

**CITY OF SARATOGA SPRINGS
OFFICE OF THE COMMISSIONER OF FINANCE
QUARTERLY FINANCIAL REPORT
FOR THE QUARTER ENDED
JUNE 30, 2010**

I respectfully submit to the City Council the Second Quarter Financial Report of 2010. Please note that this report is prepared on a cash basis and no adjustments have been made for receivables or payables.

REVENUES

General Fund Revenues

Property taxes in the General Fund are recognized as revenue for the full amount levied at the time the tax roll is posted to the general ledger. The Finance Office has reviewed the payments made as of 06/30/10 and 63% has been collected or \$9,847,045. In comparison to the same period last year, 67% was collected. You will recall that property taxes can be paid in four installments with the first installment due March 1. However, the City offers a discount of 2.25% if the full year is paid on or before March 1.

Receipt of grant funds varies based on the specific requirements of the grant, therefore some grant revenues may be fully received, while others may not be received at all or may be partially received.

The race track parking program will not begin until July.

As of 06/30/10 many of the City's larger revenue streams are received month(s) after the period they are collected for. Such as:

- Sales Tax figures include distributions for January through April, May and June collections will be distributed in July and August, respectfully. Sales tax is expected to exceed the budget and when compared to last year, collections are up 8%.
- Occupancy Tax is paid to the City from the County on a quarterly basis. The first quarterly payment for 2010 was received in April. With only one quarter received, the tax is 21% more than 2009.
- County surplus distribution is paid on a quarterly basis too and the first payment was made in April. It is estimated to meet budget and is consistent with prior years.
- NYRA Admissions Tax is paid annually after the racing season has closed.
- The bulk of Franchise Tax is typically paid annually, in the last quarter of the year.
- State Aid Revenue sharing is distributed in two installments, September and December. The largest share is received in December.

- Mortgage Tax is paid semiannually in May and November. It is estimated Mortgage tax will not meet the budget, possibly \$50,000 less.
- CHIPS State aid is usually not received until July and September as a reimbursement for road improvements completed during the spring and summer months.

Taking into consideration the property tax revenue recognition, approximately 44% of revenues were actually received as of 06/30/10. This activity is a decline from prior year when overall revenues were 58% collected, however this activity is more consistent with activity in years before 2009.

Water and Sewer Revenues

The second quarter water and sewer bills for 2010 are mailed in July for an August 15th due date. Therefore, only one quarter of revenue has been booked as of 06/30/10.

Capital Revenues

The City will issue a General Obligation bond in July to finance the 2010 capital projects.

EXPENSES

General Fund Expenses

Finance Office – Transfers out vary based on the timing of when capital and debt expenses occur.

All Departments – Liability insurance has been paid in full for the year. Additional expenses would be for claims or additional coverage. Final retirement charges will not be applied until year end. Most departments' expenses are running at or below 50%, which is on target for 06/30/10 and consistent with 2009. Line item and departmental variances above or below 50% are due to retirement expense, seasonal expenses and grants.

Capital Expenses

Capital expenses vary based on the timing of the project.

Debt Service Expenses

Debt payments for each bond are made semiannually and at varying times during the years.

Community Development

Since the Community Development block grants are awarded on a different schedule than the City's fiscal year, no budget is established.

Submittal Date: July 27, 2010
Agenda Date: August 3, 2010