



City of Saco

Finance Office

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To: Rick Michaud, Honorable Mayor and all City Councilors

From: Cheryl Fournier, Finance Director January 31, 2014

Attached is the FY2014 City budget-to-actual comparison. As a total the City is running at 54.4% of budget compared to being 58.3% through the year. The primary reasons are noted below. The City is expected to be at or below budget for the year. I have provided explanations for significant variances as of January 31, 2014 (58.3% of the year is complete):

- Fire Department is at 60.8% of budget or \$69,000 above budget. The primary reason is that operating expenses are running at 69.4% of budget. Many items are paid on an annual contract during the early months of the fiscal year. They plan to come in at or below budget for the fiscal year.
- Public Works is at 53.0% of budget or \$287,000 below budget. The primary reason is that all areas are running below budget at this point. Overtime is currently running at 49.0% of budget.
- City Agencies are at 70.8% of budget or \$77,000 above budget. The primary reasons is that Dyer Library is running at 66.7%. Dyer Library has eight payments showing in a seven month period, but will be at budget at the end of the fiscal year.
- Parks & Recreation is at 69.1% of budget or \$152,000 above budget. The primary reason is that Temporary/Seasonal Wages are at 76.9% of budget. The Summer Recreation Camps are the primary source of the seasonality of this account. The operating expenses are running at 74.0% of budget. Parks & Recreation revenue is also running at 61.0% of budget or \$20,000 above budget.
- Debt Service is at 61.1% of budget or \$64,000 above budget. The reason for this is due to timing of bond payments. This category is expected to be at or below budget at fiscal year end.
- Employee Benefits is at 45.6% of budget or \$398,000 below budget. All categories are running below budget except for Workers' Compensation expense and Medical Testing.
- Insurance is at 6.0% of budget or \$89,000 below budget. The majority of our policies renew in March.
- Non-Property Taxes (Excise, Taxes in Lieu, Interest/Fees) is running at 63.7% of budget or \$163,000 above budget. Excise is running at 64.9% of budget. EAN is the major contributor of Excise being above budget. As of January 31, 2014, the City has collected \$184,000 from EAN.



- Intergovernmental Revenues is running at 87.1% of budget or \$268,000 above budget. The major contributors are Homestead is at 78.7% of budget, and BETE program is running at 132.1% of budget (\$48,000 above budget).
- Other Unclassified/Miscellaneous is running at 92.9% of budget or \$384,000 above budget. The primary reason is the sale of the old fire barn.
- State Revenue Sharing is running at 43.0% of budget or \$187,000 below budget. It is estimated to be at 73% of budget at the end of the year. The reason for this running below budget is that the State had a late change in their budget that reduced the amount of revenue sharing that Saco receives.

The City staff has continued to maintain a high quality of service for our citizens, and look forward to continuing this high quality in the future.

City of Saco
FY2014 City Budget through January 31, 2014

Target **58.3%**

Municipal Budget	Council Approved	Expended YTD	Encumbered	Available Balance	% Used
Mayor-Council (Legislative)	\$ 20,600	\$ 18,131		\$ 2,469	88.0%
City Administration	325,120	186,758		138,362	57.4%
Finance	389,331	194,593		194,738	50.0%
Information Technology	469,503	249,378	9,170	210,955	55.1%
City Clerk	324,796	147,197	3,214	174,385	46.3%
Tax Assessor	206,462	97,530		108,932	47.2%
City Building Maintenance	113,749	49,860		63,889	43.8%
Legal Department	185,000	74,988		110,012	40.5%
Police Department	3,601,929	2,083,025	47,445	1,471,459	59.1%
Fire/Ambulance Department	2,853,190	1,710,312	23,905	1,118,974	60.8% *
Building Inspection	218,416	124,091		94,325	56.8%
Planning & Economic Development	321,898	171,437	8,229	142,231	55.8%
Public Works Department	5,401,648	2,699,548	164,247	2,537,853	53.0% *
Public Agencies	100,200	80,425		19,775	80.3%
City Agencies	615,845	436,315		179,530	70.8% *
Emergency Management	5,900	2,262		3,638	38.3%
Parks & Recreation Department	1,419,804	964,396	16,026	439,382	69.1% *
Debt Service	2,344,930	1,432,144		912,786	61.1% *
Employee Benefits	3,137,379	1,432,144		1,705,235	45.6% *
Insurance	169,963	10,276		159,687	6.0% *
Contingency	443,000	238,100		204,900	53.7%
Capital Projects - Operating budget only	1,154,536	182,219	106,710	865,608	25.0%
Gross Municipal Budget	\$ 23,823,199	\$ 12,585,126	\$ 378,946	\$ 10,859,127	54.4%
Capital Projects (operating included in gross municipal budget) carryover from 2013 (assigned funds)	\$ 570,859	\$ 76,174		\$ 494,685	13.3%
	\$ 24,394,058	\$ 12,661,300	\$ 378,946	\$ 11,353,811	53.5%

Municipal Revenues	Council Approved	Receipts YTD	Balance	Percent Collected
Non-Property Taxes (Excise, Taxes in Lieu, Interest/Fees)	\$ 3,040,000	\$ 1,937,091	\$ (1,102,909)	63.7%
Permits/Licenses/Fees	675,600	399,680	(275,920)	59.2%
Intergovernmental Revenues	932,128	811,765	(120,363)	87.1%
Charges for Services	1,173,000	684,300	(488,700)	58.3%
Other Unclassified/Miscellaneous	409,000	380,160	(28,840)	92.9%
Subtotal Revenues	\$ 6,229,728	\$ 4,212,995	\$ (2,016,733)	67.6%
Other Credits Municipal				
General Fund - Budgeted use of Surplus	\$ 1,085,640	\$ -	\$ (1,085,640)	0.0%
State Revenue Sharing	1,223,000	526,282	(696,718)	43.0%
Ambulance Fund transfer	500,000	250,000	(250,000)	50.0%
Camp Ellis transfer	1,000	500	(500)	50.0%
Saco Island/Downtown transfer	25,000	12,500	(12,500)	50.0%
Subtotal Other Credits Municipal	\$ 2,834,640	\$ 789,282	\$ (2,045,358)	27.8%
Total Revenues/Credits Municipal	\$ 9,064,368	\$ 5,002,278	\$ (4,062,090)	55.2%

Public Agency Breakdown				
Saco Spirit	\$38,600	\$38,600	\$0	100.0%
Other	61,600	41,825	-	67.9%
Total Public Agency	\$100,200	\$80,425	\$0	80.3%
City Agency Breakdown				
Dyer Library	\$473,000	\$315,333	\$0	66.7%
TriCity Transit	115,000	115,000	-	100.0%
Other	27,845	5,982	-	21.5%
Total Public Agency	\$615,845	\$436,315	\$0	70.8%
Debt Service Breakdown				
Principal	\$1,856,095	\$1,131,221	\$0	60.9%
Interest	488,835	300,923	-	61.6%
Total Debt Service	\$2,344,930	\$1,432,144	\$0	61.1%
Employee Benefits Breakdown				
Health Insurance	\$1,620,974	\$887,955	\$0	54.8%
FICA Taxes	739,190	421,839	-	57.1%
Other	777,215	122,350	-	15.7%
Total Employee Benefits	\$3,137,379	\$1,432,144	\$0	45.6%

* see explanation in attached memo