

**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, 2019

**To:** Honorable Wm. Patrick Madden  
City Council Members

**From:** Andrew Piotrowski  
Deputy City Comptroller

**Re:** Third Quarter 2019 Financial Report – General Fund

**Part I – Revenues**

General Fund Revenues								
Revenue	09/30/2019	09/30/2018	\$ Change	% Change	2019 Actual	2019 Budget	\$ Diff	% Achieved
Real Property Taxes	23,339,455	22,465,421	874,033	3.89%	23,339,455	24,663,173	(1,323,718)	94.63%
Local Sources	11,352,616	10,933,538	419,078	3.83%	11,352,616	19,465,000	(8,112,384)	58.32%
General Government Support	252,241	314,033	(61,791)	-19.68%	252,241	386,000	(133,759)	65.35%
Public Safety	493,353	728,006	(234,653)	-32.23%	493,353	899,000	(405,647)	54.88%
Health	1,171,659	1,459,409	(287,750)	-19.72%	1,171,659	2,190,000	(1,018,341)	53.50%
Transportation	630,442	489,060	141,382	28.91%	630,442	655,000	(24,558)	96.25%
Recreation	785,907	670,522	115,385	17.21%	785,907	926,000	(140,093)	84.87%
Home & Community Services	0	2,056,004	(2,056,004)	-100.00%	0	0	0	-
Intergovernmental Charges	135,000	0	135,000	100.00%	135,000	340,000	(205,000)	39.71%
Use Of Money & Property	50,949	23,954	26,995	112.70%	50,949	71,500	(20,551)	71.26%
Licenses & Permits	682,934	460,817	222,117	48.20%	682,934	837,550	(154,616)	81.54%
Fines & Forfeitures	1,262,014	1,284,240	(22,226)	-1.73%	1,262,014	1,650,000	(387,986)	76.49%
Sale Of Property & Compensation For Loss	69,821	70,878	(1,056)	-1.49%	69,821	293,000	(223,179)	23.83%
Miscellaneous	962,562	983,729	(21,167)	-2.15%	962,562	1,416,655	(454,093)	67.95%
Interfund Revenues	1,219,002	907,673	311,329	34.30%	1,219,002	2,285,405	(1,066,403)	53.34%
State Aid	1,431,769	1,523,163	(91,394)	-6.00%	1,431,769	14,111,724	(12,679,955)	10.15%
Federal Aid	111,211	323,684	(212,473)	-65.64%	111,211	417,497	(306,286)	26.64%
Intrafund Revenues	1,098,115	0	1,098,115	100.00%	1,098,115	3,469,098	(2,370,982)	31.65%
Appropriated Fund Balance	0	0	0	100.00%	0	110,000	(110,000)	0.00%
<b>Total</b>	<b>45,049,051</b>	<b>44,694,130</b>	<b>354,921</b>	<b>0.79%</b>	<b>45,049,051</b>	<b>74,186,602</b>	<b>(29,137,551)</b>	<b>60.72%</b>

Revenues in the General Fund totaled \$45,049,051 as of September 30, 2019, which amounts to 60.72% of the 2019 budgeted total. Total revenues increased by 0.79%, or approximately \$354,921, in comparison to the nine month total of 2018.

### *Real Property Taxes*

Real property tax collections were \$23,339,455 at the end of the third quarter in 2019, equaling 94.63% of the total revenue budgeted for. This is an increase of 3.89% from 2018, caused entirely on the collection rate. The City has seen an increase of 1.51% when comparing actual collections in relation to the tax levy from 2018 to 2019. The City has been sending out delinquent letters to unpaid property owners in the third quarter and will be doing one final mailing in the beginning of November.

### *Local Sources*

Revenues from Local Sources totaled \$11,352,616 which is 58.32% of the total amount budgeted for in 2019. The primary source of revenue within this classification is Sales Tax which increased by 5.26% in comparison to 2018. While this continues the trend of increased sales tax revenues within the County it does not necessarily mean that total sales tax revenues in the City will increase in 2019. It will be dictated upon the total collections at the County due to the structure of the City's contract and the decreased percentage received from 2018 to 2019. Revenue from PILOT agreements have also increased from 2018 to 2019 by 11.19%, with a 2019 total of \$791,232.

### *Public Safety*

Public Safety revenues decreased by 32.23% from the nine month total of 2018, with revenues in 2019 totaling \$493,353, with the decrease being directly caused by a decrease in Vacant Building Fees as previously discussed in the second quarter report.

### *Health*

Health revenues, totaling \$1,171,659 as of September 30, 2019, decreased by 19.72% from 2018 and amounted to 53.50% of the total 2019 budget because of ambulance billing revenues. This is caused by a decrease in revenues from ambulance billings.

### *Transportation*

Transportations revenues totaled \$630,442 as of September 30, 2019 amounting to 96.25% of the total 2019 budget. Revenues have increased by 28.91% from the nine month total of 2018 caused by increases in revenues from parking garage permits, parking lot permits and parking meters.

### *Recreation*

Total revenues from Recreation were \$785,907 at the end of the third quarter in 2019, which is 84.87% of the total budget in 2019. When comparing the 2019 total to that of 2018, the current year has increased by 17.21%, or approximately \$115,000.

### *Licenses & Permits*

Revenues derived from Licenses & Permits were \$682,934 as of September 30, 2019 which is 81.54% of the total amount budgeted for within this category in 2019. The increase of 48.20% from 2018 is directly attributable to a significant increase in Building Permits.

*Interfund Revenues*

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

*Intrafund Revenues*

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

*Appropriated Fund Balance*

The revenues in this category is the approved use of reserve funds from the Worker's Compensation Reserve as approved by the City Council in the second quarter of this fiscal year.

## Part II – Expenditures

General Fund Expenditures								
Expenditure	09/30/2019	09/30/2018	\$ Change	% Change	2019 Actual	2019 Budget	\$ Rem	% Expended
<b>Code 1 - Salaries</b>								
Permanent Salaries	16,475,675	17,049,678	(574,003)	-3.37%	16,475,675	23,361,938	6,886,263	70.52%
Temporary Salaries	419,285	354,342	64,943	18.33%	419,285	675,577	256,292	62.06%
Overtime	127,096	161,326	(34,231)	-21.22%	127,096	150,001	22,905	84.73%
Overtime - Snow Plowing	218,753	151,535	67,218	44.36%	218,753	222,800	4,047	98.18%
Overtime - Police	755,371	620,798	134,573	21.68%	755,371	1,060,000	304,629	71.26%
Overtime - Fire	645,293	692,929	(47,637)	-6.87%	645,293	1,140,000	494,707	56.60%
Overtime - Public Safety Grants	71,475	28,652	42,823	149.46%	71,475	208,507	137,032	34.28%
Misc. Other	573,085	701,700	(128,614)	-18.33%	573,085	2,361,235	1,788,150	24.27%
<b>Total Code 1</b>	<b>19,286,032</b>	<b>19,760,961</b>	<b>(474,928)</b>	<b>-2.40%</b>	<b>19,286,032</b>	<b>29,180,058</b>	<b>9,894,025</b>	<b>66.09%</b>
<b>Code 2 - Equipment</b>	<b>130,054</b>	<b>154,973</b>	<b>(24,920)</b>	<b>-16.08%</b>	<b>130,054</b>	<b>327,863</b>	<b>197,810</b>	<b>39.67%</b>
<b>Code 3 - Materials &amp; Supplies</b>	<b>1,646,110</b>	<b>1,564,183</b>	<b>81,926</b>	<b>5.24%</b>	<b>1,646,110</b>	<b>2,498,456</b>	<b>852,346</b>	<b>65.89%</b>
<b>Code 4 - Contractual Services</b>								
Utilities	1,315,340	1,561,962	(246,622)	-15.79%	1,315,340	1,927,900	612,560	68.23%
Postage	26,359	21,248	5,111	24.06%	26,359	53,225	26,866	49.52%
Printing & Advertising	41,147	30,994	10,152	32.76%	41,147	71,632	30,486	57.44%
Repairs & Rentals	864,233	1,517,216	(652,983)	-43.04%	864,233	985,130	120,897	87.73%
Insurance	329,101	325,266	3,834	1.18%	329,101	331,724	2,623	99.21%
Dues	20,876	23,191	(2,315)	-9.98%	20,876	36,300	15,424	57.51%
Consultant Services	1,589,418	1,194,359	395,059	33.08%	1,589,418	2,941,316	1,351,897	54.04%
Training	51,739	52,449	(710)	-1.35%	51,739	191,805	140,066	26.97%
Travel	14,544	10,147	4,397	43.33%	14,544	24,259	9,715	59.95%
Judgments & Claims	120,500	5,981	114,519	1914.81%	120,500	300,000	179,500	40.17%
Contingencies	0	0	0	-	0	399,383	399,383	0.00%
Uniforms	266,269	61,035	205,234	336.26%	266,269	360,023	93,754	73.96%
Medical Expenses	30,586	29,929	657	2.19%	30,586	54,680	24,094	55.94%
Misc. Other	11,786	2,547	9,239	362.78%	11,786	13,750	1,964	85.72%
<b>Total Code 4</b>	<b>4,681,896</b>	<b>4,836,323</b>	<b>(154,427)</b>	<b>-3.19%</b>	<b>4,681,896</b>	<b>7,691,126</b>	<b>3,009,230</b>	<b>60.87%</b>
<b>Code 6/7 - Debt Service</b>	<b>9,244,819</b>	<b>7,670,571</b>	<b>1,574,248</b>	<b>20.52%</b>	<b>9,244,819</b>	<b>9,239,572</b>	<b>(5,247)</b>	<b>100.06%</b>
<b>Code 8 - Benefits</b>								
Pension	1,724,714	1,830,220	(105,506)	-5.76%	1,724,714	7,057,710	5,332,996	24.44%
Healthcare	9,088,820	9,729,310	(640,491)	-6.58%	9,088,820	13,476,354	4,387,535	67.44%
Dental	448,677	447,030	1,647	0.37%	448,677	602,898	154,221	74.42%
Social Security	1,419,225	1,441,739	(22,514)	-1.56%	1,419,225	2,227,577	808,352	63.71%
Worker's Compensation	282,006	336,216	(54,210)	-16.12%	282,006	510,000	227,994	55.30%
<b>Total Code 8</b>	<b>12,963,442</b>	<b>13,784,515</b>	<b>(821,073)</b>	<b>-5.96%</b>	<b>12,963,442</b>	<b>23,874,539</b>	<b>10,911,097</b>	<b>54.30%</b>
<b>Code 9 - Interfund Transfers</b>	<b>491,691</b>	<b>790,852</b>	<b>(299,161)</b>	<b>-37.83%</b>	<b>491,691</b>	<b>1,034,775</b>	<b>543,084</b>	<b>47.52%</b>
<b>Grand Total</b>	<b>48,444,044</b>	<b>48,562,379</b>	<b>(118,335)</b>	<b>-0.24%</b>	<b>48,444,044</b>	<b>73,846,389</b>	<b>25,402,346</b>	<b>65.60%</b>

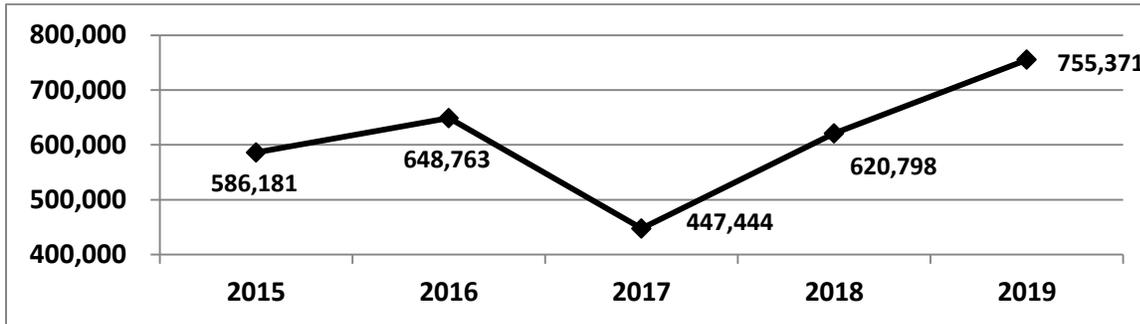
As of June 30, 2019 the total expenditures in the General Fund were \$48,444,044, which is 65.60% of the total adjusted budget. This total is a decrease of \$118,335, or 0.24%, from the nine month total of 2018.

### *Permanent Salaries / Overtime / Repairs & Rentals*

A large portion of the decrease in total General Fund expenditures can be traced to the costs of waste removal being removed from the General Fund and are now within the City's Garbage Fund. The three (3) areas where this is a direct impact is in Permanent Salaries, Overtime and Repairs & Rentals.

*Police Overtime*

Police overtime, as illustrated in the below graph, was \$755,371 at the end of the third quarter in 2019, amounting to 71.26% of the total 2019 budgeted amount. It is important to note that the majority of overtime costs within the Police Department occur during the third and fourth quarters of the fiscal year historically when vacations are more common.



The 2019 total was an increase of 21.68%, or approximately \$134,500, from the nine month total of 2018. The increase was primarily caused by an increase in the number of vacant positions within the department in 2019. The below table illustrates the number of vacancies from 2015 – 2019 by month for the first six months of each fiscal year. As the table illustrates there is a direct correlation in 2019 between the increase in vacancies and the increase in overtime. It should be noted that in July four new officers were hired; however, these officers are currently in the academy and will not be available for patrol until approximately March 2020 to offset overtime costs related to vacancies.

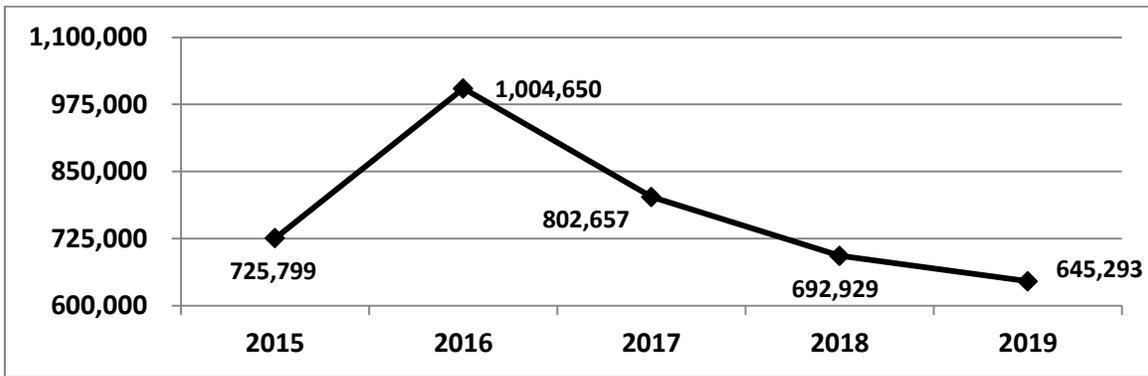
Month	2015	2016	2017	2018	2019
January	2	0	0	2	5
February	0	1	0	3	5
March	0	3	0	5	6
April	0	3	0	5	6
May	3	5	1	3	7
June	1	1	3	5	7
July	1	1	3	5	3
August	1	2	4	5	3
September	2	2	6	5	3

A portion of the overtime in the Police Department is reimbursed from outside parties, with this amounting to approximately \$76,000 through the end of the third quarter.

*Fire Overtime*

Fire overtime, as illustrated in the line graph below, totaled \$645,293 at the end of the third quarter in 2019, which is 56.60% of the total 2019 budgeted amount. It is important to note that the majority of overtime costs within the Fire Department occur during the third and fourth quarters of the fiscal year historically when vacations are more common.

When comparing the results of 2019 to 2018, the 2019 amount has decreased by approximately \$47,600 or 6.87%. As the below graph illustrates the total 2019 nine month overtime in the Fire Department is the lowest from the time period of 2015 – 2019.



A primary factor as to the cause of the decrease in overtime within the Fire Department is the low number of vacancies in the current year. The below table shows the number of vacancies from 2015 – 2019, where in the current year the department has seen the lowest number of vacancies when comparing the five years thus showing the correlation between vacancies and overtime related costs.

Month	2015	2016	2017	2018	2019
January	1	6	3	2	4
February	0	7	4	2	1
March	4	7	5	2	1
April	0	7	3	2	1
May	6	7	4	1	1
June	6	7	4	1	1
July	6	7	4	1	1
August	9	7	1	3	1
September	9	2	1	3	1

#### *Utilities*

The total expenses related to Utilities in the General Fund for the first nine months of 2019 is \$1,315,340, which is both a low percent of the budget and a decrease from 2018 caused by the timing of when invoices were posted which was after the quarter end date of September 30, 2019.

#### *Consultant Services*

Consultant Services expenditures totaled \$1,589,418 as of September 30, 2019, amounting to 54.04% of the total 2019 budgeted total within this category. Costs have increased from the nine month total of 2018 by \$395,059, or 33.08% due primarily the following two reasons:

1. The cost of the demolition related to Alpha Lane
2. A change in how expenses are recognized for third party parking ticket collections

#### *Uniforms*

Uniform related expenses totaled \$266,269 at the end of the third quarter in 2019, an increase of over \$205,000 from 2018. The cause of this increase is from purchases made within the Police and Fire Departments.

### *Debt Service*

Debt service costs in the General Fund are \$9,244,819 as of the end of the third quarter but it should be noted that all payments for debt in the 2019 fiscal year have been made within the General Fund.

### *Health Insurance*

Health Insurance totaled \$9,088,820 as of September 30, 2019, which is 67.44% of the total amount budgeted for. There has also been a decrease from the nine month total of 2018 in the amount of approximately \$640,000, or 6.58%. As has been discussed previously the health insurance costs are based on actual usage and while there is optimism based on the three month total there truly is no way of knowing how the year will end until all numbers have been accounted for in March 2020.

### **Part III – Conclusion**

	<b>2019</b>	<b>2018</b>	<b>Difference</b>
<b>Revenues</b>	45,049,051	44,694,130	354,921
<b>Expenditures</b>	48,444,044	48,562,379	(118,335)
<b>Difference</b>	<b>(3,394,993)</b>	<b>(3,868,249)</b>	<b>473,256</b>

The results of the first nine months of 2019 shows a smaller “deficit” than that of the nine month totals of 2018. However, it is still too soon to have a clear indication as to where the General Fund will end the 2019 fiscal year based primarily on the seasonality of revenues and the variables that still exist.

The City Comptroller’s Office, as it historically has, will continue to monitor the General Fund activity, particularly areas of significant variability (ex. Health Insurance) closely to obtain a clear understanding monthly on how these areas among others is trending for the year.

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

**Wm. Patrick Madden**  
Mayor



**Andrew Piotrowski**  
Deputy City Comptroller

**Monica Kurzejeski**  
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**Office of the City Comptroller**  
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**Date:** October 31, 2019

**To:** Honorable Wm. Patrick Madden  
City Council Members

**From:** Andrew Piotrowski  
Deputy City Comptroller

**Re:** Third Quarter 2019 Financial Report – Garbage Fund

#### Part I – Revenues

Garbage Fund Revenues				
Revenue	2019 Actual	2019 Budget	\$ Diff	% Achieved
Departmental Income	3,475,775	3,479,160	(3,385)	99.90%
Use Of Money & Property	7,761	-	7,761	100.00%
Miscellaneous	1,487	60,000	(58,513)	2.48%
State Aid	-	45,945	(45,945)	0.00%
Interfund Transfers	461,129	614,838	(153,710)	75.00%
<b>Total</b>	<b>3,946,151</b>	<b>4,199,943</b>	<b>(253,792)</b>	<b>93.96%</b>

Revenues in the Garbage Fund totaled \$3,946,151 as of September 30, 2019, which is 93.96% of the total 2019 budgeted revenues. Due to waste removal operations being separated from the General Fund with the creation of the Garbage Fund there are no revenues to compare to from the prior year.

Departmental Income is made up of revenues from garbage bills, payments of prior garbage fees relieved on to the 2019 property tax bills, garbage violations and bulk pickup fees. The revenue for this category totaled \$3,475,775 at the end of the third quarter which is 99.90% of the total 2019 budget. The primary source of revenue in this category is the garbage fee, with the revenue recognized being the total billings for the 2019 fiscal year.

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

## Part II – Expenditures

Garbage Fund Expenditures				
Expenditure	2019 Actual	2019 Budget	\$ Rem	% Expended
<b>Code 1 - Salaries</b>				
Permanent Salaries	826,539	1,374,737	548,198	60.12%
Temporary Salaries	6,818	28,000	21,182	24.35%
Overtime	21,676	82,500	60,824	26.27%
Misc. Other	328	25,600	25,272	1.28%
<b>Total Code 1</b>	<b>855,361</b>	<b>1,510,837</b>	<b>655,476</b>	<b>56.62%</b>
<b>Code 3 - Materials &amp; Supplies</b>				
	<b>73,598</b>	<b>121,802</b>	<b>48,204</b>	<b>60.42%</b>
<b>Code 4 - Contractual Services</b>				
Printing & Advertising	621	1,000	379	62.10%
Tipping Fees	645,227	1,073,920	428,693	60.08%
Insurance	16,525	16,196	(329)	102.03%
Consultant Services	27,254	76,739	49,485	35.52%
Contingency	0	4,079	4,079	0.00%
Due To Other Funds	404,188	538,918	134,730	75.00%
<b>Total Code 4</b>	<b>1,093,816</b>	<b>1,710,852</b>	<b>617,036</b>	<b>63.93%</b>
<b>Code 6/7 - Debt Service</b>				
	<b>10,000</b>	<b>10,000</b>	<b>0</b>	<b>100.00%</b>
<b>Code 8 - Benefits</b>				
Pension	63,120	235,795	172,675	26.77%
Healthcare	278,868	427,094	148,226	65.29%
Dental	13,383	17,983	4,600	74.42%
Social Security	61,745	115,580	53,835	53.42%
Worker's Compensation	6,624	50,000	43,376	13.25%
<b>Total Code 8</b>	<b>423,739</b>	<b>846,452</b>	<b>422,713</b>	<b>50.06%</b>
<b>Grand Total</b>	<b>2,456,513</b>	<b>4,199,943</b>	<b>1,743,430</b>	<b>58.49%</b>

Expenditures in the Garbage Fund totaled \$2,456,513 as of September 30, 2019, which is 58.49% of the total 2019 budget. As was the case with revenues within the Garbage Fund there are no prior year expenditures to compare to the first half of 2019.

When looking at Permanent Salaries, which totals \$826,539 at the end of the second quarter, only 60.12% of the budget has been expended to date. The cause of this is attributable to a number of vacancies that have existed within the fund throughout the 2019 fiscal year.

Tipping Fees totaled \$645,227 as of September 30<sup>th</sup>, which is 60.018% of the total amount budgeted in 2019. The timing of when invoices are posted is playing a factor in the amount expended to date and it is anticipated that this number will increase materially by the end of the 2019 fiscal year. The City Comptroller's Office continues to work closely with the Office of General Services in regards to the balance of this account.

**Part III – Conclusion**

<b>Description</b>	<b>2019</b>
<b>Revenues</b>	3,946,151
<b>Expenditures</b>	2,456,513
<b>Difference</b>	<b>1,489,638</b>

The Garbage Fund has a surplus of \$1,489,638 as of September 30, 2019 based on the total revenues and expenditures. It should be noted that the cause of this is due to the garbage fee billings being fully recognized within the second quarter of the fiscal year.

As has been stated throughout the 2019 fiscal year it is important to keep in mind the financial position of the Garbage Fund from not only an operating statement perspective but also from a balance sheet perspective given that it is the first year of the fund’s existence and also that the revenues are recognized as they are billed rather than as they are collected.

With this being the first year of the Garbage Fund there continues to be enhanced oversight of the financial results of the fund on a month to month basis.

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

**Wm. Patrick Madden**  
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**Date:** October 31, 2019

**To:** Honorable Wm. Patrick Madden  
City Council Members

**From:** Andrew Piotrowski  
Deputy City Comptroller

**Re:** Third Quarter 2019 Financial Report – Water Fund

### Part I – Revenues

Water Fund Revenues								
Revenue	09/30/2019	09/30/2018	\$ Change	% Change	2019 Actual	2019 Budget	\$ Diff	% Achieved
City Water Sales	3,024,538	3,198,573	(174,035)	-5.44%	3,024,538	4,550,000	(1,525,462)	66.47%
Outside Community Water Sales	3,910,360	3,845,120	65,239	1.70%	3,910,360	7,735,000	(3,824,640)	50.55%
Unmetered Sales	119,658	178,482	(58,824)	-32.96%	119,658	285,000	(165,342)	41.99%
Use Of Money & Property	212,848	206,476	6,372	3.09%	212,848	210,000	2,848	101.36%
Permits	11,310	10,790	520	4.82%	11,310	12,000	(690)	94.25%
Sale Of Property	9,100	13,200	(4,100)	100.00%	9,100	51,000	(41,900)	17.84%
Miscellaneous	94,406	88,441	5,965	6.75%	94,406	139,000	(44,594)	67.92%
Interfund Revenues	245,250	245,250	0	0.00%	245,250	327,000	(81,750)	75.00%
Appropriated Fund Balance	0	0	0	-	0	3,780,000	(3,780,000)	0.00%
<b>Total</b>	<b>7,627,470</b>	<b>7,786,332</b>	<b>(158,862)</b>	<b>-2.04%</b>	<b>7,627,470</b>	<b>17,089,000</b>	<b>(9,461,530)</b>	<b>44.63%</b>

Revenues in the Water Fund totaled \$7,627,470 through the end of the third quarter, representative of 44.63% of the 2019 budgeted total. In comparison to the 2018 second quarter results of \$7,786,332, current year revenues have decreased by 2.04%

Water Fund revenues to city residents totaled \$3,024,538 at the end of the second quarter in 2019, which is 66.47% of the budgeted total. In comparison to the nine month total of 2018, revenues in the current year have decreased by 5.44%. In reviewing the billings through the first nine months it has been determined that the cause of this is a decrease in consumption amongst City residents. One contributing factor to this could be caused by the billing periods and variations between 2018 and 2019.

Revenue from outside communities increased by 1.70% from 2018, with a nine month total in 2019 of \$3,910,360, or 50.55% of the total amount budgeted. The majority of outside communities are billed twice annually, once in the second quarter and the second in the fourth quarter; therefore, the fourth quarter billings will provide a clearer insight as to how this category will finish the 2019 fiscal year.

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

## Part II - Expenditures

Water Fund Expenditures								
Expenditure	09/30/2019	09/30/2018	\$ Change	% Change	2019 Actual	2019 Budget	\$ Rem	% Expended
<b>Code 1 - Salaries</b>								
Permanent Salaries	1,960,531	1,956,134	4,397	0.22%	1,960,531	3,164,486	1,203,955	61.95%
Temporary Salaries	0	4,087	(4,087)	-100.00%	0	50,000	50,000	0.00%
Overtime	116,159	139,009	(22,850)	-16.44%	116,159	199,500	83,341	58.22%
Misc Other	11,971	10,463	1,508	14.41%	11,971	76,932	64,961	15.56%
<b>Total Code 1</b>	<b>2,088,661</b>	<b>2,109,693</b>	<b>(21,032)</b>	<b>-1.00%</b>	<b>2,088,661</b>	<b>3,490,918</b>	<b>1,402,257</b>	<b>59.83%</b>
<b>Code 2 - Equipment</b>	<b>11,815</b>	<b>2,810</b>	<b>9,006</b>	<b>320.51%</b>	<b>11,815</b>	<b>59,376</b>	<b>47,561</b>	<b>19.90%</b>
<b>Code 3 - Materials &amp; Supplies</b>	<b>1,002,359</b>	<b>1,403,208</b>	<b>(400,849)</b>	<b>-28.57%</b>	<b>1,002,359</b>	<b>2,010,944</b>	<b>1,008,585</b>	<b>49.85%</b>
<b>Code 4 - Contractual Services</b>								
Utilities	207,508	256,340	(48,832)	-19.05%	207,508	353,265	145,757	58.74%
Postage	20,736	24,051	(3,315)	-13.78%	20,736	28,000	7,264	74.06%
Printing & Advertising	3,850	5,232	(1,383)	-26.43%	3,850	5,500	1,650	69.99%
Repairs & Rentals	20,273	27,484	(7,211)	-26.24%	20,273	57,500	37,227	35.26%
Insurance	66,100	61,363	4,737	7.72%	66,100	67,491	1,391	97.94%
Dues	0	0	0	0.00%	0	4,500	4,500	0.00%
Consultant Services	78,579	179,786	(101,207)	-56.29%	78,579	122,635	44,056	64.08%
Training	3,350	5,061	(1,711)	-33.80%	3,350	12,100	8,750	27.69%
Travel	296	355	(59)	0.00%	296	1,500	1,204	19.74%
Uniforms	26,152	21,197	4,955	23.38%	26,152	41,500	15,348	63.02%
Misc Other	1,804,073	1,821,801	(17,728)	-0.97%	1,804,073	4,477,209	2,673,136	40.29%
<b>Total Code 4</b>	<b>2,230,918</b>	<b>2,402,670</b>	<b>(171,752)</b>	<b>-7.15%</b>	<b>2,230,918</b>	<b>5,171,200</b>	<b>2,940,282</b>	<b>43.14%</b>
<b>Code 6/7 - Debt Service</b>	<b>439,003</b>	<b>279,828</b>	<b>159,176</b>	<b>56.88%</b>	<b>439,003</b>	<b>689,869</b>	<b>250,866</b>	<b>63.64%</b>
<b>Code 8 - Benefits</b>								
Pension	143,671	143,969	(298)	-0.21%	143,671	535,259	391,588	26.84%
Healthcare	669,962	671,969	(2,008)	-0.30%	669,962	1,026,066	356,104	65.29%
Dental	33,532	33,835	(302)	-0.89%	33,532	45,058	11,526	74.42%
Social Security	152,867	155,015	(2,148)	-1.39%	152,867	266,902	114,035	57.27%
Workers' Compensation	65,436	22,334	43,102	192.99%	65,436	28,000	(37,436)	233.70%
<b>Total Code 8</b>	<b>1,065,468</b>	<b>1,027,122</b>	<b>38,346</b>	<b>3.73%</b>	<b>1,065,468</b>	<b>1,901,285</b>	<b>835,817</b>	<b>56.04%</b>
<b>Code 9 - Interfund Transfers</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-</b>	<b>0</b>	<b>3,780,000</b>	<b>3,780,000</b>	<b>0.00%</b>
<b>Grand Total</b>	<b>6,838,225</b>	<b>7,225,331</b>	<b>(387,106)</b>	<b>-5.36%</b>	<b>6,838,225</b>	<b>17,103,593</b>	<b>10,265,368</b>	<b>39.98%</b>

Third quarter expenditures in the Water Fund were \$6,838,225, which is 39.98% of the 2019 budgeted total. In comparison to the third quarter of 2018, when the total was \$7,225,331, the 2019 total has decreased by \$387,106 or 5.36%.

Expenditures for Materials & Supplies has a nine month total in 2019 of \$1,002,359 which is a decrease of approximately \$400,000, or 28.57%, from the same time period of the 2018 fiscal year. The cause for this is a decrease in the purchase of new meter equipment for residents in the City along with a decrease in purchases within both the Purification and Transmission departments.

The decrease in costs related to Consultant Services relate to the 2018 expenses for repair work done to the water main under the Poestenkill Creek.

The increase in debt costs within the Water Fund from 2018 to 2019 are caused by interest costs related to the issuance of a Bond Anticipation Note (“BAN”) for the work being done to City water tanks and the conversation of debt to long-term and the payments associated with it.

### Part III – Conclusion

	<b>2019</b>	<b>2018</b>	<b>Difference</b>
<b>Revenues</b>	7,627,470	7,786,332	(158,862)
<b>Expenditures</b>	6,838,225	7,225,331	(387,106)
<b>Difference</b>	<b>789,245</b>	<b>561,001</b>	<b>228,244</b>

As of September 30, 2019 the Water Fund has a nine month surplus of \$789,245; whereas in 2018 the surplus was \$561,001. While having a surplus in the Water Fund in this amount through nine months is certainly a positive, it is premature to ascertain an accurate forecast of how the 2019 fiscal year will end. The Water Fund is dependent, as everyone knows, on the water billings with primary usage occurring throughout the summer months. Since the majority of outside communities have not been billed for this usage it makes it difficult to know how the Water Fund will finish this fiscal year. Furthermore a material percentage of the Water Fund expenditure budget is the transfer of current year surplus to the General Fund. It is unknown at this time if, or how much, of that transfer will be made in the 2019 fiscal year.

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

**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, 2019

**To:** Honorable Wm. Patrick Madden  
City Council Members

**From:** Andrew Piotrowski  
Deputy City Comptroller

**Re:** Third Quarter 2019 Financial Report – Sewer Fund

### Part I – Revenues

Sewer Fund Revenues								
Revenue	09/30/2019	09/30/2018	\$ Change	% Change	2019 Actual	2019 Budget	\$ Diff	% Achieved
Sewer Rents	3,003,956	3,173,261	(169,305)	-5.34%	3,003,956	4,550,000	(1,546,044)	66.02%
Sewer Charges	267,373	336,688	(69,315)	-20.59%	267,373	319,000	(51,627)	83.82%
Use Of Money & Property	7,152	1,044	6,108	585.25%	7,152	525	6,627	1362.31%
Miscellaneous	22,483	24,737	(2,254)	-9.11%	22,483	38,000	(15,517)	59.16%
<b>Total</b>	<b>3,300,964</b>	<b>3,535,730</b>	<b>(234,766)</b>	<b>-6.64%</b>	<b>3,300,964</b>	<b>4,907,525</b>	<b>(1,606,561)</b>	<b>67.26%</b>

Revenues in the Sewer Fund totaled \$3,300,964 at the end of the third quarter, which represents 67.26% of the budgeted total. In comparison the 2018 revenues totaled \$3,535,730; therefore the revenues in 2019 have decreased by 6.64%

The principal source of revenue in the Sewer Fund is charges to city residents based on consumption, which totaled \$3,003,956 in the first nine months of the 2019 fiscal year, which is 66.02% of the total amount budgeted for. Due to the sewer rate being tied to the water rate there is a corresponding decrease in revenues from 2018 to 2019 as was the case in the Water Fund.

## Part II – Expenditures

Sewer Fund Expenditures								
Expenditure	09/30/2019	09/30/2018	\$ Change	% Change	2019 Actual	2019 Budget	\$ Rem	% Expended
<b>Code 1 - Salaries</b>								
Permanent Salaries	454,645	514,292	(59,647)	-11.60%	454,645	827,323	372,678	54.95%
Temporary Salaries	20,477	17,520	2,957	16.88%	20,477	30,000	9,523	68.26%
Overtime	66,876	54,674	12,202	22.32%	66,876	80,000	13,124	83.59%
Misc. Other	167	4,900	(4,733)	-96.60%	167	17,500	17,333	0.95%
<b>Total Code 1</b>	<b>542,165</b>	<b>591,386</b>	<b>(49,221)</b>	<b>-8.32%</b>	<b>542,165</b>	<b>954,823</b>	<b>412,658</b>	<b>56.78%</b>
<b>Code 2 - Equipment</b>	<b>32,130</b>	<b>0</b>	<b>32,130</b>	<b>100.00%</b>	<b>32,130</b>	<b>47,130</b>	<b>15,000</b>	<b>68.17%</b>
<b>Code 3 - Materials &amp; Supplies</b>	<b>161,961</b>	<b>90,862</b>	<b>71,100</b>	<b>78.25%</b>	<b>161,961</b>	<b>299,268</b>	<b>137,306</b>	<b>54.12%</b>
<b>Code 4 - Contractual Services</b>								
Utilities	6,796	5,303	1,493	28.16%	6,796	10,900	4,104	62.35%
Repairs & Rentals	16,273	16,867	(594)	-3.52%	16,273	64,000	47,727	25.43%
Insurance	16,525	15,341	1,184	7.72%	16,525	17,000	475	97.21%
Consultant Services	36,488	240,426	(203,939)	-84.82%	36,488	309,300	272,812	11.80%
Training	0	0	0	-	0	10,000	10,000	0.00%
Uniforms	3,118	4,207	(1,089)	-25.89%	3,118	8,500	5,382	36.69%
Due To Other Funds	359,407	359,499	(92)	-0.03%	359,407	479,332	119,925	74.98%
<b>Total Code 4</b>	<b>438,607</b>	<b>641,643</b>	<b>(203,036)</b>	<b>-31.64%</b>	<b>438,607</b>	<b>899,032</b>	<b>460,425</b>	<b>48.79%</b>
<b>Code 6/7 - Debt Service</b>	<b>73,487</b>	<b>62,764</b>	<b>10,723</b>	<b>17.08%</b>	<b>73,487</b>	<b>74,874</b>	<b>1,387</b>	<b>98.15%</b>
<b>Code 8 - Benefits</b>								
Pension	38,637	40,159	(1,522)	-3.79%	38,637	144,948	106,311	26.66%
Healthcare	162,689	196,509	(33,820)	-17.21%	162,689	249,163	86,474	65.29%
Dental	7,826	10,346	(2,520)	-24.36%	7,826	10,516	2,690	74.42%
Social Security	39,795	43,712	(3,917)	-8.96%	39,795	73,044	33,249	54.48%
Worker's Compensation	39,105	43,262	(4,157)	-9.61%	39,105	45,000	5,895	86.90%
<b>Total Code 8</b>	<b>288,052</b>	<b>333,988</b>	<b>(45,936)</b>	<b>-13.75%</b>	<b>288,052</b>	<b>522,671</b>	<b>234,619</b>	<b>55.11%</b>
<b>Code 9 - Interfund Transfers</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00%</b>	<b>0</b>	<b>2,142,863</b>	<b>2,142,863</b>	<b>0.00%</b>
<b>Grand Total</b>	<b>1,536,402</b>	<b>1,720,643</b>	<b>(184,240)</b>	<b>-10.71%</b>	<b>1,536,402</b>	<b>4,940,661</b>	<b>3,404,259</b>	<b>31.10%</b>

Expenditures in the Sewer Fund totaled \$1,536,402 through the end of the third quarter of 2019, a decrease of \$184,240 or 10.71% from the first nine months of 2018. When comparing the quarterly results to the overall Sewer Fund budget, 31.10% of the total budgeted expenditures have been recognized.

When looking at the individual line items within the Sewer Fund the vast majority have not experienced a material increase or decrease in comparison to the nine month total of 2018.

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

### Part III – Conclusion

	<b>2019</b>	<b>2018</b>	<b>Difference</b>
<b>Revenues</b>	3,300,964	3,535,730	(234,766)
<b>Expenditures</b>	1,536,402	1,720,643	(184,241)
<b>Difference</b>	<b>1,764,562</b>	<b>1,815,087</b>	<b>(50,525)</b>

The Sewer Fund has a surplus of \$1,764,562 as of June 30, 2019, a decrease of \$50,525 from the 2018 nine month surplus.

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

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