



FINANCE

CITY OF DURHAM

FY24 Fourth Quarter Financial Report

Finance and BMS | September 5, 2024

General Fund

General Fund - Expenditures

DEPARTMENT	FY2024 ADJUSTED BUDGET	ACTIVITY THROUGH JUNE 2024	PERCENT OF BUDGET TO DATE	PROJECTION THROUGH YEAR END	VARIANCE TO ADJUSTED BUDGET POSITIVE/ (NEGATIVE)
Audit Services	\$ 1,046,734	\$ 961,742	91.9%	961,742	\$ 84,992
Budget & Management Services	2,444,816	2,349,639	96.1%	2,416,385	28,431
City Attorney	2,812,693	2,795,419	99.4%	2,795,466	17,227
City Clerk	914,491	857,385	93.8%	906,237	8,254
City Council	1,791,011	1,732,523	96.7%	1,738,440	52,571
City Manager/One Call	4,186,125	4,150,631	99.2%	4,167,135	18,990
City/County Planning	6,712,787	6,111,445	91.0%	6,627,652	85,135
Communications	1,821,616	1,734,116	95.2%	1,815,112	6,504
Community Development	3,231,012	2,552,453	79.0%	2,748,209	482,803
Community Safety	6,701,205	5,869,362	87.6%	6,163,974	537,231
Economic & Workforce Development	8,828,488	3,822,440	43.3%	6,679,481	2,149,007
Emergency Communications	8,471,873	7,395,698	87.3%	7,497,074	974,799
Emergency Management	377,844	346,357	91.7%	346,357	31,487
Equity and Inclusion	643,655	588,773	91.5%	604,484	39,171
Finance	6,374,313	6,121,222	96.0%	6,121,858	252,455



FINANCE

CITY OF DURHAM

General Fund – Expenditures, continued

DEPARTMENT	FY2024 ADJUSTED BUDGET	ACTIVITY THROUGH JUNE 2024	PERCENT OF BUDGET TO DATE	PROJECTION THROUGH YEAR END	VARIANCE TO ADJUSTED BUDGET POSITIVE/ (NEGATIVE)
Fire	50,774,071	50,244,708	99.0%	50,505,404	268,667
Fleet Maintenance	5,041,635	4,845,313	96.1%	4,995,264	46,371
General Services	20,597,828	18,937,841	91.9%	20,579,800	18,028
Human Resources	4,920,763	3,628,497	73.7%	3,839,810	1,080,953
Neighborhood Improvement Service	6,213,447	6,052,306	97.4%	6,178,775	34,672
Parks & Recreation	22,078,750	19,619,399	88.9%	20,214,284	1,864,466
Police	79,185,298	75,095,470	94.8%	75,590,758	3,594,540
Public Works	13,927,610	12,148,170	87.2%	13,210,733	716,877
Technology Solutions	12,230,100	11,444,371	93.6%	11,962,928	267,172
Transportation	11,530,830	11,023,137	95.6%	11,348,748	182,082
Non-departmental	21,729,540	14,780,372	68.0%	15,441,859	6,287,681
Indirect Cost	(17,574,652)	(17,574,652)	100.0%	(17,574,652)	-
Transfers To Other Funds	19,187,142	19,163,605	99.9%	19,163,605	23,537
Total	\$ 306,201,025	\$ 276,797,742		\$ 287,046,922	\$ 19,154,103



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General Fund – Expenditures by Class

<u>CLASS</u>	<u>FY2024 ADJUSTED BUDGET</u>	<u>ACTIVITY THROUGH JUNE 2024</u>	<u>PERCENT OF BUDGET TO DATE</u>	<u>PROJECTION THROUGH YEAR END</u>	<u>VARIANCE TO ADJUSTED BUDGET POSITIVE/ (NEGATIVE)</u>
Personnel Services	\$ 216,301,058	\$ 206,961,932	95.7%	\$ 206,965,665	\$ 9,335,393
Operating Expenditures	62,409,565	46,604,319	74.7%	55,994,998	6,414,567
Capital Outlay	5,599,075	4,067,886	72.7%	4,922,654	676,421
Appropriation Not Authorized for Expenditures	2,704,185	-	0.0%	-	2,704,185
Transfers To Other Funds	19,187,142	19,163,605	99.9%	19,163,605	23,537
Total	\$ 306,201,025	\$ 276,797,742		\$ 287,046,922	\$ 19,154,103



General Fund - Expenditures

- Year-end expenditures projected at \$19.2 million less than budgeted:
 - Personnel costs under budget by \$9.3 million mostly due to vacancy rate
 - Operating costs under budget \$6.4 million
 - Capital outlay expenditures under budget by \$676,421
- All departments are under budget



General Fund - Revenues

	FY2024 ADOPTED BUDGET	FY2024 ADJUSTED BUDGET	ACTIVITY THROUGH JUNE 2024	PERCENT OF BUDGET TO DATE	PROJECTION THROUGH YEAR END	VARIANCE TO ADJUSTED BUDGET POSITIVE/ (NEGATIVE)
REVENUES						
Property taxes	\$ 131,683,315	\$ 131,683,315	\$ 132,245,826	100.4%	\$ 132,245,826	\$ 562,511
Sales taxes	99,914,686	99,914,686	80,850,766	80.9%	99,914,686	-
Hotel/motel occupancy tax	2,197,227	2,197,227	3,295,996	150.0%	3,295,996	1,098,769
Utility franchise tax	3,744,542	3,744,542	2,725,951	72.8%	2,725,951	(1,018,591)
Other taxes	425,000	425,000	690,866	162.6%	690,866	265,866
Powell Bill	7,250,000	7,250,000	8,431,545	116.3%	8,431,545	1,181,545
Other intergovernmental revenues	10,180,961	10,246,411	10,050,191	98.1%	10,050,191	(196,220)
Licenses and permits	370,500	370,500	523,412	141.3%	523,412	152,912
Rental income	57,186	57,186	287,616	502.9%	287,616	230,430
Charges for services	10,325,556	10,407,556	10,997,526	105.7%	10,997,526	589,970
Assessments	28,000	28,000	3,213	11.5%	3,213	(24,787)
Sale of property and miscellaneous	1,288,400	1,298,400	1,079,930	83.2%	1,079,930	(218,470)
TOTAL REVENUES	<u>267,625,373</u>	<u>267,782,823</u>	<u>251,342,838</u>	93.9%	<u>270,246,758</u>	<u>2,463,935</u>
TOTAL EXPENDITURES	<u>281,462,243</u>	<u>306,201,025</u>	<u>276,797,742</u>	90.4%	<u>287,046,922</u>	<u>19,154,103</u>
NET REVENUES LESS EXPENDITURES	<u>\$ (13,836,870)</u>	<u>\$ (38,418,202)</u>	<u>\$ (25,454,904)</u>		<u>\$ (16,800,164)</u>	
To/(From) Fund Balance						
				Overall Budget Variance		<u>\$ 21,618,038</u>



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CITY OF DURHAM

Property Taxes

Collections through June 30:

- 2024: \$132,245,826 (projected)
 - 2023: \$128,093,189
 - 2022: \$121,729,758
 - 2021: \$116,009,113
-
- YTD FY24 increase: 3.2% (\$4,152,637)
 - YTD FY23 increase: 5.2% (\$6,363,431)
 - YTD FY22 increase: 4.9% (\$5,720,645)



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CITY OF DURHAM

Sales Tax

Collections through June 30:

- 2024: \$80,850,766 – 80.9% of budget
- 2023: \$73,322,498 – 84.5% of budget
- 2022: \$83,165,429 – 108.6% of budget
- 2021: \$77,990,073 – 121.5% of budget

EOY projection:

- Current Year: On budget at \$99,914,686
- Prior Year: \$10.7 million over budget



FINANCE

CITY OF DURHAM

General Fund - Revenues

End of Year Projections

- Total budget: \$2.5 million over budget (PY: \$11.1 million over)
- Sales taxes: On Budget (PY: \$10.7 million over)
- Property taxes: \$562,511 over budget (PY: \$1.7 million over)
- Utility franchise taxes: **\$1.0 million under budget**
- Charges for services: \$589,970 over budget (PY: \$723,247 over)
- Occupancy tax: \$1.1 million over budget



Major Revenues FY22/23 Comparison

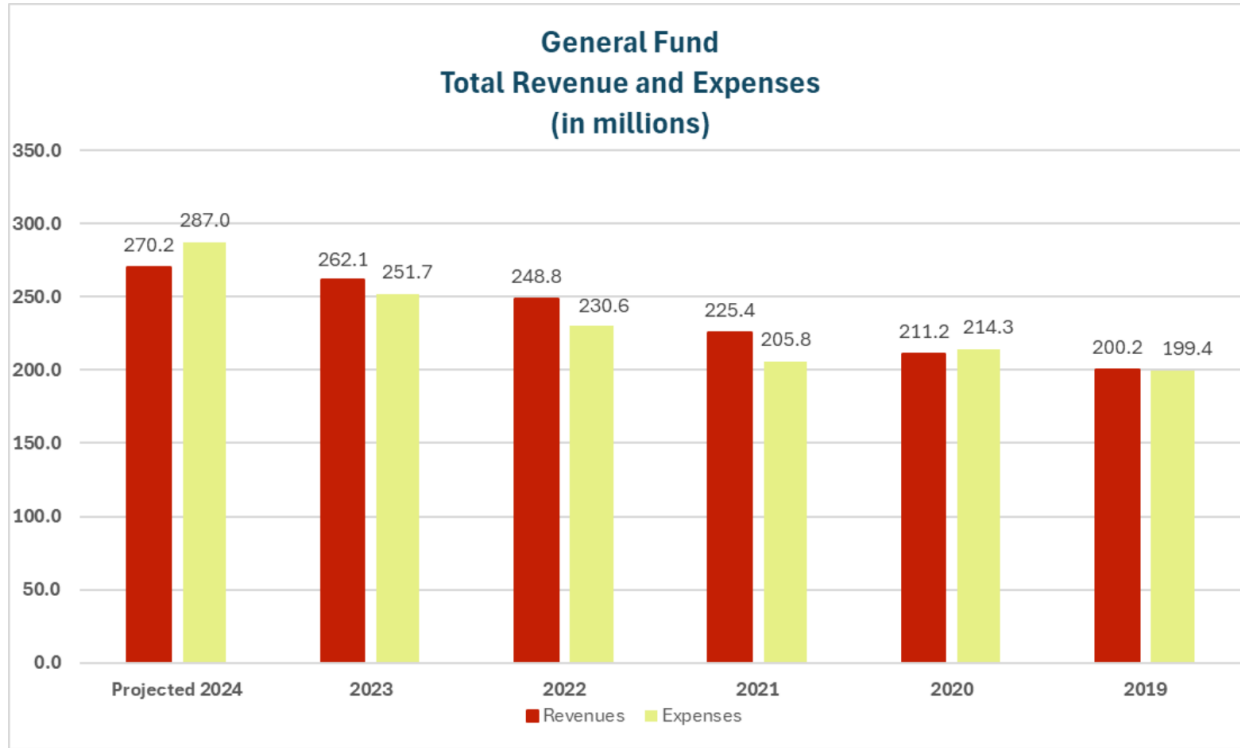
Revenue	Projected 2024	Actual 2023	Actual 2022	Actual 2021	Actual 2020
Property Taxes	\$ 132,245,826	\$ 128,093,189	\$ 121,729,758	\$ 116,009,113	\$ 111,767,574
Sales Taxes	99,914,686	97,565,184	91,966,848	79,387,378	68,345,518
Hotel/Motel Occupancy Tax	3,295,996	2,865,327	2,373,843	1,252,803	2,458,067
Utility Franchise Tax	2,725,951	2,887,362	3,025,228	3,253,990	3,272,987
Other Taxes	690,866	590,114	535,832	463,392	443,957
Powell Bill	8,431,545	7,549,750	7,569,570	6,157,867	6,352,146
Other Intergovernmental Revenue	10,050,191	9,771,128	8,454,144	8,418,249	7,959,875
Licenses and Permits	523,412	427,790	498,654	706,612	502,391
Charges for Services	10,997,526	11,086,140	11,447,722	8,661,844	9,030,131
Sale of Property and Miscellaneous	1,079,930	914,501	1,017,107	900,977	1,012,027
Other	290,829	317,013	195,070	174,838	69,824
Total	\$ 270,246,758	\$ 262,067,498	\$ 248,813,776	\$ 225,387,063	\$ 211,214,497



FINANCE

CITY OF DURHAM

General Fund Revenue and Expenses Trend



Enterprise Funds

Water & Sewer Fund

- Overall fund is expected to end with a positive budget variance of \$2.5 million
 - Revenues slightly under budget by \$114,171
 - Expenditure under budget by \$2.6 million
- Personnel services projected to be \$2.1 million under budget due to vacancies
- Operating expenditure projected to be \$483,457 under budget due to savings for equipment maintenance contracts, contract services and fewer landfill charges



Water & Sewer Fund - Revenues

	FY2024 ADJUSTED BUDGET	ACTIVITY THROUGH JUNE 2024	PERCENT OF BUDGET TO DATE	PROJECTION THROUGH YEAR END	VARIANCE TO ADJUSTED BUDGET POSITIVE/ (NEGATIVE)
REVENUES					
Operating revenues	\$ 127,442,155	\$ 126,802,846	99.50%	\$ 126,802,846	\$ (639,309)
Permits	180,568	229,338	127.01%	229,338	48,770
Total operating revenues	<u>127,622,723</u>	<u>127,032,184</u>	99.54%	<u>127,032,184</u>	<u>(590,539)</u>
Non-operating revenues					
Miscellaneous	716,446	869,069	121.30%	869,069	152,623
Investment income	2,015,288	2,339,033	116.06%	2,339,033	323,745
Other Finance Source - 2023 Revenue BAN	158,904	158,904	100.00%	158,904	
Premium on Revenue Bonds	680,754	677,376	99.50%	677,376	
Total non-operating revenues	<u>3,571,392</u>	<u>4,044,382</u>	113.24%	<u>4,044,382</u>	<u>476,368</u>
TOTAL REVENUES	<u>131,194,115</u>	<u>131,076,566</u>	99.91%	<u>131,076,566</u>	<u>(114,171)</u>



Water & Sewer Fund - Expenses

EXPENDITURES

Personnel services	41,261,973	39,135,146	94.85%	39,164,766	2,097,207
Operating expenditures	33,586,392	32,092,018	95.55%	33,102,935	483,457
Non-departmental administration	9,166,883	9,166,884	100.00%	9,166,884	(1)
Capital outlay	533,284	405,943	76.12%	506,171	27,113
Debt service principal and interest	21,042,916	21,043,035	100.00%	21,043,035	(119)
Transfers to other funds	31,304,194	31,304,194	100.00%	31,304,194	-

TOTAL EXPENDITURES

136,895,642	133,147,220	97.26%	134,287,985	2,607,657
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NET REVENUES LESS EXPENDITURES

<u>\$ (5,701,527)</u>	<u>\$ (2,070,654)</u>	<u>\$ (3,211,419)</u>
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To/(From) Fund Balance

Overall Budget Variance	<u>\$ 2,490,108</u>
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FINANCE

CITY OF DURHAM

Transit Operations Fund

- Operating expenditures projected under budget by \$1.3 million due to delay in planned service enhancements driven by driver shortage
- Total positive budget variance: \$2.0 million
- Tax rate of 3.75 cents (about \$15.6 million) is budgeted in this fund
- Transit anticipates exceeding collections in several categories with projected excess net revenues of \$783,090
- Of the net revenues, investment income represents \$749,796 of the net increase



FINANCE

CITY OF DURHAM

Transit Operations Fund - Revenue

	FY2024 ADJUSTED BUDGET	ACTIVITY THROUGH JUNE 2024	PERCENT OF BUDGET TO DATE	PROJECTION THROUGH YEAR END	VARIANCE TO ADJUSTED BUDGET POSITIVE/ (NEGATIVE)
REVENUES					
Operating revenues	\$ 230,598	\$ 232,797	100.95%	\$ 232,797	\$ 2,199
Non-operating revenues					
Taxes	15,482,967	15,616,297	100.86%	15,616,297	133,330
Grant revenue	10,741,468	10,741,468	100.00%	10,741,468	-
Intergovernmental revenue	8,194,328	8,092,437	98.76%	8,092,437	(101,891)
Licenses and permits	2,861,100	2,862,165	100.04%	2,862,165	1,065
Investment income	170,000	919,796	541.06%	919,796	749,796
Miscellaneous	43,718	42,309	96.78%	42,309	(1,409)
Total non-operating revenues	37,493,581	38,274,472	102.08%	38,274,472	780,891
TOTAL REVENUES	37,724,179	38,507,269	102.08%	38,507,269	783,090



FINANCE

CITY OF DURHAM

Transit Operations Fund - Expenses

EXPENDITURES

Personnel services	908,141	959,996	105.71%	959,996	(51,855)
Operating expenditures	41,917,861	38,252,596	91.26%	40,639,013	1,278,848
Non-departmental administration	1,697,840	1,697,840	100.00%	1,697,840	-
Capital outlay	405,049	142,300	35.13%	365,503	39,546
Debt service principal and interest	135,540	135,540	100.00%	135,540	-
Transfers to other funds	<u>1,824,047</u>	<u>1,824,047</u>	100.00%	<u>1,824,047</u>	<u>-</u>
TOTAL EXPENDITURES	<u>46,888,478</u>	<u>43,012,319</u>	91.73%	<u>45,621,939</u>	<u>1,266,539</u>
NET REVENUES LESS EXPENDITURES	<u>\$ (9,164,299)</u>	<u>\$ (4,505,050)</u>		<u>\$ (7,114,670)</u>	
To/(From) Fund Balance					
				Overall Budget Variance	<u>\$ 2,049,629</u>



FINANCE

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Solid Waste Fund

- Total revenues collected are \$32.9 million which is up \$9.1 million from the same time last year
- Operating revenues are projected to be \$8.7 million or \$365,799 under budget leading to an overall positive revenue variance of \$52,567
- Expenditures to date are \$34.3 million or 92.8% of total spending
- Total projected expenditures are anticipated to be \$35.7 million resulting in an overall budget variance of \$1.3 million
- Personnel expenditures are projected to be over budget by \$291,993, and Operating expenditures are projected to be under budget by \$1.2 million

Solid Waste Fund

	FY2024 ADJUSTED BUDGET	ACTIVITY THROUGH JUNE 2024	PERCENT OF BUDGET TO DATE	PROJECTION THROUGH YEAR END	VARIANCE TO ADJUSTED BUDGET POSITIVE/ (NEGATIVE)
REVENUES					
Operating revenues	\$ 9,022,055	\$ 8,656,256	95.95%	\$ 8,656,256	\$ (365,799)
Non-operating revenues					
Taxes	23,079,943	23,278,251	100.86%	23,278,251	198,308
Investment income	153,000	292,905	191.44%	292,905	139,905
Miscellaneous	351,300	431,453	122.82%	431,453	80,153
Transfers from other funds	210,664	210,664	100.00%	210,664	-
Total non-operating revenues	23,794,907	24,213,273	101.76%	24,213,273	418,366
TOTAL REVENUES	32,816,962	32,869,529	100.16%	32,869,529	52,567
EXPENDITURES					
Personnel services	10,888,485	11,180,478	102.68%	11,180,478	(291,993)
Operating expenditures	18,803,536	16,354,691	86.98%	17,627,452	1,176,084
Non-departmental administration	2,752,990	2,752,992	100.00%	2,752,992	(2)
Capital outlay	1,142,239	643,262	56.32%	739,210	403,029
Debt service principal and interest	3,413,488	3,413,482	100.00%	3,413,482	6
TOTAL EXPENDITURES	37,000,738	34,344,905	92.82%	35,713,614	1,287,124
NET REVENUES LESS EXPENDITURES To/(From) Fund Balance	\$ (4,183,776)	\$ (1,475,376)		\$ (2,844,085)	
				Overall Budget Variance	\$ 1,339,691



FINANCE

CITY OF DURHAM

Storm Water Fund

- The Storm Water Fund is a self-sufficient enterprise fund and receives no tax support
- Total Revenues are projected to be \$27.6 million or \$4.8 million over budget
- Projected expenditures are expected to be under budget by \$1.3 million for an overall budget variance of \$6.2 million
- Even with the large variance, the fund still anticipates using fund balance this fiscal year due to CIP projects being funded from its reserves



Storm Water Fund

	FY2024 ADJUSTED BUDGET	ACTIVITY THROUGH JUNE 2024	PERCENT OF BUDGET TO DATE	PROJECTION THROUGH YEAR END	VARIANCE TO ADJUSTED BUDGET POSITIVE/ (NEGATIVE)
REVENUES					
Operating revenues	\$ 22,607,717	\$ 27,341,621	120.94%	\$ 27,341,621	\$ 4,733,904
Non-operating revenues					
Investment income	87,000	122,512	140.82%	122,512	35,512
Miscellaneous income	-	53,172	0.00%	53,172	53,172
Transfers from other funds	109,047	109,047	100.00%	109,047	-
Total non-operating revenues	196,047	284,731	145.24%	284,731	88,684
TOTAL REVENUES	22,803,764	27,626,352	121.15%	27,626,352	4,822,588
EXPENDITURES					
Personnel services	10,868,688	9,620,675	88.52%	9,620,675	1,248,013
Operating expenditures	3,109,030	2,738,030	88.07%	3,015,660	93,370
Non-departmental administration	1,971,743	1,971,744	100.00%	1,971,744	(1)
Capital outlay	1,020	-	0.00%	1,020	-
Transfers to other funds	13,823,000	13,823,000	100.00%	13,823,000	-
TOTAL EXPENDITURES	29,773,481	28,153,449	94.56%	28,432,099	1,341,382
NET REVENUES LESS EXPENDITURES	\$ (6,969,717)	\$ (527,097)		\$ (805,747)	
To/(From) Fund Balance					
				Overall Budget Variance	\$ 6,163,970



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CITY OF DURHAM

Parking Fund

- At year-end, the Parking Fund received 102% of budgeted revenues, ending the year with total revenues of \$7.1 million
- Conversely, the fund spent only 92% of budgeted expenditures, ending the year with expenditures of \$7.8 million
- Revenues continue to be insufficient to cover expenses with the Debt Service Fund subsidizing the existing debt portion of the fund
- At June 30, 2023, the fund's cash deficit was \$1.9 million, which is anticipated to increase by \$766,702 for FY2024
- The deficit is being carried on the City's financial statements as a liability "Due to other funds" and is offset by positive cash balances of other City enterprise funds



Parking Fund

	FY2024 ADJUSTED BUDGET	ACTIVITY THROUGH JUNE 2024	PERCENT OF BUDGET TO DATE	PROJECTION THROUGH YEAR END	VARIANCE TO ADJUSTED BUDGET POSITIVE/ (NEGATIVE)
REVENUES					
Operating revenues	\$ 5,683,273	\$ 5,795,770	101.98%	\$ 5,795,770	\$ 112,497
Non-operating revenues					
Miscellaneous	130,107	160,606	123.44%	160,606	30,499
Transfers from other funds	1,089,349	1,089,349	100.00%	1,089,349	-
Total non-operating revenues	1,219,456	1,249,955	102.50%	1,249,955	30,499
TOTAL REVENUES	6,902,729	7,045,725	102.07%	7,045,725	142,996
EXPENDITURES					
Personnel services	2,313,540	2,294,399	99.17%	2,294,399	19,141
Operating expenditures	2,374,789	1,305,205	54.96%	1,690,944	683,845
Non-departmental administration	1,056,072	1,056,072	100.00%	1,056,072	-
Debt service principal and interest	2,771,019	2,771,012	100.00%	2,771,012	7
TOTAL EXPENDITURES	8,515,420	7,426,688	87.21%	7,812,427	702,993
NET REVENUES LESS EXPENDITURES To/(From) Fund Balance	\$ (1,612,691)	\$ (380,963)		\$ (766,702)	
				Overall Budget Variance	\$ 845,989



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Other Enterprise Funds

- Ballpark Fund: Revenues and expenses are on target with budget expectations. There is projected to be an overall budget variance of a \$347,398.
- DPAC Fund: Fourth quarter projections exceed budgeted revenue by \$764,340. The overall budget variance is projected at \$2,290,124 with net revenues being \$2.3 million.

FY24 Fourth Quarter Financial Report

- The full financial report can be found online at:
<http://durhamnc.gov/Archive.aspx?AMID=39>
- Other Information included in the Report:
 - ❖ Investment Portfolio Dashboard
 - ❖ Claims & Contract Information
 - ❖ Planned Debt Issuances
 - ❖ CIP Stoplight Report
 - ❖ General Services Real Estate Division Report (New as of third quarter)