

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: October 31, 2018

To: Honorable Wm. Patrick Madden
City Council Members

From: Andrew Piotrowski
Deputy City Comptroller

Re: Third Quarter 2018 Financial Report – General Fund

Part I – Revenues

General Fund Revenues								
Revenue	09/30/2018	09/30/2017	\$ Change	% Change	2018 Actual	2018 Budget	\$ Diff	% Achieved
Real Property Taxes	22,465,421	22,883,476	(418,054)	-1.83%	22,465,421	23,848,068	(1,382,647)	94.20%
Local Sources	10,919,742	10,211,959	707,783	6.93%	10,919,742	19,066,000	(8,146,258)	57.27%
General Government Support	212,887	156,965	55,923	35.63%	212,887	373,500	(160,613)	57.00%
Public Safety	728,006	469,818	258,188	54.95%	728,006	485,000	243,006	150.10%
Health	1,459,409	1,426,182	33,227	2.33%	1,459,409	2,065,000	(605,591)	70.67%
Transportation	489,060	451,564	37,496	8.30%	489,060	645,000	(155,940)	75.82%
Recreation	670,482	884,293	(213,810)	-24.18%	670,482	1,207,000	(536,518)	55.55%
Home & Community Services	2,056,004	598,887	1,457,117	243.30%	2,056,004	2,840,120	(784,116)	72.39%
Intergovernmental Charges	0	18,565	(18,565)	-100.00%	0	250,000	(250,000)	0.00%
Use Of Money & Property	23,954	10,710	13,243	123.65%	23,954	59,000	(35,046)	40.60%
Licenses & Permits	460,817	666,022	(205,205)	-30.81%	460,817	1,062,000	(601,183)	43.39%
Fines & Forfeitures	1,284,140	936,082	348,058	37.18%	1,284,140	1,355,000	(70,860)	94.77%
Sale Of Property & Compensation For Loss	70,878	92,136	(21,258)	-23.07%	70,878	50,478	20,400	140.41%
Miscellaneous	974,013	961,792	12,221	1.27%	974,013	1,317,000	(342,987)	73.96%
Interfund Revenues	814,906	814,906	0	0.00%	814,906	1,760,782	(945,876)	46.28%
State Aid	647,321	1,363,143	(715,822)	-52.51%	647,321	14,684,945	(14,037,624)	4.41%
Federal Aid	189,996	717,586	(527,591)	-73.52%	189,996	685,223	(495,227)	27.73%
Intrafund Revenues	0	0	0	-	0	2,222,000	(2,222,000)	0.00%
Total	43,467,035	42,664,084	802,950	1.88%	43,467,035	73,976,116	(30,509,082)	58.76%

Revenues in the General Fund totaled \$43,467,035 as of September 30, 2018, which amounts to 58.76% of the 2018 budgeted total. Total revenues decreased by 1.24%, or approximately \$545,747, in comparison to the nine month total of 2017.

Despite this report detailing the results of the first nine month revenue and expenditure totals of the 2018 fiscal year, there is still a significant seasonality component that impacts the General Fund revenues. For example the City's AIM funding from New York State will not be received and recognized until the fourth quarter, as the City does not receive the principal amount until December 15th of the fiscal year. This revenue alone represents 16.65% of the total 2018 adjusted budget for revenues. Furthermore the City's sales tax revenues are representative of the first two quarters of collections with the third and fourth quarters recorded in the final three months of the fiscal year.

Revenues from real property taxes totaled \$22,465,421 as of September 30th of the current fiscal year, amounting to 94.20% of the total 2018 revenue required from property taxes. Total revenues have decreased from 2017 entirely due to the collection rate decreasing from 2017. In the first nine months of 2017 the City had collected 96.80% of the total revenue required. The City Comptroller's Office has been and will continue to monitor 2018 property tax collections closely and will continue to mail delinquent letters to unpaid property tax property owners.

Local source revenues have increased by 6.93% from the nine month total of 2017, with the 2018 total equaling \$10,919,742. The primary source of revenue within this category is sales tax which has increased by approximately \$500,000. As noted above there is a significant seasonality impact for sales tax where only the first two quarters have been received and recognized as of September 30th; therefore, this is why only 57.27% of the total 2018 budgeted revenues have been recognized.

The increase from 2017 to 2018 in revenues pertaining to General Governmental Support relate to the timing of collection of Host Agreement payments made to the City. These agreements derive from PILOT agreements made with the City of Troy IDA.

Public safety revenues were \$728,006 as of September 30th, far exceeding the amount budgeted for in 2018. The cause for this, along with the significant increase from the nine month total of 2017, is due to the increase in vacant building fees along with increased collections in both current year billing and payment through relieved fees.

Recreation revenues totaled \$670,482 at the end of the 2018 third quarter, which is only 55.55% of the total 2018 adjusted budget. Revenues have also decreased by \$213,810 in comparison to the nine month total of 2017. The primary cause for the decrease and lack of revenues in 2018 is attributed to the closure of the Knickerbacker Ice Rink due to mechanical failures that have been discussed throughout the fiscal year.

Revenues from Home & Community Services are made up of collection of garbage fee payments received in the current fiscal year. As of September 30 the City had received \$1,907,382 in garbage fee payments, which is approximately \$900,000 less than the amount budgeted for. Similar to property tax collection the City Comptroller's Office has and will continue to monitor collections closely and will also continue to mail out delinquent letters.

The decrease of revenues in the Licenses & Permits category from 2017 to 2018 derives from a decrease in revenue from Building Permits with revenue in this category totaling \$460,817 as of September 30, 2018.

Federal and State Aid revenues are significantly under budget for the 2018 fiscal year because of the seasonality impact described above. Federal Aid represents grant reimbursements that are generally submitted in the fourth quarter of the fiscal year. State Aid primarily comes from revenue sharing from New York State that is received on December 15th of the fiscal year.

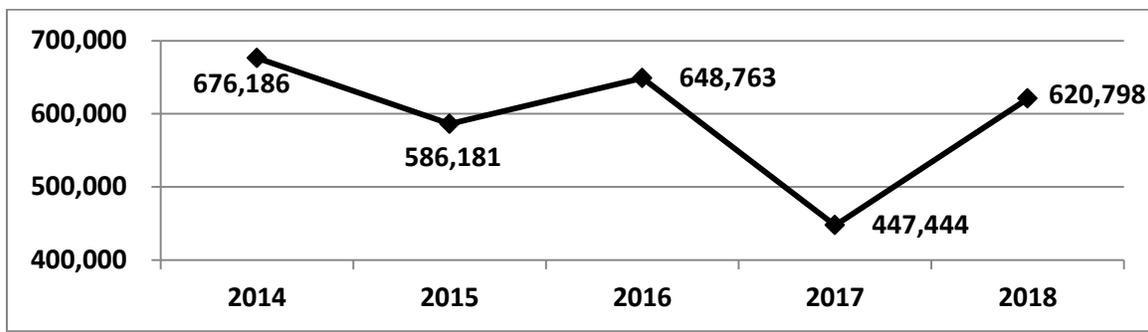
Part II – Expenditures

General Fund Expenditures								
Expenditure	09/30/2018	09/30/2017	\$ Change	% Change	2018 Actual	2018 Budget	\$ Rem	% Expended
Code 1 - Salaries								
Permanent Salaries	17,067,179	16,505,718	561,462	3.40%	17,067,179	23,756,471	6,689,292	71.84%
Temporary Salaries	354,342	311,934	42,408	13.60%	354,342	601,374	247,032	58.92%
Overtime	161,136	107,823	53,312	49.44%	161,136	236,170	75,034	68.23%
Overtime - Snow Plowing	151,726	133,124	18,602	13.97%	151,726	155,000	3,274	97.89%
Overtime - Police	620,798	447,444	173,354	38.74%	620,798	850,000	229,202	73.04%
Overtime - Fire	692,929	802,657	(109,728)	-13.67%	692,929	1,145,000	452,071	60.52%
Overtime - Public Safety Grants	28,652	311,243	(282,591)	-90.79%	28,652	139,306	110,654	20.57%
Misc. Other	701,700	633,967	67,733	10.68%	701,700	2,385,675	1,683,975	29.41%
Total Code 1	19,778,462	19,253,910	524,552	2.72%	19,778,462	29,268,996	9,490,534	67.57%
Code 2 - Equipment	133,161	4,649	128,512	2764.23%	133,161	217,189	84,028	61.31%
Code 3 - Materials & Supplies	1,563,827	1,367,926	195,901	14.32%	1,563,827	2,427,236	863,408	64.43%
Code 4 - Contractual Services								
Utilities	1,561,962	1,537,738	24,224	1.58%	1,561,962	2,135,288	573,326	73.15%
Postage	15,680	24,363	(8,684)	-35.64%	15,680	48,835	33,155	32.11%
Printing & Advertising	30,864	33,686	(2,822)	-8.38%	30,864	75,343	44,479	40.96%
Repairs & Rentals	1,459,522	1,401,873	57,648	4.11%	1,459,522	2,080,903	621,381	70.14%
Insurance	323,035	312,022	11,013	3.53%	323,035	332,465	9,430	97.16%
Dues	12,297	24,968	(12,672)	-50.75%	12,297	33,635	21,338	36.56%
Consultant Services	1,329,492	1,288,974	40,518	3.14%	1,329,492	2,331,201	1,001,709	57.03%
Training	52,449	87,093	(34,644)	-39.78%	52,449	144,380	91,931	36.33%
Travel	10,147	4,825	5,322	110.29%	10,147	21,310	11,163	47.62%
Judgments & Claims	5,981	75,119	(69,138)	-92.04%	5,981	150,000	144,019	3.99%
Contingencies	0	0	0	-	0	375,793	375,793	0.00%
Uniforms	61,035	70,221	(9,186)	-13.08%	61,035	228,606	167,572	26.70%
Medical Expenses	29,929	29,022	908	3.13%	29,929	48,000	18,071	62.35%
Misc. Other	2,547	8,084	(5,537)	-68.49%	2,547	17,500	14,953	14.55%
Total Code 4	4,894,938	4,897,988	(3,050)	-0.06%	4,894,938	8,023,259	3,128,321	61.01%
Code 6/7 - Debt Service	7,639,578	7,285,330	354,248	4.86%	7,639,578	7,670,772	31,194	99.59%
Code 8 - Benefits								
Pension	1,830,220	1,728,563	101,657	5.88%	1,830,220	7,398,940	5,568,720	24.74%
Healthcare	9,729,310	9,178,779	550,531	6.00%	9,729,310	14,114,500	4,385,190	68.93%
Dental	447,030	435,820	11,210	2.57%	447,030	631,822	184,792	70.75%
Social Security	1,443,078	1,415,434	27,644	1.95%	1,443,078	2,229,552	786,474	64.73%
Worker's Compensation	245,790	355,991	(110,201)	-30.96%	245,790	400,000	154,210	61.45%
Total Code 8	13,695,428	13,114,587	580,841	4.43%	13,695,428	24,774,814	11,079,386	55.28%
Code 9 - Interfund Transfers	630,852	2,221,942	(1,591,090)	-71.61%	630,852	1,739,419	1,108,567	36.27%
Grand Total	48,336,247	48,146,332	189,915	0.39%	48,336,247	74,121,686	25,785,439	65.21%

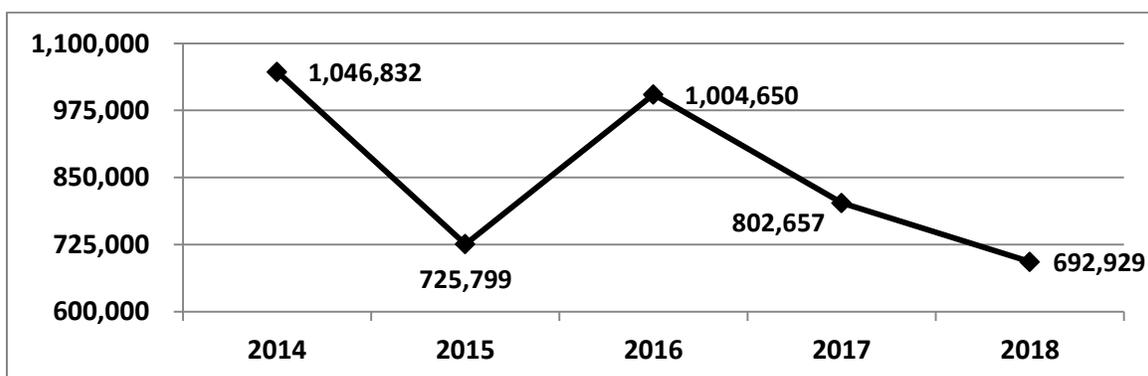
The nine month total for expenditures in the General Fund was \$48,186,247 which amounts to 65.01% of the total 2018 adjusted budget. The 2018 total is an increase of 0.08% from the nine month total of 2017, or approximately \$39,000.

Salaries for full-time employees were \$17,067,179 as of September 30, 2018 which totals 71.84% of the total 2018 adjusted budget. This is an increase of 3.40%, or \$561,462 from the nine month total of 2017. The cause for the increase from year to year is due to the number of union contracts that were settled and the increased salaries. In the last twelve months the City has settled outstanding contracts with the PBA, COATS, UPSEU and CSEA that resulted in increased salaries in the 2018 fiscal year.

Overtime – Police was \$620,798 as of September 30, 2018 which is 73.04% of the total amount budgeted for in the 2018 fiscal year. The actual 2018 nine month amount has increased by 38.74%, or \$173,000, in comparison to the nine month total of 2017 (which was \$447,444). The below line graph shows that the 2018 total is comparable to the overtime totals of 2014, 2015 and 2016. There are two main reasons for the significant increase from 2017 to 2018; with the first reason originating from the number of vacancies in the department in 2018. Every month in 2018 there has been multiple vacancies within the Police Department whereas in 2017 there were minimal vacancies with the first five months having no vacancies. The second cause for this increase is due to the settlement of the PBA and COATS contracts, which resulted in wages that were higher than the previous four years.



Fire overtime, as illustrated in the line graph below, totaled \$692,929 at the end of the third quarter in 2018. This total is 60.52% of the total 2018 adjusted budget amount. The total overtime costs have decreased from the nine month total of 2017 by \$109,728, which is a percentage decrease of 13.67%. The cause for the decrease is due to a decrease in the number of vacancies when comparing to 2018 to 2017 through the end of September.



Expenditures for equipment have increased from 2017 for purchases within the Police and Fire Departments that were approved to be spent in 2017 but had purchase orders carryover to 2018. This is a standard accounting procedure for the City and part of the accounting process.

Costs relating to the purchase of Materials & Supplies totaled \$1,563,827 at the end of the 2018 third quarter, amounting to 64.43% of the total amount budgeted for in the current fiscal year. This is an

increase of 14.32% from the nine month total of 2017. The cause for the increase can be traced to an increase in repair costs for the aging fleet of City vehicles, increased costs for the purchase of salt and increased gasoline costs for City vehicles due to rising industry pricing.

Consultant Services expenditures were \$1,329,492 as of September 30, 2018, which is 57.03% of the total 2018 adjusted budget within this category. This increase can be directly traced to the increase in the 911 contract that City has with the County. Costs have also decreased due to third party snow removal not being used in the first quarter of 2018 when it was used in 2017. Costs have increased, as discussed with the City Council, within the Corporation Counsel’s office for outside counsel to work on the complex legal cases the City is currently faced with.

The total for Debt Service expenditures is representative of the material portion of the payments made for the fiscal year at the end of the third quarter with only the fourth quarter installment purchase debt payments left to be made.

Health insurance costs were \$9,729,310 as of September 30th, which is 68.93% of the total amount budgeted for in 2018. Costs have increased by \$500,531, or 6.00%, from the third quarter total of the 2017 fiscal year. The increase is directly caused by the costs the City has incurred in relation to the self-insured Blue Shield health insurance plan offered to employees and former employees under the age of 65. As has been discussed throughout the year, costs in the first quarter were significantly higher than the prior year; however, costs have stabilized over the course of the year. This is taken with caution however within the City Comptroller’s Office because of the plan is self-insured up to the first \$150,000 of expenses for subscribers. This means that the City could still be subjected to high claims through the end of the current fiscal year. The cost increase would be higher if it were not for the change in Medicare Advantage Plans where the City changed the provider to Humana and is seeing a monthly savings of approximately \$40,000 from the previous provider.

There is a significant decrease in the Interfund Transfer category when comparing the last two fiscal years, with a 2018 total of \$630,852; as the decrease amounts to approximately \$1,591,000. This decrease is due to a change in accounting practice where in the current year costs are recorded as CHIPS expenses are incurred whereas in the prior years the entire allocation of CHIPS funding had been recorded and then an adjustment made at the end of the year for the actual costs.

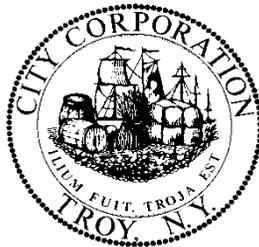
Part III – Conclusion

	2018	2017	Difference
Revenues	43,467,035	42,664,084	802,951
Expenditures	48,336,247	48,146,332	189,915
Difference	(4,869,212)	(5,482,248)	613,036

The nine month totals for the 2018 fiscal year in the General Fund show an improved financial position in comparison to the nine month 2017 totals. It should be noted that the significant “deficit” that is currently shown within the General Fund for the fiscal year is caused by seasonality implications within both revenues and expenditures. As the City moves towards December 31st and then the year-end reconciliation it will become clearer as to if and how much any potential surplus will be within the General Fund.

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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Date: October 31, 2018

To: Honorable Wm. Patrick Madden
City Council Members

From: Andrew Piotrowski
Deputy City Comptroller

Re: Third Quarter 2018 Financial Report – Sewer Fund

Part I – Revenues

Sewer Fund Revenues								
Revenue	09/30/2018	09/30/2017	\$ Change	% Change	2018 Actual	2018 Budget	\$ Diff	% Achieved
Sewer Rents	3,173,528	2,796,798	376,730	13.47%	3,173,528	4,650,000	(1,476,472)	68.25%
Sewer Charges	263,043	122,793	140,250	114.22%	263,043	286,852	(23,809)	91.70%
Use Of Money & Property	1,044	255	789	310.09%	1,044	500	544	208.75%
Miscellaneous	21,737	15,818	5,918	37.42%	21,737	26,600	(4,863)	81.72%
Total	3,459,351	2,935,664	523,688	17.84%	3,459,351	4,963,952	(1,504,601)	69.69%

Revenues in the Sewer Fund totaled \$3,459,351 at the end of the third quarter in 2018, which is 69.69% of the budgeted total. In comparison the 2017 revenues totaled \$2,935,664; therefore the revenues in 2018 have increased by 17.84%.

The primary source of revenue in the Sewer Fund comes from sewer rents charged to city residents, with revenue from this source totaling \$3,173,528 as of September 30th, or 68.25% of the total 2018 budgeted amount. This is an increase of \$376,730, or 13.47% from the nine month total of 2017. The cause for the increase is similar to the first and second quarters of 2018 where the city sewer rate was increased in the beginning of 2017; therefore, the entire 2018 fiscal year is based on the new rate of 100% of the city water rate whereas the 2017 revenues were split between the two rates.

Part II – Expenditures

Sewer Fund Expenditures								
Expenditure	09/30/2018	09/30/2017	\$ Change	% Change	2018 Actual	2018 Budget	\$ Rem	% Expended
Code 1 - Salaries								
Permanent Salaries	514,292	489,198	25,094	5.13%	514,292	813,258	298,966	63.24%
Temporary Salaries	17,520	13,560	3,960	29.20%	17,520	32,500	14,980	53.91%
Overtime	54,674	46,082	8,591	18.64%	54,674	90,000	35,326	60.75%
Misc. Other	4,900	1,538	3,363	218.70%	4,900	17,500	12,600	28.00%
Total Code 1	591,386	550,377	41,008	7.45%	591,386	953,258	361,873	62.04%
Code 2 - Equipment	0	21,390	(21,390)	-	0	33,888	33,888	0.00%
Code 3 - Materials & Supplies	90,862	117,835	(26,973)	-22.89%	90,862	264,457	173,595	34.36%
Code 4 - Contractual Services								
Utilities	5,303	6,782	(1,479)	-21.81%	5,303	15,860	10,557	33.43%
Repairs & Rentals	16,867	7,111	9,756	137.19%	16,867	77,058	60,190	21.89%
Insurance	15,341	15,083	257	1.71%	15,341	16,623	1,282	92.29%
Consultant Services	240,426	31,839	208,588	655.14%	240,426	314,820	74,394	76.37%
Training	0	0	0	-	0	10,000	10,000	0.00%
Judgments & Claims	0	1,230	(1,230)	-	0	50,296	50,296	0.00%
Uniforms	4,207	3,075	1,132	36.82%	4,207	8,500	4,293	49.50%
Due To Other Funds	359,499	359,499	0	0.00%	359,499	479,332	119,833	75.00%
Total Code 4	641,643	424,619	217,024	51.11%	641,643	972,489	330,846	65.98%
Code 6/7 - Debt Service	62,764	62,086	678	1.09%	0	74,763	74,763	0.00%
Code 8 - Benefits								
Pension	40,159	45,303	(5,144)	-11.35%	40,159	155,791	115,632	25.78%
Healthcare	196,509	225,048	(28,539)	-12.68%	196,509	286,981	90,472	68.47%
Dental	10,346	11,115	(768)	-6.91%	10,346	14,614	4,268	70.80%
Social Security	43,712	40,922	2,790	6.82%	43,712	72,924	29,212	59.94%
Worker's Compensation	31,383	29,716	1,667	5.61%	31,383	60,000	28,617	52.30%
Total Code 8	322,109	352,104	(29,995)	-8.52%	322,109	590,310	268,201	54.57%
Code 9 - Interfund Transfers	0	0	0	-	0	2,142,863	2,142,863	0.00%
Grand Total	1,708,764	1,528,410	180,353	11.80%	1,646,000	5,032,028	3,386,028	32.71%

Sewer Fund expenditures totaled \$1,708,764 at the end of the third quarter in the 2018 fiscal year, which is 32.71% of the total fund budget. Costs have increased by \$180,353 in comparison to the same time period of 2017, which is a percent increase of 11.80%.

There have been two areas that have increased significantly in the 2018 fiscal year when comparing the nine months totals to the three quarter result of 2017.

The first increase is Permanent Salaries in the Sewer Fund which is primarily caused by the wage increase included in the settlement of the outstanding CSEA union contract.

The second increase is within Consultant Services which totaled \$240,426 in 2018. This is from the costs to install two new pumping stations in the 2018 fiscal year.

The Interfund Transfer category is the largest expense in the Sewer Fund which is the transfer to the Capital Projects Fund for the Combined Sewer Overflow (CSO) Project. This amount will be recorded in the fourth quarter of the fiscal year.

Part III – Conclusion

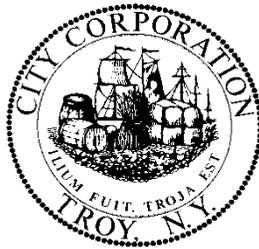
	2018	2017	Difference
Revenues	3,459,351	2,935,664	523,687
Expenditures	1,708,764	1,528,410	180,354
Difference	1,750,587	1,407,254	343,333

The Sewer Fund has a surplus of \$1,750,587 as of September 30th, an increase of approximately \$340,000 from 2017. The cause of this increase is attributable to the increase in sewer rents to city residents and the rate increase passed in 2017.

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 2018 year-end reconciliation.

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

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Date: October 31, 2018

To: Honorable Wm. Patrick Madden
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From: Andrew Piotrowski
Deputy City Comptroller

Re: Third Quarter 2018 Financial Report – Water Fund

Part I – Revenues

Water Fund Revenues								
Revenue	09/30/2018	09/30/2017	\$ Change	% Change	2018 Actual	2018 Budget	\$ Diff	% Achieved
City Water Sales	3,198,840	3,089,640	109,200	3.53%	3,198,840	4,650,000	(1,451,160)	68.79%
Outside Community Water Sales	3,845,120	4,106,358	(261,237)	-6.36%	3,845,120	7,587,000	(3,741,880)	50.68%
Unmetered Sales	179,164	165,532	13,632	8.24%	179,164	275,000	(95,836)	65.15%
Use Of Money & Property	206,206	189,373	16,833	8.89%	206,206	210,000	(3,794)	98.19%
Permits	10,790	11,390	(600)	-5.27%	10,790	12,000	(1,210)	89.92%
Sale Of Property	13,200	45,089	(31,889)	-70.72%	13,200	51,000	(37,800)	25.88%
Miscellaneous	87,950	72,077	15,873	22.02%	87,950	91,000	(3,050)	96.65%
Interfund Revenues	245,250	245,250	0	0.00%	245,250	327,000	(81,750)	75.00%
Appropriated Fund Balance	1,635,000	202,000	1,433,000	709.41%	1,635,000	1,635,000	0	100.00%
Total	9,421,521	8,126,710	1,294,811	15.93%	9,421,521	14,838,000	(5,416,479)	63.50%

Revenues in the Water Fund totaled \$9,421,521 at the end of the third quarter of 2018, representative of 63.50% of the 2018 budgeted total. In comparison to the 2017 third quarter results of \$8,126,710, the 2018 results have increased by 15.93%.

Water Fund revenues to city residents totaled \$3,198,840 at the end of the third quarter in 2018, which is 68.79% of the budgeted total. The actual results have shown an increase from the nine month total of 2017 with a percent increase of 3.53%, or approximately \$109,000. The increase is due to an increase in the amount of water consumed within the current fiscal year.

Revenue from outside communities decreased by 6.36% from 2017, with a nine month total in 2018 of \$3,845,120, or 50.68% of the total amount budgeted. Only fifty percent of the budgeted total has been

recognized in part because of the billing periods and the number of outside communities that are only billed twice per year.

The decrease from year to year in revenues from outside communities has been caused by a decrease in the amount of gallons consumed by three different communities. The Comptroller's Office monitors these billings closely.

The revenues budgeted from Appropriated Fund Balance are primarily for the 2018 Water Fund Capital Plan and is offset by corresponding expenditures within the fund.

Part II - Expenditures

Water Fund Expenditures								
Expenditure	09/30/2018	09/30/2017	\$ Change	% Change	2018 Actual	2018 Budget	\$ Rem	% Expended
Code 1 - Salaries								
Permanent Salaries	1,969,958	1,920,011	49,947	2.60%	1,969,958	3,019,034	1,049,076	65.25%
Temporary Salaries	0	20,760	(20,760)	-100.00%	0	62,500	62,500	0.00%
Overtime	139,009	103,456	35,553	34.37%	139,009	205,500	66,491	67.64%
Misc Other	10,463	14,868	(4,404)	-29.62%	10,463	77,832	67,369	13.44%
Total Code 1	2,119,430	2,059,095	60,335	2.93%	2,119,430	3,364,866	1,245,436	62.99%
Code 2 - Equipment	2,810	23,630	(20,821)	-88.11%	2,810	46,310	43,500	6.07%
Code 3 - Materials & Supplies	1,403,208	1,294,971	108,236	8.36%	1,403,208	2,085,779	682,571	67.27%
Code 4 - Contractual Services								
Utilities	256,340	209,841	46,499	22.16%	256,340	408,265	151,925	62.79%
Postage	21,619	20,413	1,205	5.90%	21,619	31,500	9,881	68.63%
Printing & Advertising	5,232	3,893	1,339	34.39%	5,232	7,000	1,768	74.75%
Repairs & Rentals	27,484	52,252	(24,768)	-47.40%	27,484	74,000	46,516	37.14%
Insurance	61,363	60,333	1,030	1.71%	61,363	67,491	6,128	90.92%
Dues	0	363	(363)	-100.00%	0	6,000	6,000	0.00%
Consultant Services	179,786	78,132	101,654	130.11%	179,786	251,042	71,256	71.62%
Training	5,061	3,976	1,085	27.28%	5,061	14,600	9,539	34.66%
Travel	355	974	(619)	-	355	2,250	1,895	15.78%
Uniforms	21,197	21,813	(616)	-2.82%	21,197	37,500	16,303	56.53%
Misc Other	1,821,801	1,823,426	(1,625)	-0.09%	1,821,801	4,517,575	2,695,774	40.33%
Total Code 4	2,400,238	2,275,416	124,823	5.49%	2,400,238	5,417,223	3,016,985	44.31%
Code 6/7 - Debt Service	299,328	301,329	(2,001)	-0.66%	299,328	563,745	264,417	53.10%
Code 8 - Benefits								
Pension	143,969	161,004	(17,034)	-10.58%	143,969	558,503	414,534	25.78%
Healthcare	671,969	689,042	(17,073)	-2.48%	671,969	981,342	309,373	68.47%
Dental	33,835	35,093	(1,259)	-3.59%	33,835	47,791	13,956	70.80%
Social Security	155,760	152,402	3,358	2.20%	155,760	257,298	101,538	60.54%
Workers' Compensation	19,953	43,803	(23,850)	-54.45%	19,953	28,000	8,047	71.26%
Total Code 8	1,025,487	1,081,344	(55,857)	-5.17%	1,025,487	1,872,934	847,447	54.75%
Code 9 - Interfund Transfers	1,495,000	202,000	1,293,000	640.10%	1,495,000	1,495,000	0	100.00%
Grand Total	8,745,500	7,237,785	1,507,715	20.83%	8,745,500	14,845,857	6,100,357	58.91%

Expenditures in the Water Fund totaled \$8,745,500 as of September 30, 2018, representative of 58.91% of the total amount budgeted in 2018. This 2018 total is an increase of 20.83%, or approximately \$1,507,715 from the nine month total of 2017.

The primary cause for the increase in operating expenditures from 2017 to 2018 is within the Consultant Services line which increased approximately \$101,000. The increase and reason why is that \$147,545 has been expended due to the repairs needed for the water main break under the Poestenkill.

The increase in overtime is caused by the number of water main breaks that have occurred within the first nine months of the 2018 fiscal year and the time needed to make the necessary repairs.

The increase in Material & Supplies of 8.36% is attributable to the purchase of supplies within the Transmission department for the repair of broken water mains.

The significant increase in Interfund Transfers is for the 2018 Water Capital Plan funding.

In reviewing the other expenditures within the Water Fund all activity has marginal increases or remained the same as the first six months of 2017.

Part III – Conclusion

	2018	2017	Difference
Revenues	9,421,521	8,126,710	1,294,811
Expenditures	8,745,500	7,237,785	1,507,715
Difference	676,021	888,925	(212,904)

As of September 30, 2018 the Water Fund has a surplus of \$676,021 whereas in 2017 the nine month surplus was \$888,925. The decrease in current surplus is primarily caused by the decrease in revenues from outside communities. While there is a decrease in current surplus the City Comptroller's Office is still optimistic that the Water Fund will end the year with a healthy surplus based on historical trends of activity within the final three months of the fiscal year; especially given the number of billings to residents and outside communities that will occur.

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