance is due to underspending in contractual maintenance and repair services, as well as to contractual maintenance and repair funding encumbered in purchase orders that will roll to FY11.
11. The contingency account was adopted at \$225,000. The amended budget was increased by \$300,000 for additional snow and ice removal, overtime and chemicals included in the February budget amendment. Of the amended budget, \$475,000 has been transferred to Public Works to fund additional snow removal chemicals, and \$50,000 has been transferred to Human Resources to fund an insurance broker.
12. FY10 adopted budget includes total transfers to Parking \$1,200,000 and Refuse \$30,000 funds. Amended budget includes a \$350,000 reduction in the transfer to the Parking Fund as well as a transfer of \$144,266 to the Art in Public Architecture and Art in Public Places programs in the Special Activities Fund per City policy, included in the February 2010 budget amendment. Fourth quarter actual transfers include Parking \$850,000, Refuse \$30,000, and Special Activities \$144,266.

Water Fund - June 30, 2010

	FY10 Adopt.	Amended	Actual	Variance	
	Budget	Budget	6/30/10	(Amended &	Note
				Actual)	
Revenues					
Utility charges	\$ 7,000,000	\$ 7,000,000	\$ 6,123,692	\$ (876,308)	1
Water connections	50,000	10,000	98,800	88,800	2
Sales of materials	25,000	25,000	10,020	(14,980)	
Interest income	40,000	10,000	4,047	(5,953)	3
Miscellaneous revenues	78,000	78,000	123,453	45,453	
Transfers from Sewer/Refuse	474,800	474,800	474,800	-	4
Total Revenues	\$ 7,667,800	\$ 7,597,800	\$ 6,834,812	\$ (762,988)	
Expenses					
Personnel	\$ 3,047,100	\$ 3,103,432	\$ 3,188,833	\$ 85,401	5
Operating	1,811,290	1,868,296	1,739,059	(129,237)	6,7
Capital	163,300	265,179	142,560	(122,619)	6,8
Debt serv., transfer, other	2,557,400	2,557,400	2,323,449	(233,951)	9
Total Expenses	\$ 7,579,090	\$ 7,794,307	\$ 7,393,901	\$ (400,406)	
Net Income / (Loss)	\$ 88,710	\$ (196,507)	\$ (559,089)	\$ (362,582)	

1. The City continues to see a significant number of foreclosed properties, which often have large unpaid utility bills that are not settled until the property is sold. The City has also seen an increase in customers who have had their water shut off due to unpaid utility bills, and whose bills remain unpaid, leaving their water shut off.

2. Water and sewer connection revenue comes from new developments that connect to the City's water and sewer systems. The amended budget includes a decrease in this revenue source included in the February 2010 budget amendment. In April the City received a large sum from a developer, resulting in the end of year variance.

3. Amended budget includes reduction in interest income included in the February 2010 budget amendment.

4. FY10 adopted budget includes total transfers from Sewer \$350,200 and Refuse \$124,600. Fourth quarter actual revenue includes \$350,200 from Sewer and \$124,600 from Refuse.

5. Represents twenty-six pay periods. Amended budget includes \$56,332 in funding for additional retiree benefits included in the February 2010 budget amendment.

6. Each year the City reappropriates funds to cover purchase orders that were outstanding at the close of the previous fiscal year. The amended budget includes a total of \$115,885 in purchase orders that carried over from FY09.

7. Amended budget includes \$16,000 to repair four fire hydrants damaged in the February storms, and \$27,000 for repairs to the Water Treatment Plant due to a lightning strike, included in the May 2010 budget amendment. Variance is due to a reduction in maintenance supplies and chemicals purchases, and unspent contingency funding.

8. Variance is due to a reduction in water meter purchases.

9. FY10 adopted budget includes administrative charges of \$444,000, debt service of \$808,400, and depreciation and amortization charges of \$1,305,000. Fourth quarter actual expenses include administrative charges of \$444,000, debt service of \$800,750, and depreciation and amortization charges of \$1,078,699. End of year variance is due to depreciation charges being lower than budgeted because several large projects were fully depreciated.

Sewer Fund - June 30, 2010

	FY10 Adopt.	Amended	Actual	Variance	
	Budget	Budget	6/30/10	(Amended &	Note
				Actual)	
Revenues					
Utility Charges	\$ 6,580,000	\$ 6,580,000	\$ 6,192,627	\$ (387,373)	1
Sewer connections	50,000	10,000	134,505	124,505	2
Interest income	52,000	4,000	2,002	(1,998)	3
Miscellaneous revenues	65,000	65,000	77,729	12,729	
Total Revenues	\$ 6,747,000	\$ 6,659,000	\$ 6,406,862	\$ (252,138)	
Expenses					
Personnel	\$ 1,327,890	\$ 1,350,378	\$ 1,344,898	\$ (5,480)	4
Operating	3,156,290	3,429,914	2,844,130	(585,784)	5,6
Capital	24,800	35,673	4,152	(31,522)	5
Debt serv., transfer, other	2,197,200	2,197,200	2,190,015	(7,185)	7
Total Expenses	\$ 6,706,180	\$ 7,013,165	\$ 6,383,194	\$ (629,971)	
Net Income / (Loss)	\$ 40,820	\$ (354,165)	\$ 23,668	\$ 377,833	

1. The City continues to see a significant number of foreclosed properties, which often have large unpaid utility bills that are not settled until the property is sold. The City has also seen an increase in customers who have had their water shut off due to unpaid utility bills, and whose bills remain unpaid, leaving their water shut off.
2. Water and sewer connection revenue comes from new developments that connect to the City's water and sewer systems. The amended budget includes a decrease in this revenue source included in the February 2010 budget amendment. In April the City received a large sum from a developer, resulting in the end of year variance.
3. Amended budget includes reduction in interest income included in the February 2010 budget amendment.
4. Represents twenty-six pay periods. Amended budget includes \$22,488 in funding for additional retiree benefits included in the February 2010 budget amendment.
5. Each year the City reappropriates funds to cover purchase orders that were outstanding at the close of the previous fiscal year. The amended budget includes a total of \$34,497 in purchase orders that carried over from FY09.
6. 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 2009 budget amendment. This study was not completed in FY10, so funding totaling \$315,300 was rolled into FY11, contributing largely to the variance shown. Additionally, lower than budgeted WSSC payments and unspent contingency funds contributed to this variance.
7. 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. Fourth quarter actual expenses include administrative charges of \$248,200, debt service of \$686,137, payment to Water Fund of \$350,200, and depreciation and amortization of \$905,478.

Refuse Fund - June 30, 2010

	FY10 Adopt.	Amended	Actual	Variance	
	Budget	Budget	6/30/10	(Amended &	Note
				Actual)	
Revenues					
Utility charges	\$ 5,434,900	\$ 5,434,900	\$ 5,505,350	\$ 70,450	
Interest income	20,000	2,500	1,823	(677)	1
Miscellaneous revenues	8,400	8,400	28,022	19,622	
Transfer from General Fund	30,000	30,000	30,000	-	2
Total Revenues	\$ 5,493,300	\$ 5,475,800	\$ 5,565,195	\$ 89,395	
Expenses					
Personnel	\$ 2,688,700	\$ 2,515,950	\$ 2,371,685	\$ (144,265)	3
Operating	1,865,915	1,784,324	1,651,172	(133,152)	4
Capital	11,000	11,000	-	(11,000)	
Debt serv., transfer, other	887,400	1,016,454	1,014,920	(1,534)	5
Total Expenses	\$ 5,453,015	\$ 5,327,728	\$ 5,037,777	\$ (289,951)	
Net Income / (Loss)	\$ 40,285	\$ 148,072	\$ 527,418	\$ 379,346	

1. Amended budget includes reduction in interest income included in the February 2010 budget amendment.
2. FY10 adopted budget includes a transfer from the General Fund of \$30,000 for the refuse/trash services to Rockville Housing Enterprises units. Fourth quarter actual transfer includes \$30,000 from the General Fund.
3. Represents twenty-six pay periods. Amended budget includes a reduction of \$202,000 in savings from vacant positions and \$47,250 in funding for additional retiree benefits, included in the February 2010 budget amendment. Variance is due to additional vacancy and temporary employee savings.
4. Each year the City reappropriates funds to cover purchase orders that were outstanding at the close of the previous fiscal year. The amended budget includes a total of \$47,463 in purchase orders that carried over from FY09. End of year variance is due to savings in temporary agency funding, refuse dump fees, and unspent contingency funding,
5. 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. Fourth quarter actual expenses include administrative charges of \$469,700, debt service of \$115,315, payment to Water Fund of \$124,600, and depreciation and amortization of \$305,305.

Parking Fund - June 30, 2010

	FY10 Adopt.	Amended	Actual	Variance	
	Budget	Budget	6/30/10	(Amended & Actual)	Note
Revenues					
Meter fees	\$ 1,217,000	\$ 1,217,000	\$ 1,128,916	\$ (88,084)	1
Violations	533,000	533,000	800,086	267,086	1
Interest Income / Other	350,000	315,000	159,221	(155,779)	2
Parking Tax	137,000	137,000	140,388	3,388	
Transfer from General Fund	1,200,000	850,000	850,000	-	3
Total Revenues	\$ 3,437,000	\$ 3,052,000	\$ 3,078,610	\$ 26,610	
Expenses					
Personnel	\$ 376,500	\$ 380,683	\$ 326,908	\$ (53,775)	4
Operating	1,084,540	1,107,166	858,106	(249,059)	5
Capital	1,300	1,300	2,337	1,037	
Debt serv., transfer, other	2,207,200	2,207,200	2,206,049	(1,151)	6
Total Expenses	\$ 3,669,540	\$ 3,696,349	\$ 3,393,400	\$ (302,949)	
Net Income / (Loss)	\$ (232,540)	\$ (644,349)	\$ (314,789)	\$ 329,559	

1. End of year variance includes lower than estimated meter fee revenue, which is offset by higher than estimated violation revenue.

2. The budget includes \$130,000 PILOT payment and \$180,000 capital contribution from Montgomery County, as well as \$40,000 for interest income. Amended budget includes a \$35,000 reduction in interest income included in the February 2010 budget amendment. Variance is due to lower than budgeted Montgomery County contributions, which are based on the County's assessed value of the property in Town Square.

3. 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. Amended budget includes a reduction of \$350,000 in the total transfer from the General Fund included in the February 2010 budget amendment.

4. Represents twenty-six pay periods. Amended budget includes \$4,183 in funding for additional retiree benefits included in the February 2010 budget amendment.

5. Each year the City reappropriates funds to cover purchase orders that were outstanding at the close of the previous fiscal year. The amended budget includes a total of \$22,626 to reflect the purchase orders that carried over from FY09. End of year variance is due to significant contractual services and utility savings, as well as unspent contingency funding.

6. FY10 adopted budget includes administrative charges of \$87,600, debt service of \$1,413,100, and depreciation and amortization of \$706,500. Fourth quarter actual expenses include administrative charges of \$87,600, debt service of \$1,409,821, depreciation and amortization of \$689,566, and a \$19,062 write-off expense for parking tickets uncollected in FY10.

Stormwater Management Fund - June 30, 2010

	FY10 Adopt.	Amended	Actual	Variance	
	Budget	Budget	6/30/10	(Amended &	Note
				Actual)	
Revenues					
Stormwater permits	\$ 200,000	\$ 80,000	\$ 33,911	\$ (46,089)	1
SWM fees	1,620,000	1,620,000	1,581,145	(38,855)	
SWM waivers	200,000	120,000	84,359	(35,641)	1
Interest earnings / Other	65,000	7,000	19,943	12,943	2
Total Revenues	\$ 2,085,000	\$ 1,827,000	\$ 1,719,358	\$ (107,642)	
Expenses					
Personnel	\$ 1,614,630	\$ 1,645,609	\$ 1,651,228	\$ 5,619	3
Operating	594,000	745,948	445,303	(300,645)	4,5
Capital	2,450	8,602	15,180	6,579	4
Debt serv., transfer, other	358,600	358,600	355,666	(2,934)	6
Total Expenses	\$ 2,569,680	\$ 2,758,759	\$ 2,467,376	\$ (291,383)	
Net Income / (Loss)	\$ (484,680)	\$ (931,759)	\$ (748,018)	\$ 183,741	

1. Amended budget includes reduction to stormwater permit and waiver revenue included in the February 2010 budget amendment.
2. Amended budget includes reduction in interest income included in the February 2010 budget amendment. End of year variance includes additional insurance revenue.
3. Represents twenty-six pay periods. Amended budget includes \$30,979 in funding for additional retiree benefits included in the February 2010 budget amendment.
4. Each year the City reappropriates funds to cover purchase orders that were outstanding at the close of the previous fiscal year. The amended budget includes a total of \$158,100 to reflect the purchase orders that carried over from FY09.
5. End of year variance is due to contractual services and supplies savings, as well as to consultant funding that was encumbered but not spent in FY10. This encumbered consultant funding (totaling \$149,215 for stormwater management facility inspection assistance and for the Cabin John Watershed study) will roll to FY11.
6. FY10 adopted budget includes administrative charges of \$158,600 and depreciation and amortization of \$200,000. Fourth quarter actual expenses include administrative charges of \$158,600, depreciation and amortization charges of \$187,733, and a \$9,333 fine paid to Maryland Department of the Environment (MDE) for sediment exceedence.

Golf Fund - June 30, 2010

	FY10 Adopt.	Amended	Actual	Variance	
	Budget	Budget	6/30/10	(Amended &	Note
				Actual)	
Revenues					
Golf and Cart fees	\$ 1,219,173	\$ 1,019,173	\$ 961,410	\$ (57,763)	1
Total Revenues	\$ 1,219,173	\$ 1,019,173	\$ 961,410	\$ (57,763)	
Expenses					
Personnel	\$ 805,100	\$ 818,092	\$ 835,559	\$ 17,467	2
Operating	498,940	443,008	374,833	(68,175)	3
Capital	83,700	111,300	68,936	(42,364)	4
Debt serv., transfer, other	229,600	229,600	228,412	(1,188)	5
Total Expenses	\$ 1,617,340	\$ 1,602,000	\$ 1,507,740	\$ (94,260)	
Net Income / (Loss)	\$ (398,167)	\$ (582,827)	\$ (546,330)	\$ 36,497	

1. Amended budget includes decreases in golf fee and cart rental revenue included in the February 2010 budget amendment.
2. Represents twenty-six pay periods. Amended budget includes \$12,992 in funding for additional retiree benefits included in the February 2010 budget amendment.
3. Amended budget includes operating savings included in the February 2010 budget amendment.
4. Amended budget includes \$27,600 in funding for a POS system for RedGate, as directed by Mayor and Council during the Recreation and Parks FY11 Budget Worksession on April 19, 2010, included in the April 2010 budget amendment.
5. FY10 adopted budget includes administrative charges of \$97,900, debt service of \$11,600, and depreciation and amortization of \$120,100. Fourth quarter actual expenses include administrative charges of \$97,900, debt service of \$11,335, and depreciation and amortization of \$119,177.

Speed Camera Fund - June 30, 2010

	FY10 Adopt. Budget	Amended Budget	Actual 6/30/10	Variance (Amended & Actual)	Note
Revenues					
Speed Camera Citation	\$ 4,080,000	\$ 1,319,890	\$ 1,961,035	\$ 641,145	1
Interest earnings	50,000	2,500	2,040	(460)	2
Total Revenues	\$ 4,130,000	\$ 1,322,390	\$ 1,963,076	\$ 640,686	
Expenditures					
Personnel	\$ 428,800	\$ 433,483	\$ 443,025	\$ 9,542	3
Operating	1,718,515	725,341	645,351	(79,990)	4,5
Capital	-	-	2,337	2,337	
Total Expenditures	\$ 2,147,315	\$ 1,158,824	\$ 1,090,713	\$ (68,112)	
Addition to / (Use of) Fund Balance	\$ 1,982,685	\$ 163,566	\$ 872,363	\$ 708,797	

1. The State of Maryland passed a new speed camera law that took effect on October 1, 2009, which has resulted in a dramatic decrease in the number of monthly citations issued. Amended budget includes the resulting decrease in citation revenue included in the February 2010 budget amendment. End of year variance is due to the use of portable camera units (PCUs), which the City began using in April 2010. The Police Department expects PCU-generated violations to level off as drivers become accustomed to the new units.
2. Amended budget includes reduction in interest income included in the February 2010 budget amendment.
3. Represents twenty-six pay periods. Amended budget includes \$4,683 in funding for additional retiree benefits included in the February 2010 budget amendment.
4. Each year the City reappropriates funds to cover purchase orders that were outstanding at the close of the previous fiscal year. The amended budget includes a total of \$23,826 to reflect the purchase orders that carried over from FY09.
5. Amended budget includes a reduction of \$1,100,000 in payments to the speed camera vendor due to a reduced number of citations, included in the February 2010 budget amendment.

Summary of CIP Transfers - 4Q FY10

Date	Department Fund	Project	(Decrease) Increase
5/12/2010	Recreation & Parks Capital Projects Fund	Thomas Farm Comm. Ctr.	\$ (2,129)
		Fallsgrove Park	\$ (19,261)
		Veirs Mill Rd. Streetscape	\$ (16,854)
		HVAC Replace.-City Bldgs.	\$ 38,244
5/13/2010	Recreation & Parks Capital Projects Fund	College Gardens Park Impr.	\$ (10,000)
		City Hall Improvements	\$ 10,000