

City of Watervliet
Finance Department
2018 Results of Operations

Director of Finance - Michael McNeff

Deputy Director of Finance - Amanda Austin

Payroll Clerk – Amanda Delap

Purchasing Clerk – Phyllis Carroll

Duties & Responsibilities – Per Charter

- Collection, receipt, and care & custody of all taxes and other monies due to the City
- Investment of City funds
- Annual financial report of prior fiscal year
 - Statement of receipts
 - Statement of the disbursements
 - Statement of the indebtedness

Operations & Responsibilities - Daily

- Creation, mailing and collection of more than 8,000 bills annually
- Maintenance of more than 2,700 receivable accounts
- Process approximately 3,000 invoices
- Record every transaction in City's ledgers for well over \$20 million in revenues & expenditures, resulting in nearly 12,000 journal entries annually
- 26 payrolls each year
- Cash Management for the 14 City bank accounts, and 5 NYCLASS investment accounts – resulting in over 150 bank reconciliations annually
- Oversee and manage over 250 budget line items

Operations & Responsibilities – Cont.

- Monthly, disbursements report
- Quarterly, budget to actual reports
- Annually
 - Budget
 - Results of operations report
 - Annual Update Document (NYS)
 - Preparing information for external audit
- As needed, detailed analysis to City Council, NYS OSC, Bond Counsel as well as the rating agencies –Moody's & S&P
 - Budget to actual reports
 - Cash Flow Projections
 - Multi-year planning analysis
 - Capital Planning

Various Funds Included In City Financials

- Financials are made up of the following funds:
 1. General Fund (A)
 2. Special Revenue Funds
 - I. Water Fund (F)
 - II. Sewer Fund (G)
 - III. Community Development (CD)
 3. Capital Projects Funds
 4. Debt Service

Revenues General Fund

2017 vs 2018

City of Watervliet, NY General Fund Revenues

	Actual 2017	Unaudited 2018	2017 vs 2018	% Change
Revenues				
Real Property Taxes	\$4,229,620	\$4,851,546	\$621,926	14.70%
Real Property Tax Items	105,995	190,191	\$84,196	79.43%
Sales and Use Tax	3,494,610	3,712,019	\$217,409	6.22%
Other Non-Prop Taxes	263,898	284,131	\$20,233	7.67%
Departmental Income	609,089	635,021	\$25,932	4.26%
Other Local Revenue	911,270	739,255	-\$172,015	-18.88%
State Aid AIM	1,210,193	1,210,193	\$0	0.00%
State (other) & Federal Aid	613,902	653,152	\$39,250	6.39%
Interfund Transfers	342,000	0	-\$342,000	-100.00%
Total Revenues	\$11,780,577	\$12,275,508	\$494,931	

Major Changes in Revenues – 2018

General Fund

- Major Revenues Factors:
 - Increase in taxes
 - PILOT revenue increase
 - Increase in Sales, Franchise and Utility Tax
 - Increases in Recreation, Ambulance and CDBG Grant Revenue
 - Decrease in Refuse Revenue
 - Decrease in Mortgage Tax and Crime Proceeds transfer
 - Tree Inventory Grant
 - Change in allocation of Interfund Transfer

Expenditures General Fund

2017 vs 2018

City of Watervliet, NY General Fund Expenditures

	Actual 2017	Unaudited 2018	2017 vs 2018	% Change
Expenditures				
General Governmental Support	\$866,743	\$831,295	-\$35,448	-4.09%
Public Safety	5,175,026	5,141,562	-\$33,464	-0.65%
Transportation	579,279	799,690	\$220,411	38.05%
Economic Opp & Developmt	23,500	20,129	-\$3,371	-14.34%
Culture and Recreation	229,399	187,863	-\$41,536	-18.11%
Home and Community Services	560,053	560,394	\$341	0.06%
Employee Benefits / Fringes	3,433,291	3,635,477	\$202,186	5.89%
Debt Service	647,115	656,207	\$9,092	1.41%
Interfund Transfers	110,000	180,000	\$70,000	63.64%
Total Expenditures	\$11,624,406	\$12,012,617	\$388,211	

Major Changes in Expenditures 2018 – General Fund

- Expenditures:
 - Decreases due to assessor and maintenance mechanic salaries
 - Decrease in Police overtime
 - Increases due to snow removal costs, personnel, interfund transfer allocation changes
 - Decrease due to library costs
 - Increase in health insurance costs and change in allocation
 - Increase in transfers to reserve accounts

Reserve Balances as of 12/31/2018

City of Watervliet, NY Reserve Balances

	HRA Equipment Reserve	HRB Reserve for Repairs	HRC Accrual Reserve	HRD Worker's Comp Reserve	V Debt Service	Total As Of 12/31/18
Fund Balance	<u><u>226,792.33</u></u>	<u><u>222,304.09</u></u>	<u><u>220,882.84</u></u>	<u><u>4,425.37</u></u>	<u><u>32,424.22</u></u>	<u><u>706,828.85</u></u>

Results of Operations

General Fund 2018

- Unaudited increase in GF Fund Balance of \$262,891
 - Sales Tax Increase
 - Strict Budget Management
 - Encumbrance System

Results of Operations – Water Fund 2017 vs 2018

City of Watervliet, NY Water Fund

	Actual 2017	Unaudited 2018	2017 vs 2018	% Change
Revenues				
Real Property Tax and Tax Items	\$0	\$0	\$0	0.00%
Home and Community Services	2,781,648	2,831,130	\$49,482	1.78%
Other (Permits, Fines, Sales, Misc.)	99,474	95,845	(\$3,629)	-3.65%
Total Revenues	2,881,122	2,926,975	\$45,853	1.59%
Expenditures				
Special Items / Gen Govt Support	\$141,574	\$175,235	\$33,661	23.78%
Home and Community (Water Dist)	1,299,067	1,310,391	\$11,324	0.87%
Employee Benefits / Fringes	694,532	542,398	(\$152,134)	-21.90%
Debt Service	243,431	242,515	(\$916)	-0.38%
Interfund Transfers	396,840	531,003	\$134,163	33.81%
Total Expenditures	\$2,775,444	\$2,801,542	\$26,098	0.94%
Surplus (Deficit)	\$105,678	\$125,433	\$19,755	18.69%
Fund Balance	421,987	547,420	\$125,433	29.72%

Results of Operations – Sewer Fund

2017 vs 2018

City of Watervliet, NY Sewer Fund

	Actual 2017	Unaudited 2018	2017 vs 2018	% Change
Revenues				
Departmental Income	\$1,148,213	\$1,271,711	\$123,498	10.76%
Misc. (use of money, sales, etc.)	0	106	\$106	0.00%
Total Revenues	\$1,148,213	\$1,271,817	\$123,604	10.76%
Expenditures				
Other	\$46,512	\$32,135	(\$14,377)	-44.74%
Home and Community (Sewer Rents)	823,801	814,487	(\$9,314)	-1.14%
Fringes	184,635	114,021	(\$70,614)	-61.93%
Debt Service	130,216	129,709	(\$507)	-0.39%
Interfund Transfers	0	0	\$0	0.00%
Total Expenditures	\$1,185,164	\$1,090,352	(\$94,812)	-8.70%
Surplus (Deficit)	(\$36,951)	\$181,465	\$218,416	591.10%
Fund Balance	(131,583)	49,882	181,465	137.91%

Major Fund Summary

City of Watervliet, NY

2013-2018

Major Fund Summary

	Actual 2013	Actual 2014	Actual 2015	Actual 2016	Actual 2017	Unaudited 2018
General Fund						
Revenues	\$11,825,326	\$12,325,668	\$12,630,994	\$11,260,652	\$11,780,577	\$12,275,508
Expenditures	\$11,817,064	\$12,279,935	\$12,552,965	\$11,890,016	\$11,624,406	\$12,012,617
Increase\Decrease) in Fund Balance	\$8,262	\$45,733	\$78,029	(\$629,364)	\$156,171	\$262,891
Water Fund						
Revenues	\$2,985,204	\$3,011,850	\$2,848,759	\$2,807,260	\$2,881,122	\$2,926,975
Expenditures	\$2,912,236	\$3,155,279	\$3,037,642	\$2,878,830	\$2,775,444	\$2,801,542
Increase\Decrease) in Fund Balance	\$72,968	(\$143,429)	(\$188,883)	(\$71,570)	\$105,678	\$125,433
Sewer Fund						
Revenues	\$1,048,469	\$1,064,448	\$1,121,733	\$1,119,076	\$1,148,213	\$1,271,817
Expenditures	\$1,164,535	\$1,141,801	\$1,117,848	\$1,212,379	\$1,185,164	\$1,090,352
Increase\Decrease) in Fund Balance	(\$116,066)	(\$77,353)	\$3,885	(\$93,303)	(\$36,951)	\$181,465
All Major Funds						
Revenues	\$15,858,999	\$16,401,966	\$16,601,486	\$15,186,988	\$15,809,912	\$16,474,300
Expenditures	\$15,893,835	\$16,577,015	\$16,708,455	\$15,981,225	\$15,585,014	\$15,904,511
Increase\Decrease) in Fund Balance	(\$34,836)	(\$175,049)	(\$106,969)	(\$794,237)	\$224,898	\$569,789

Projected Fiscal Stress Score 2018

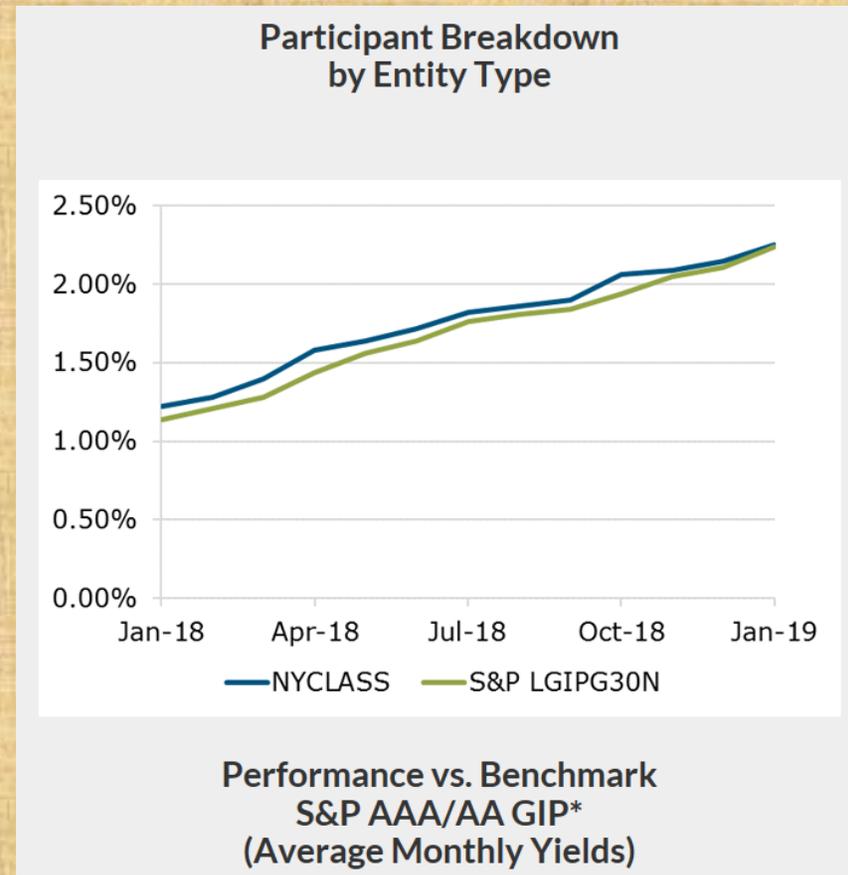
Fiscal Stress Financial Indicator Data Inputs			2015	2016	2017	2018
1	Assigned Unappropriated and Unassigned Fund Balance	General Fund	609,332	129,754	294,239	830,056
2	Total Fund Balance		1,069,443	487,261	599,887	862,777
1, 2	Gross Expenditures (includes transfers out)		12,556,573	12,006,033	11,624,405	12,012,617
3, 5	Gross Expenditures (includes transfers out)	Combined Funds	16,712,063	16,105,401	15,585,014	15,904,511
3	Gross Revenues (includes transfers in)		16,441,711	15,346,548	15,809,911	16,474,299
6	Total Revenues (does not include transfers in)	General Fund	10,941,421	11,120,213	11,438,576	12,275,507
8, 9	Total Revenues (does not include transfers in)	All Funds Except Capital Projects Fund	15,479,693	15,616,614	16,170,046	17,005,043
4	Cash and Investments	Combined Funds	1,066,833	331,271	1,469,961	454,446
5			1,066,833	325,186	1,468,658	454,446
4			2,226,553	2,626,834	3,159,563	1,844,773
4			Taxes Receivable	0	0	0
6, 7	Short-Term Cash-Flow Debt	All Funds	0	1,000,000	2,500,000	0
8	Personal Service and Employee Benefits	All Funds Except Capital Projects Fund	11,516,452	11,030,642	10,767,419	10,800,585
9	Debt Service		914,607	910,236	1,020,762	1,028,431
9	Proceeds from Current Refunding Bonds		0	0	0	0

Total Points*	61.3	75.8	69.2	50.0
Score Classification	Moderate Fiscal Stress	Significant Fiscal Stress	Significant Fiscal Stress	Susceptible Fiscal Stress

Cities	General Fund	Revenue and Expenditure Definitions	Fiscal Stress Classification	Point Range (Out of 100 total pts)
	A	Gross Revenues = Revenues and Other Sources	Significant	65 - 100
	Combined Funds	Total Revenues = Revenues	Moderate	55 - 64.9
	A, FX, G, ES, EW	Gross Expenditures = Expenditures and Other Uses	Susceptible	45 - 54.9
			No Designation	0 - 44.9

Cash Position 2018

- Average daily cash balance in Operating Funds approximately **\$2,469,000**
 - All Funds **\$3,347,000**
- June 2018 – NYCLASS investments began
 - Earning roughly 2% interest



City Debt Service

2019 Debt Service Budget Amounts

Year of Issue	Bond Description	Principal Balance 12/31/2018	Payment Date	Total Principal	Total Interest	Total Payment 2019	Principal Balance 12/31/2019
2006	2.478 Public Improvement	refunded 12/4/18	2/15/2019				
2011	2.94 Public Improvement	refunded 12/4/18	8/15/2019	-	-	-	-
2018	2006 & 2011 Refunding	3,060,000.00	2/1/2019				2,695,000.00
			8/1/2019	365,000.00	65,686.72	430,686.72	
2011	800k Retirement System	315,000.00	2/1/2019				215,000.00
			8/1/2019	100,000.00	12,856.25	112,856.25	
2011	2.255 Refunding	565,000.00	1/15/2019				285,000.00
			7/15/2019	280,000.00	10,275.00	290,275.00	
2016	2.508 Public Improvement	2,305,000.00	2/15/2019				2,200,000.00
			8/15/2019	105,000.00	58,090.00	163,090.00	
		\$ 6,245,000.00					\$ 5,395,000.00

2019 Debt Service Budget

	General Fund Principal	General Fund Interest	Water Fund Principal	Water Fund Interest	Sewer Fund Principal	Sewer Fund Interest	Total Principal	Total Interest	Total Payment 2019
	A9710.6000	A9710.7000	F9710.6000	F9710.7000	G9710.6000	G9710.7000			
2019 Totals	\$ 536,461.10	\$ 97,658.49	\$ 209,783.03	\$ 30,642.34	\$ 103,755.87	\$ 18,607.14	\$ 850,000.00	\$ 146,907.97	\$ 996,907.97

Projections General Fund Revenues - 2019-2023

City of Watervliet, NY General Fund Revenues

Revenues	Projected					Avg Annual Increase 2013-present	Assumptions 2019-2023					Description
	2019	2020	2021	2022	2023		2019	2020	2021	2022	2023	
Real Property Taxes*	\$5,120,200	\$5,171,402	\$5,274,830	\$5,380,327	\$5,541,737	5%	5.5%	1.0%	2.0%	2.0%	3.0%	
Real Property Tax Items	150,000	153,000	156,060	159,181	162,365	6%	2.0%	2.0%	2.0%	2.0%	2.0%	PILOTs on the rise per schedule
Sales and Use Tax*	3,791,456	3,867,285	3,944,631	4,023,524	4,103,994	3%	2.1%	2.0%	2.0%	2.0%	2.0%	Historical trend
Other Non-Prop Taxes	284,131	284,131	284,131	284,131	284,131	1%	0.0%	0.0%	0.0%	0.0%	0.0%	Held constant
Departmental Income	647,721	660,676	673,889	687,367	701,114	2%	2.0%	2.0%	2.0%	2.0%	2.0%	aggressive PD & Code
Other Local Revenue	711,270	725,495	740,005	754,805	769,902	1%	2.0%	2.0%	2.0%	2.0%	2.0%	Historical trend
State Aid* AIM	1,210,193	1,210,193	1,210,193	1,210,193	1,210,193	0%	0.0%	0.0%	0.0%	0.0%	0.0%	AIM in 2006, constant thereafter
State (other) & Federal Aid*	653,152	653,152	653,152	653,152	653,152	40%	0.0%	0.0%	0.0%	0.0%	0.0%	Typically grant money, in & out
Interfund Transfers	0	0	0	0	0	-39%	0.0%	0.0%	0.0%	0.0%	0.0%	No more interfund transfers
Total Revenues*	\$12,568,124	\$12,725,335	\$12,936,892	\$13,152,680	\$13,426,588	\$0	4%	2%	1%	2%	2%	

Projections – General Fund Expenditures 2019-2023

City of Watervliet, NY General Fund Expenditures												
Expenditures By Function**	Projected					Avg Ann Increase 2013-2015	Assumptions 2019-2023					Description
	2019	2020	2021	2022	2023		2019	2020	2021	2022	2023	
General Governmental Support	\$881,173	\$934,043	\$971,405	\$1,010,261	\$1,050,671	-5%	6.0%	6.0%	4.0%	4.0%	4.0%	Inc 2% above trend '19-20 for
Public Safety	\$5,141,562	\$5,218,685	\$5,296,966	\$5,402,905	\$5,510,963	2%	0.0%	1.5%	1.5%	2.0%	2.0%	per proposed contracts
Health	\$0	\$0	\$0	\$0	\$0	NM	0.0%	0.0%	0.0%	0.0%	0.0%	Historical trend
Transportation	\$831,678	\$864,945	\$899,542	\$935,524	\$972,945	5%	4.0%	4.0%	4.0%	4.0%	4.0%	Historical trend
Economic Opp & Developmt	\$20,733	\$21,355	\$21,996	\$22,655	\$23,335	0%	3.0%	3.0%	3.0%	3.0%	3.0%	COL
Culture and Recreation	\$189,742	\$191,639	\$193,555	\$195,491	\$197,446	-4%	1.0%	1.0%	1.0%	1.0%	1.0%	Historical trend
Home and Community Services	\$582,810	\$606,122	\$630,367	\$655,582	\$681,805	-2%	4.0%	4.0%	4.0%	4.0%	4.0%	Historical trend
Employee Benefits / Fringes	\$3,780,897	\$3,932,132	\$4,089,418	\$4,252,994	\$4,423,114	-1%	4.0%	4.0%	4.0%	4.0%	4.0%	Historical trend
Debt Service	\$697,120	\$756,445	\$614,534	\$499,456	\$502,570	-3%						Per debt schedule
Interfund Transfers	\$180,000	\$180,000	\$100,000	\$75,000	\$50,000	NM	0.0%	0.0%	0.0%	0.0%	0.0%	Held constant
Other	\$0	\$0	\$0	\$0	\$0	NM	0.0%	0.0%	0.0%	0.0%	0.0%	Includes contingency
Total Expenditures (by Function)	\$12,305,713	\$12,705,367	\$12,817,782	\$13,049,869	\$13,412,850	0%	3.3%	2.4%	3.2%	0.9%	1.8%	

Fund Balance Projections 2019-2023

General Fund

City of Watervliet, NY					
General Fund Surplus (Deficit), Reserves, and Fiscal Balancing Strategies					
	Projected				
	2019	2020	2021	2022	2023
Surplus (Deficit)	\$262,411	\$19,968	\$119,110	\$102,811	\$13,738
Budgetary Reserves and Other Net Assets*					
Fund Equity, Beg. of Year	\$862,779	\$1,125,190	\$1,145,158	\$1,264,268	\$1,367,079
Fund Equity, End of Year	1,125,190	1,145,158	1,264,268	1,367,079	1,380,818
Reserved Fund Balance	0	0	0	0	0
Unreserved Fund Balance	\$1,125,190	\$1,145,158	\$1,264,268	\$1,367,079	\$1,380,818

Questions?