

---

# Third Quarter FY 2017 Financial Report

---



## City of Rockville, Maryland

*Prepared by the Department of Finance*

### Contents

General Fund Revenues	A-2
General Fund Expenditures	A-3
General Fund Summary	A-4
Water Fund Summary	A-5
Sewer Fund Summary	A-6
Refuse Fund Summary	A-7
Parking Fund Summary	A-8
SWM Fund Summary	A-9
RedGate Fund Summary	A-10
Speed Camera Fund Summary	A-11
Debt Ratios / CIP Transfers / City Manager Contingency	A-12



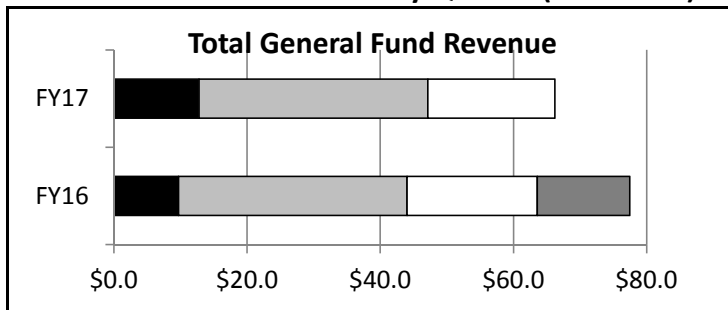
City of  
**Rockville**  
Get Into It

## General Fund Revenue as of March 31, 2017

### General Fund Revenue Budget to Actual

Revenue Category	Current Fiscal Year				Previous Year	
	FY17 Adopted	FY17 Amended	Actual 3/31/17	% Amend. Received	Actual 3/31/16	% EOY Act. Received
Property Taxes	\$ 39,551,000	\$ 39,551,000	\$ 39,441,728	99.7%	\$ 37,176,983	97.0%
From Other Gov't.	18,627,430	19,711,165	13,120,604	66.6%	13,202,741	71.3%
Fines & Forfeitures	1,522,500	1,522,500	921,048	60.5%	1,022,133	65.0%
Use of Money & Property	1,255,560	1,255,560	644,817	51.4%	647,892	68.3%
Charges for Services	6,648,050	6,648,050	4,968,608	74.7%	4,837,708	79.1%
Licenses & Permits	2,585,000	2,585,000	2,260,145	87.4%	1,971,473	78.4%
Other Revenue	6,730,460	6,708,565	4,882,854	72.8%	4,732,622	71.2%
<b>Total Revenue</b>	<b>\$ 76,920,000</b>	<b>\$ 77,981,840</b>	<b>\$ 66,239,803</b>	<b>84.9%</b>	<b>\$ 63,591,551</b>	<b>85.2%</b>

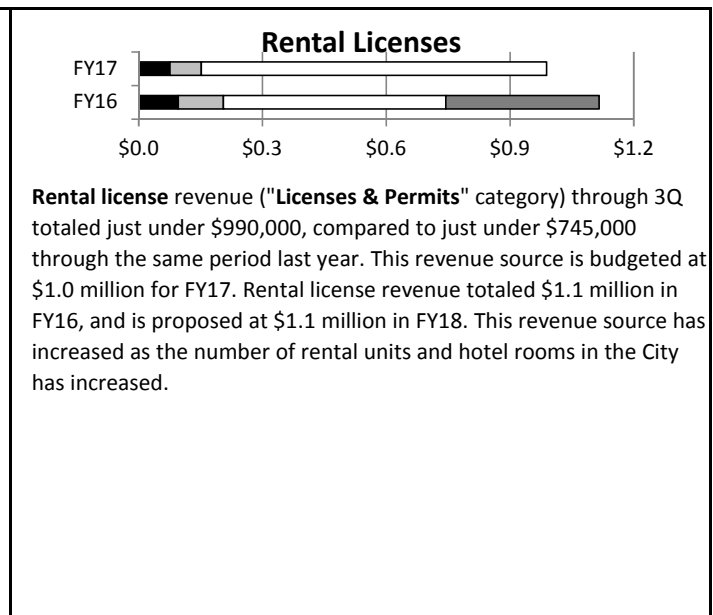
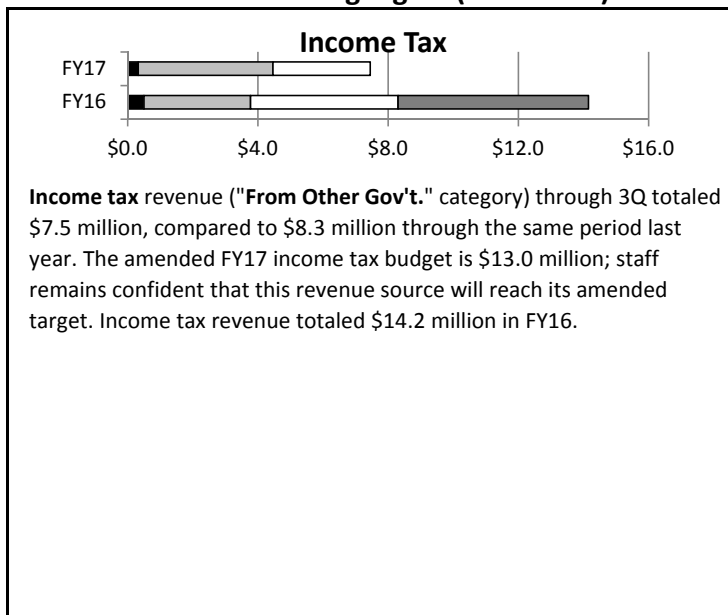
### Total General Fund Revenue by Quarter (in millions)



#### General Fund Revenue Trend

General Fund revenues through the 3Q totaled \$66.2 million, or just under 85% percent of the amended revenue budget. **Income tax** ("From Other Gov't" category) and **rental license** revenue ("Licenses & Permits" category) both show large variances from last year and are discussed below. **Fines & Forfeitures** category revenue is lower than FY16 due to the decrease in **redlight camera citation revenue**. **Charges for Services** revenue is higher than FY16 levels due mainly to **recreation program** revenue.

### General Fund Revenue Highlights (in millions)

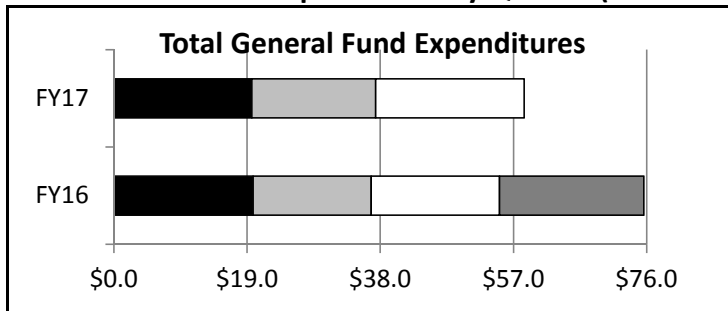


## General Fund Expenditures as of March 31, 2017

### General Fund Expenditures Budget to Actual

Expenditure Category	Current Fiscal Year				Previous Year	
	FY17 Adopted	FY17 Amended	Actual 3/31/17	% Amend. Spent	Actual 3/31/16	% EOY Act. Spent
Personnel						
Salary	\$ 33,181,000	\$ 33,342,520	\$ 24,083,441	72.2%	\$ 23,783,841	72.1%
Benefits	12,405,370	11,951,690	9,414,352	78.8%	9,059,993	76.2%
Overtime	839,100	893,100	644,959	72.2%	831,172	94.3%
Contractual Services	8,148,800	8,444,307	5,053,616	59.8%	5,646,455	65.0%
Commodities	5,581,310	5,581,894	3,139,697	56.2%	3,142,355	58.7%
Capital Outlays	2,504,970	3,192,956	1,190,378	37.3%	652,197	28.7%
Other / Transfer	3,059,450	3,085,450	2,229,544	72.3%	2,013,091	70.5%
Transfer to Debt Service	5,350,000	5,350,000	4,012,500	75.0%	4,149,750	75.0%
Transfer to CIP	6,100,000	11,643,612	8,732,709	75.0%	5,712,750	75.0%
<b>Total Expenditures</b>	<b>\$ 77,170,000</b>	<b>\$ 83,485,529</b>	<b>\$ 58,501,197</b>	<b>70.1%</b>	<b>\$ 54,991,603</b>	<b>70.4%</b>

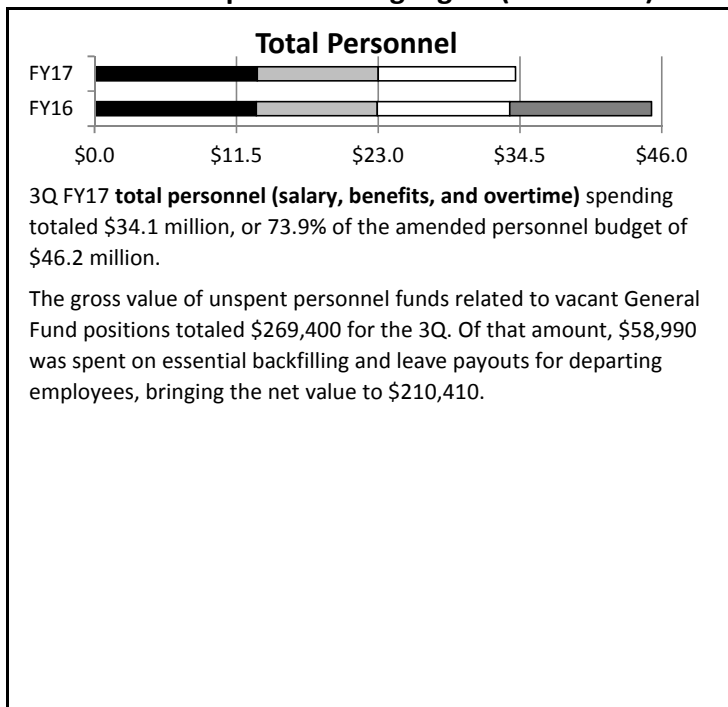
### Total General Fund Expenditures by Quarter (in millions)



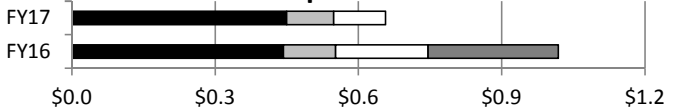
#### General Fund Expenditure Trend

Spending through the 3Q totaled just over 70 percent of the amended FY17 budget. The largest spending category, "Personnel," is discussed below, along with the City's **worker's compensation insurance** ("Benefits" category). Spending in the **contractual services** category appears lower than what is typical through 3Q mainly due to **redlight camera contract payments**, which are under budget due to the decline in redlight camera citations. The "Other/Transfer" category appears high due to the one-time Richard Montgomery ES number 5 gym contribution, which was made in the 3Q.

### General Fund Expenditure Highlights (in millions)



#### Worker's Compensation Insurance



The City's payments to its **worker's compensation insurance** provider ("Benefits" category) through the end of the 3Q totaled approximately \$656,500 in the General Fund (\$810,500 across all funds). Under the current contract, the City pays its annual premium as well as any required collateral payment in the 1Q, and then pays monthly loss invoices throughout the year. While the FY17 premium was slightly higher than last year, the monthly loss invoices have averaged less than last year, resulting in an estimated end of year savings of just under \$200,000 in the General Fund (approximately \$240,000 across all funds). This savings is a testament our Safety and Risk Management Division's work to improve the City's culture by enforcing safe work practices and strengthening our return to work program.

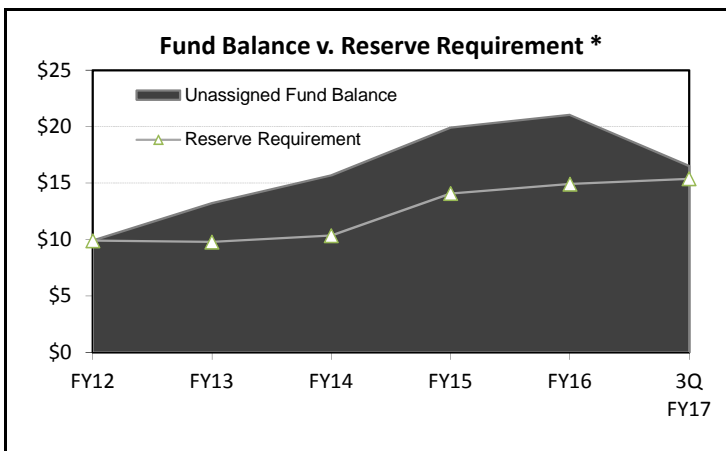
## General Fund Summary as of March 31, 2017

### General Fund Budget to Actual

	Current Fiscal Year				Previous Year	
	FY17 Adopted	FY17 Amended	Actual 3/31/17	% Amend. Rec/Spent	Actual 3/31/16	% EOY Act. Rec/Spent
Total Revenue	\$ 76,920,000	\$ 77,981,840	\$ 66,239,803	84.9%	\$ 63,591,551	85.2%
Total Expenditures	77,170,000	83,485,529	58,501,197	70.1%	54,991,603	70.4%
<b>Add to / (Use of) Reserves</b>	<b>\$ (250,000)</b>	<b>\$ (5,503,689)</b>	<b>\$ 7,738,606</b>		<b>\$ 8,599,948</b>	

### General Fund Unassigned Fund Balance

	Amount	% of FY17 Adp. Rev.	Explanation
Audited FY17 Beginning <b>Total</b> Fund Balance	\$ 23,816,352	31.0%	Fund balance = <b>Accumulated</b> total of revenues less expenditures
Less Nonspendable Portion	(1,793,249)		
Plus Amended General Fund Revenue	77,981,840		
Less Amended General Fund Expenditures	(83,485,529)		
<b>Estimated FY17 Ending Unassigned Fund Balance</b>	<b>16,519,414</b>	<b>21.5%</b>	Projected ending balance exceeds 20% target
Target Minimum FY17 Unassigned Fund Balance	15,384,000	20.0%	
<b>Estimated Variance from FY17 Target</b>	<b>\$ 1,135,414</b>		



\* The General Fund reserve requirement increased from 15% to 20% in late FY15, in conjunction with the decrease in the Debt Service Fund reserve requirement.

#### General Fund Unassigned Fund Balance Status

The estimated FY17 ending unassigned fund balance is \$16.5 million, which exceeds the FY17 target by \$1.1 million. The second budget amendment, which the Mayor and Council approved on March 27, 2017, appropriated \$2.6 million in unassigned fund balance for the purchase of 500 W. Montgomery Ave. During the FY 2018 budget worksessions, the Mayor and Council decided to backfill this \$2.6 million use of reserves with proceeds from a tax supported bond issue, which is planned for this summer. Adding that \$2.6 million back to the unassigned fund balance brings the estimated variance from the FY17 target to \$3.7 million.

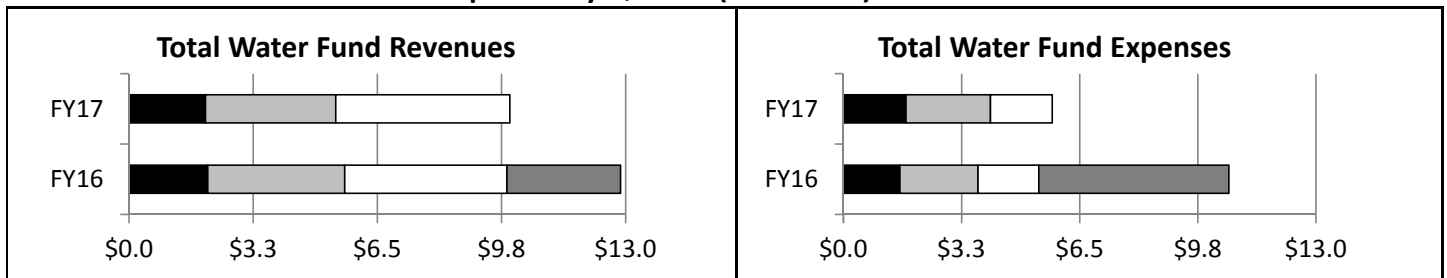
The City's Financial Management Policies state that, to the extent that the General Fund's unassigned fund balance exceeds its reserve target, the City may draw upon the fund balance to provide paygo financing for capital projects, for other one-time capital items, or for additional contributions to reduce the OPEB or Pension unfunded liabilities.

## Water Fund Summary as of March 31, 2017

### Water Fund Budget to Actual

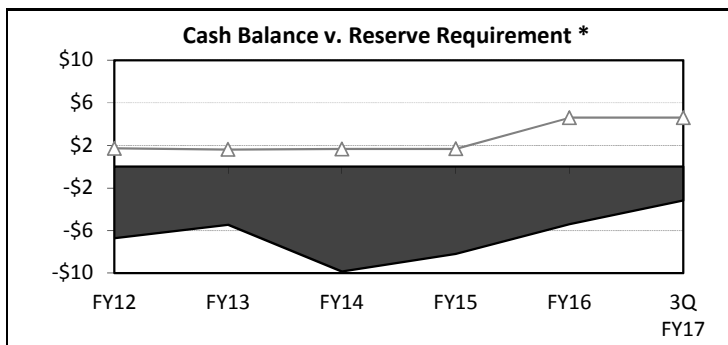
	Current Fiscal Year				Previous Year	
	FY17 Adopted	FY17 Amended	Actual 3/31/17	% Amend. Rec/Spent	Actual 3/31/16	% EOY Act. Rec/Spent
<b>Revenues</b>						
Utility charges	\$ 12,028,000	\$ 12,028,000	\$ 9,321,497	77.5%	\$ 9,263,394	76.5%
Connection Charges	102,500	102,500	113,500	110.7%	82,800	80.8%
Sales of materials	20,000	20,000	25,681	128.4%	31,484	157.4%
Interest income/Other	163,810	199,810	176,548	88.4%	10,904	12.3%
Penalties	80,000	80,000	79,113	98.9%	78,574	98.2%
Trans. from Sewer	330,640	330,640	247,980	75.0%	428,280	75.0%
<b>Total Revenue</b>	<b>\$ 12,724,950</b>	<b>\$ 12,760,950</b>	<b>\$ 9,964,320</b>	<b>78.1%</b>	<b>\$ 9,895,435</b>	<b>76.3%</b>
<b>Expenses</b>						
Personnel	\$ 3,383,850	\$ 3,383,850	\$ 2,560,654	75.7%	\$ 2,523,693	74.5%
Operating	2,136,890	2,415,373	1,531,896	63.4%	1,251,157	57.5%
Capital	81,600	81,600	73,336	89.9%	26,148	29.4%
Debt serv., transfer, other	5,625,560	5,775,560	1,577,686	27.3%	1,572,385	29.1%
<b>Total Expenses</b>	<b>\$ 11,227,900</b>	<b>\$ 11,656,383</b>	<b>\$ 5,743,572</b>	<b>49.3%</b>	<b>\$ 5,373,384</b>	<b>48.6%</b>
<b>Add to / (Use of) Reserves</b>	<b>\$ 1,497,050</b>	<b>\$ 1,104,567</b>	<b>\$ 4,220,748</b>		<b>\$ 4,522,052</b>	

### Total Water Fund Revenues and Expenses by Quarter (in millions)



### Water Fund Cash Balance

FY17 Reserve Requirement = 6 months / \$4,595,736	FY16 Actual	1Q Actual	2Q Actual	3Q Actual	4Q Actual
	\$ (5,402,281)	\$ (3,248,112)	\$ (3,177,547)	\$ (3,197,542)	-
<b>Is this fund compliant?</b>	No				



\* The Water Fund reserve requirement increased from 3 months to 6 months for FY16.

#### Water Fund Cash Balance Status

FY17 is the second year of implementation of the water rate structure adopted by the Mayor and Council in January 2015. This new structure was designed to enable the Water Fund to meet its reserve requirement by the end of FY21. The 2017 water and sewer model update confirmed that the FY21 goal is still achievable, mainly due to the deferral of a large portion of capital spending until after the FY21 goal is reached.

## Sewer Fund Summary as of March 31, 2017

### Sewer Fund Budget to Actual

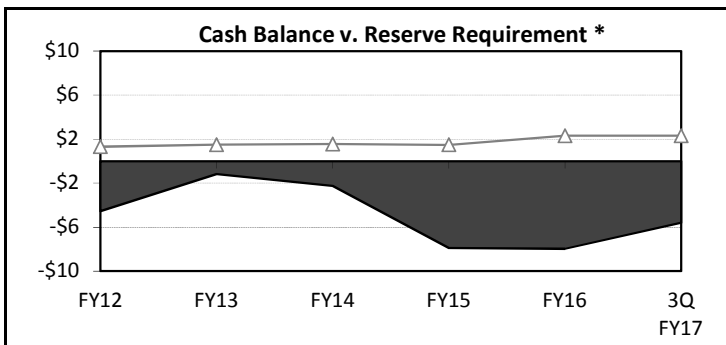
	Current Fiscal Year				Previous Year	
	FY17 Adopted	FY17 Amended	Actual 3/31/17	% Amend. Rec/Spent	Actual 3/31/16	% EOY Act. Rec/Spent
<b>Revenues</b>						
Utility charges	\$ 12,272,000	\$ 12,272,000	\$ 9,021,436	73.5%	\$ 7,961,543	74.3%
Connection charges	190,000	190,000	214,400	112.8%	143,200	97.1%
Interest income/Other	158,250	158,250	27,392	17.3%	3,000	2.4%
Penalties	70,000	70,000	82,651	118.1%	75,621	108.0%
<b>Total Revenue</b>	<b>\$ 12,690,250</b>	<b>\$ 12,690,250</b>	<b>\$ 9,345,879</b>	<b>73.6%</b>	<b>\$ 8,183,364</b>	<b>74.0%</b>
<b>Expenses</b>						
Personnel	\$ 1,820,340	\$ 1,820,340	\$ 1,380,622	75.8%	\$ 1,316,389	74.0%
Operating	3,819,260	3,859,260	2,200,089	57.0%	2,636,078	47.6%
Capital	245,000	245,000	229,509	93.7%	14,876	99.2%
Debt serv., transfer, other	6,962,390	6,962,390	1,503,957	21.6%	1,488,889	22.8%
<b>Total Expenses</b>	<b>\$ 12,846,990</b>	<b>\$ 12,886,990</b>	<b>\$ 5,314,178</b>	<b>41.2%</b>	<b>\$ 5,456,232</b>	<b>39.3%</b>
<b>Add to / (Use of) Reserves</b>	<b>\$ (156,740)</b>	<b>\$ (196,740)</b>	<b>\$ 4,031,702</b>		<b>\$ 2,727,132</b>	

### Total Sewer Fund Revenues and Expenses by Quarter (in millions)



### Sewer Fund Cash Balance

FY17 Reserve Requirement = 6 months / \$4,934,718	FY16 Actual	1Q Actual	2Q Actual	3Q Actual	4Q Actual
	\$ (7,969,719)	\$ (5,077,651)	\$ (5,815,839)	\$ (5,597,938)	-
<b>Is this fund compliant?</b>	No				



#### Sewer Fund Cash Balance Status

FY17 is the second year of implementation of the sewer rate structure adopted by the Mayor and Council in January 2015. This new structure was designed to enable the Sewer Fund to meet its reserve requirement by the end of FY21. The 2017 water and sewer model update indicated that the FY21 goal is not likely to be achieved, mainly due to the large increases in capital and operating costs for the Blue Plains Wastewater Treatment Facility. Staff will bring several options to the Mayor and Council later this calendar year; these options will be designed to ensure the Fund's compliance with the City's Financial Management Policies.

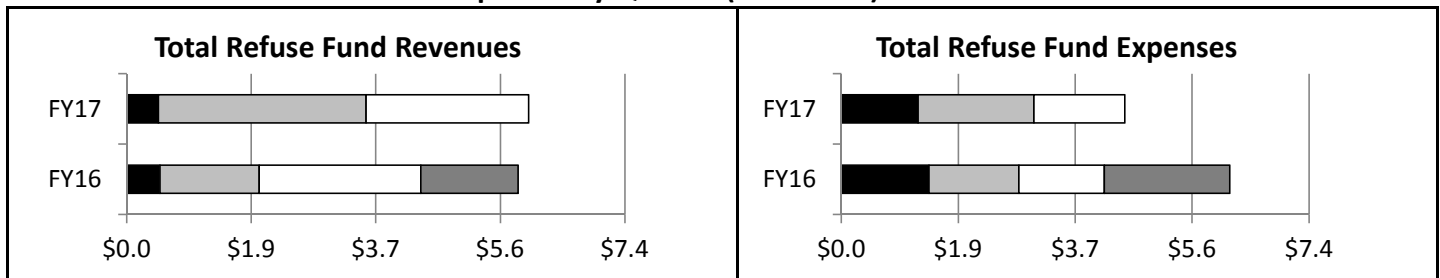
\* The Sewer Fund reserve requirement increased from 3 months to 6 months for FY16.

## Refuse Fund Summary as of March 31, 2017

### Refuse Fund Budget to Actual

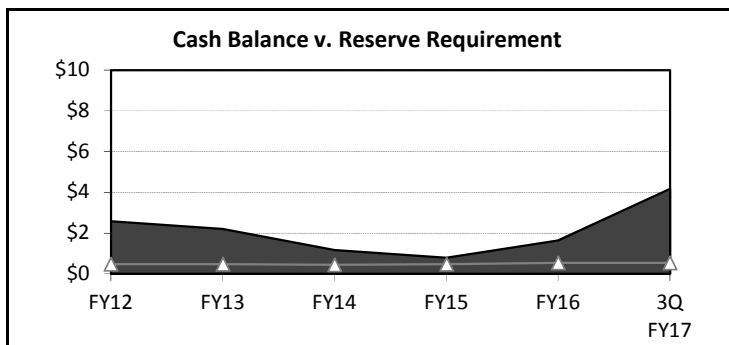
	Current Fiscal Year				Previous Year	
	FY17 Adopted	FY17 Amended	Actual 3/31/17	% Amend. Rec/Spent	Actual 3/31/16	% EOY Act. Rec/Spent
<b>Revenues</b>						
Utility charges	\$ 5,779,120	\$ 5,779,120	\$ 5,795,814	100.3%	\$ 4,147,054	75.5%
Interest income/Other	17,020	17,020	9,373	55.1%	825	6.0%
Sale of materials	140,000	140,000	123,968	88.5%	163,774	66.8%
Penalties	70,000	70,000	8,760	12.5%	57,237	81.8%
<b>Total Revenue</b>	<b>\$ 6,050,660</b>	<b>\$ 6,050,660</b>	<b>\$ 5,971,305</b>	<b>98.7%</b>	<b>\$ 4,368,890</b>	<b>75.1%</b>
<b>Expenses</b>						
Personnel	\$ 2,642,730	\$ 2,642,730	\$ 1,872,983	70.9%	\$ 1,762,526	68.2%
Operating	2,065,230	2,065,230	1,076,534	52.1%	993,428	50.0%
Capital	350,000	645,420	294,674	45.7%	-	0.0%
Debt serv., transfer, other	2,041,800	2,041,800	1,238,515	60.7%	1,406,290	62.8%
<b>Total Expenses</b>	<b>\$ 7,099,760</b>	<b>\$ 7,395,180</b>	<b>\$ 4,482,705</b>	<b>60.6%</b>	<b>\$ 4,162,244</b>	<b>56.5%</b>
<b>Add to / (Use of) Reserves</b>	<b>\$ (1,049,100)</b>	<b>\$ (1,344,520)</b>	<b>\$ 1,488,600</b>		<b>\$ 206,646</b>	

### Total Refuse Fund Revenues and Expenses by Quarter (in millions)



### Refuse Fund Cash Balance

FY17 Reserve Requirement = 1 month / \$520,400	FY16 Actual	1Q Actual	2Q Actual	3Q Actual	4Q Actual
	\$ 1,627,481	\$ 1,018,329	\$ 3,195,608	\$ 4,170,712	-
<b>Is this fund compliant?</b>	Yes				



#### Refuse Fund Cash Balance Status

The utility charges revenue reflects the refuse fee moving from quarterly City utility bills to annual property tax bills, in which payments are due twice per year. Revenue from penalties have decreased due to the high level of collection on the tax bill.

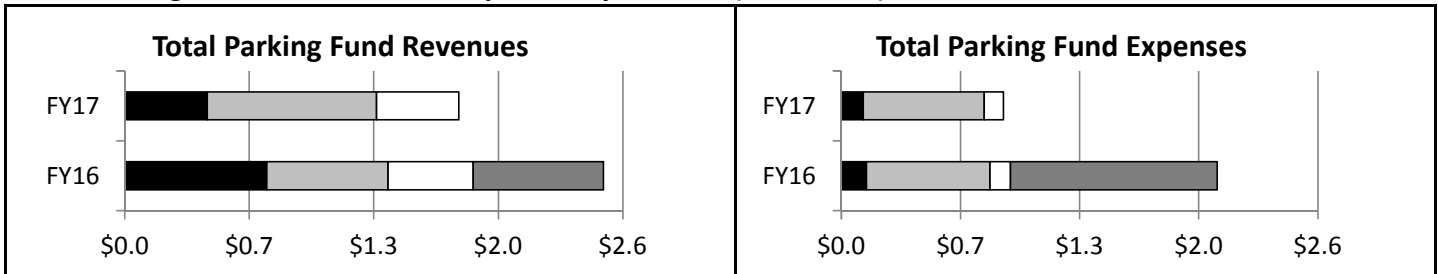
Public Works staff are continuing to work with Procurement to establish a long-term contract to cover transportation and processing of recyclable materials.

## Parking Fund Summary as of March 31, 2017

### Parking Fund Budget to Actual

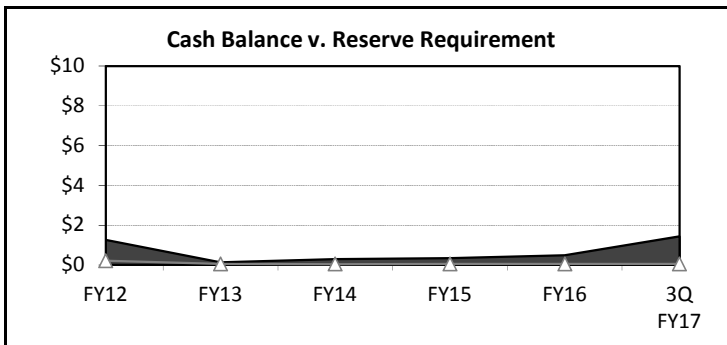
	Current Fiscal Year				Previous Year	
	FY17 Adopted	FY17 Amended	Actual 3/31/17	% Amend. Rec/Spent	Actual 3/31/16	% EOY Act. Rec/Spent
<b>Revenues</b>						
Real property tax	\$ 200,000	\$ 200,000	\$ 206,704	103.4%	\$ 196,481	106.5%
County contribution	302,600	302,600	306,322	101.2%	302,598	101.2%
Parking meters	376,000	376,000	281,822	75.0%	272,064	72.4%
Parking violations	750,000	750,000	352,576	47.0%	454,683	53.8%
Interest income/Other	164,650	164,650	59,452	36.1%	30,684	24.4%
Trans. from General Fund	715,000	715,000	536,250	75.0%	562,500	75.0%
<b>Total Revenue</b>	<b>\$ 2,508,250</b>	<b>\$ 2,508,250</b>	<b>\$ 1,743,126</b>	<b>69.5%</b>	<b>\$ 1,819,010</b>	<b>70.5%</b>
<b>Expenses</b>						
Personnel	\$ 272,410	\$ 272,410	\$ 191,511	70.3%	\$ 208,284	77.4%
Operating	130,220	130,220	43,657	33.5%	52,980	39.7%
Capital	35,000	35,000	-	0.0%	-	0.0%
Debt serv., transfer, other	1,666,610	1,666,610	649,406	39.0%	661,644	38.8%
<b>Total Expenses</b>	<b>\$ 2,104,240</b>	<b>\$ 2,104,240</b>	<b>\$ 884,574</b>	<b>42.0%</b>	<b>\$ 922,908</b>	<b>43.2%</b>
<b>Add to / (Use of) Reserves</b>	<b>\$ 404,010</b>	<b>\$ 404,010</b>	<b>\$ 858,552</b>		<b>\$ 896,102</b>	

### Total Parking Fund Revenues and Expenses by Quarter (in millions)



### Parking Fund Cash Balance

FY17 Reserve Requirement = 1 month / \$47,963	FY16 Actual	1Q Actual	2Q Actual	3Q Actual	4Q Actual
	\$ 477,600	\$ 803,198	\$ 1,029,881	\$ 1,433,279	-
<b>Is this fund compliant?</b>	Yes				



#### Parking Fund Cash Balance Status

The Parking Fund is currently in compliance with its reserve requirement, mainly due to the annual General Fund transfer. The largest cost in the Parking Fund is debt service, which is paid in the 2Q and 4Q.

Parking violation revenue has continued to decline since the City added the option to pay for parking using cell phones. This option makes paying for parking in Rockville more user friendly.



## Stormwater Management Fund Summary as of March 31, 2017

### Stormwater Management Fund Budget to Actual

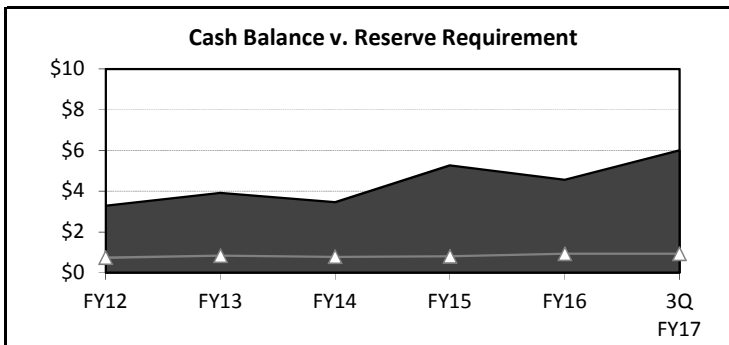
	Current Fiscal Year				Previous Year	
	FY17 Adopted	FY17 Amended	Actual 3/31/17	% Amend. Rec/Spent	Actual 3/31/16	% EOY Act. Rec/Spent
<b>Revenues</b>						
SWM utility fees	\$ 4,797,000	\$ 4,797,000	\$ 4,691,898	97.8%	\$ 4,529,787	98.9%
SWM permits	300,000	300,000	451,105	150.4%	277,876	92.6%
Regional SWM fees	300,000	300,000	259,700	86.6%	193,139	64.4%
Interest income/Other	34,730	34,730	45,146	130.0%	21,020	77.6%
<b>Total Revenue</b>	<b>\$ 5,431,730</b>	<b>\$ 5,431,730</b>	<b>\$ 5,447,850</b>	<b>100.3%</b>	<b>\$ 5,021,824</b>	<b>96.4%</b>
<b>Expenses</b>						
Personnel	\$ 2,163,460	\$ 2,163,460	\$ 1,581,333	73.1%	\$ 1,548,747	71.8%
Operating	750,830	836,226	363,763	43.5%	218,852	28.6%
Capital	21,000	158,427	137,427	86.7%	-	0.0%
Debt serv., transfer, other	1,722,440	1,722,440	646,867	37.6%	644,452	43.9%
<b>Total Expenses</b>	<b>\$ 4,657,730</b>	<b>\$ 4,880,553</b>	<b>\$ 2,729,391</b>	<b>55.9%</b>	<b>\$ 2,412,051</b>	<b>53.4%</b>
<b>Add to / (Use of) Reserves</b>	<b>\$ 774,000</b>	<b>\$ 551,177</b>	<b>\$ 2,718,459</b>		<b>\$ 2,609,772</b>	

### Total Stormwater Management Fund Revenues and Expenses by Quarter (in millions)



### Stormwater Management Fund Cash Balance

FY17 Reserve Requirement = 3 months / \$922,900	FY16 Actual	1Q Actual	2Q Actual	3Q Actual	4Q Actual
	\$ 4,549,613	\$ 3,920,902	\$ 5,529,175	\$ 5,998,135	-
<b>Is this fund compliant?</b>	Yes				



#### SWM Fund Cash Balance Status

The SWM Fund cash balance is currently in compliance with its reserve requirement. The large cash balance is appropriated for CIP projects that are currently underway.

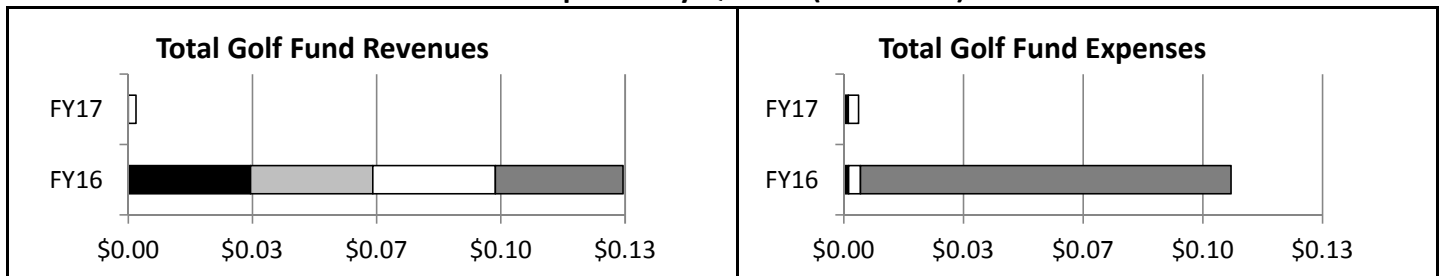
SWM permit revenue is high due to a large development project paying for permits in the 3Q. Operating costs are low due to stormwater management facility maintenance projects that are scheduled for this spring.

## RedGate Golf Fund Summary as of March 31, 2017

### RedGate Golf Fund Budget to Actual

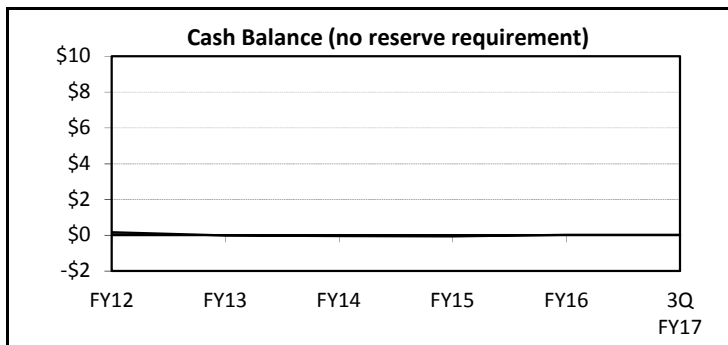
	Current Fiscal Year				Previous Year	
	FY17 Adopted	FY17 Amended	Actual 3/31/17	% Amend. Rec/Spent	Actual 3/31/16	% EOY Act. Rec/Spent
<b>Revenues</b>						
Performance/Misc.	\$ 1,340	\$ 1,340	\$ 66	4.9%	\$ -	0.0%
Course lease	6,050	6,050	2,000	33.1%	-	0.0%
Trans. From General Fund	-	-	-	0.0%	97,500	75.0%
<b>Total Revenue</b>	<b>\$ 7,390</b>	<b>\$ 7,390</b>	<b>\$ 2,066</b>	<b>28.0%</b>	<b>\$ 97,500</b>	<b>74.1%</b>
<b>Expenses</b>						
Debt serv., transfer, other	\$ 106,300	\$ 106,300	\$ 4,067	3.8%	\$ 4,547	4.1%
<b>Total Expenses</b>	<b>\$ 106,300</b>	<b>\$ 106,300</b>	<b>\$ 4,067</b>	<b>3.8%</b>	<b>\$ 4,547</b>	<b>4.1%</b>
<b>Add to / (Use of) Reserves</b>	<b>\$ (98,910)</b>	<b>\$ (98,910)</b>	<b>\$ (2,001)</b>		<b>\$ 92,953</b>	

### Total RedGate Golf Fund Revenues and Expenses by Quarter (in millions)



### RedGate Golf Fund Cash Balance

FY17 Reserve Requirement = None	FY16 Actual	1Q Actual	2Q Actual	3Q Actual	4Q Actual
	\$ 31,193	\$ 28,326	\$ 28,350	\$ 17,620	-
<b>Is this fund compliant?</b>	N/A				



#### RedGate Golf Fund Cash Balance Status

The Golf Fund does not have a reserve requirement since it no longer has any operating expenses--only depreciation and debt service payments. Depreciation, which is the Golf Fund's largest expense, occurs in 4Q.

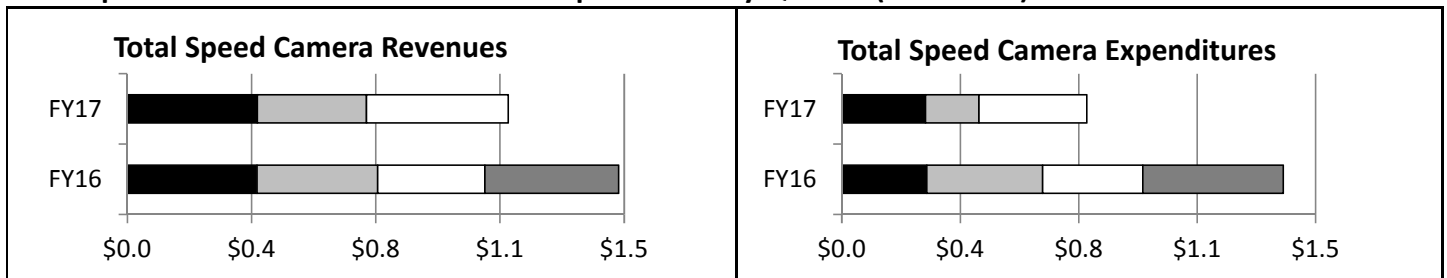
The City began receiving monthly lease revenue in January 2017. Two payments were received in the 3Q. Going forward the City can expect \$12,000 per year in lease revenue through December 2021.

## Speed Camera Fund Summary as of March 31, 2017

### Speed Camera Fund Budget to Actual

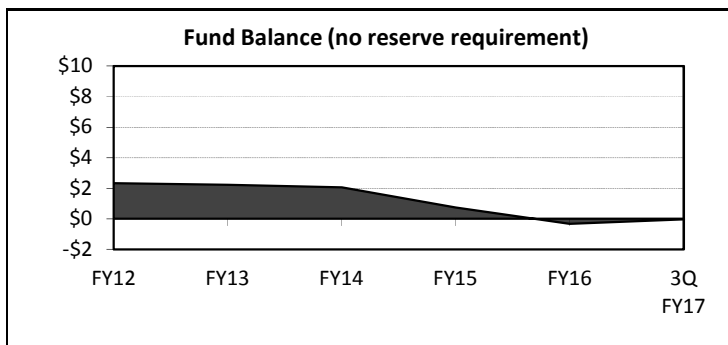
	Current Fiscal Year				Previous Year	
	FY17 Adopted	FY17 Amended	Actual 3/31/17	% Amend. Rec/Spent	Actual 3/31/16	% EOY Act. Rec/Spent
<b>Revenues</b>						
Speed camera citations	\$ 1,248,000	\$ 1,398,000	\$ 1,149,351	82.2%	\$ 1,079,607	78.1%
Interest income	2,500	2,500	-	0.0%	33	2.2%
<b>Total Revenue</b>	<b>\$ 1,250,500</b>	<b>\$ 1,400,500</b>	<b>\$ 1,149,351</b>	<b>82.1%</b>	<b>\$ 1,079,640</b>	<b>78.0%</b>
<b>Expenditures</b>						
Personnel	\$ 388,510	\$ 172,670	\$ 125,932	72.9%	\$ 305,730	68.6%
Operating	557,640	707,640	392,524	55.5%	392,948	63.8%
Debt serv., transfer, other	362,000	362,000	256,500	70.9%	253,958	68.9%
<b>Total Expenditures</b>	<b>\$ 1,337,150</b>	<b>\$ 1,271,310</b>	<b>\$ 774,956</b>	<b>61.0%</b>	<b>\$ 952,635</b>	<b>66.6%</b>
<b>Add to / (Use of) Reserves</b>	<b>\$ (86,650)</b>	<b>\$ 129,190</b>	<b>\$ 374,395</b>		<b>\$ 127,005</b>	

### Total Speed Camera Fund Revenues and Expenditures by Quarter (in millions)



### Speed Camera Fund Total Fund Balance

FY17 Reserve Requirement = None (legally restricted)	FY16 Actual	1Q Actual	2Q Actual	3Q Actual	4Q Actual
	\$ (337,102)	\$ (210,250)	\$ (97,226)	\$ (37,259)	-
<b>Is this fund compliant?</b>	N/A				



#### Speed Camera Fund Total Fund Balance Status

These funds are legally restricted for public safety uses; therefore, the fund has no minimum reserve requirement. The fund balance is negative due to a one-time write-off of over \$756,000 in uncollectable citations during the FY 2016 year-end reconciliation.

The amended budget includes a reallocation of 2.0 FTE police officers to the General Fund. This change was necessary due to a decrease in speed camera citation revenue over the past several years.

The weekly average number of speed camera citations issued has more than doubled since the portable camera units were set up on Maryland Avenue earlier this year. This increase is expected to level off once drivers modify their behavior in this area.

## Debt Ratios

### Debt Service Fund Debt Ratios\*

	Target	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Debt per assessed valuation	≤1.0%	0.5%	0.5%	0.4%	0.4%	0.3%
Debt per capita	≤\$1,268	\$912	\$877	\$823	\$744	\$672
Debt per capita (not incl. parking garages)	≤\$1,268	\$461	\$449	\$418	\$362	\$313
Debt per capita as percent of per capita income	≤2.5%	1.8%	1.7%	1.5%	1.4%	1.2%
Debt service as percent of operating budget	≤15.0%	9.2%	9.8%	9.5%	9.3%	8.8%
Amortization rate - 5 years	≥25%	34.2%	36.8%	39.2%	41.4%	43.1%
Amortization rate - 10 years	≥50%	62.7%	64.8%	66.2%	67.9%	70.1%

\*All ratios include debt issued for the Town Center Parking Garages unless otherwise noted.

## 3Q FY17 CIP Transfers

Project Name	Amount	Fund	Dept	Reason for Transfer
Bridge Rehabilitation (8L11)	\$ (90,000)	Capital Projects	DPW	Additional funding required based on revised engineer's estimate
Hurley Ave. Bridge Rehab. (TE16)	(160,000)			
Pedestrian and Bicycle Safety (4B71)	(200,000)			
Rockville Intermodal Access - Baltimore Rd. (8A11)	450,000			
Sidewalks (TF16)	\$ (200,000)	Special Activities		
Rockville Intermodal Access - Baltimore Rd. (8A11)	200,000			
Artificial Turf Field (RA16)	\$ (10,350)	Capital Projects	Rec & Parks	Additional funding required to award contract for structural reinforcement of roof beam
Asphalt/Concrete Repairs (RB16)	(3,100)			
Civic Center Improv. (0C61)	(54,273)			
F. Scott Fitzgerald Theatre Improv. (1D61)	67,723			

## City Manager Contingency Usage

<b>Adopted Budget Contingency Level</b>	<b>\$ 350,000</b>
Office furniture for new council office	(3,700)
New banners for Town Center*	(21,750)
Police computer equipment	(20,000)
Emergency shoring in the filter room of the Outdoor Fitness Pool	(75,000)
Repairs to fence at Dogwood Park	(6,250)
<b>Unused Balance**</b>	<b>\$ 223,300</b>

\* During the 2Q, this expense was estimated at \$51,120. The actual purchase was only \$21,750; the amount shown in the table above has been adjusted to reflect the actual cost.

\*\*In addition to the usage shown above, as of April 20, 2017 an additional \$115,000 has been utilized in 4Q for historic property sign replacement, crisis communication consulting, and additional funding for World of Montgomery Day and REDI, bringing the total remaining contingency to \$108,300.