

**CITY OF SARATOGA SPRINGS
OFFICE OF THE COMMISSIONER OF FINANCE
QUARTERLY FINANCIAL REPORT
FOR THE QUARTER ENDED
SEPTEMBER 30, 2020**

I respectfully submit to the City Council the Third Quarter Financial Report of 2020 ending September 30. 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 and an adjustment made at year end to defer to future years the amount not collected. The Finance Office has reviewed the payments made as of 09/30/20 and 85% has been collected or \$13,768,882. Last year at this time 83% was collected. 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. This accounts for the greater than 75% collection rate after the third due date has passed.

As of 09/30/20 many of the City's larger revenue items are received on a lag, months after they have been earned.

- VLT aid was received on June 30th in the amount of \$1,860,473.60. This was a 20% reduction. The City budgeted \$2,325,592, so \$465,118.40 has not been received and at this time the City is not certain when or if it will receive the remaining 20%.
- Sales Tax figures include distributions for January through July. August and September collections will be distributed in October and November, respectfully. The amount received as of 09/30/20 was \$6,447,380. This was a decrease of 16% from 09/30/19.
- Hotel Occupancy Tax is paid to the City from the County on a quarterly basis. The first quarterly payment for 2020 was received on April 15th. The second was received on July 21st. Collections are significantly lower than in 2019 and are not expected to meet the 2020 budget.
- County surplus distribution is paid on a quarterly basis and two payments have been received. These amounts are expected to meet the budget.
- NYRA Admissions Tax is paid annually after the racing season has closed. Since there are no fans being admitted to the Race course, I expect the entire budget of \$723,300 to not be received.
- The bulk of Franchise Tax is paid annually, in the last quarter of the year.
- State Aid Revenue sharing is distributed in two installments, September and December, with the largest share received in December. The September payment

was received on 09/24/2020 in the amount of \$181,702.40. This was a 20% decrease from what the expected to receive.

- Mortgage Tax is paid semiannually in May and November. Mortgage tax receipts saw a slight increase when compared to 09/30/19. As of 09/30/20 \$630,204 was received and as of 09/30/19 \$623,055 was received.

DPW – DPW is at 80% collected. This is due to the timing of receipt for the CHIPs grant.

Taking into consideration the property tax revenue recognition issues, approximately 62% of revenues were actually received as of 09/30/20. This is a decrease from 2019 at September 30 when 67% of revenue was received.

Water and Sewer Revenues

The second quarter water and sewer bills for 2020 were mailed in July for an August 15th due date. Therefore, only two quarters of revenue have been booked as of 09/30/20. Approximately 39% of water revenues have been recorded.

Capital Revenues

The City closed on a General Obligation Bond on June 18, 2020 to finance various 2020 capital projects for \$7,428,164.

Debt Service Fund Revenues

The City refinanced \$6,180,000 of outstanding principal for the 2011 and 2012 bonds. The Aggregate Budgetary Savings is \$1,230,509.58.

EXPENSES:

General Fund Expenses

Finance Office – Discount on Taxes is a final figure.

All – Liability insurance has been paid in full for the year. Additional expenses would be for claims or additional coverage. Final retirement payments will be made on 12/15/19. Also most departments' total expenses are running at about 66% to 74%, except for recreation which is at 58%. These are consistent with prior years, except recreation. Variances are due to seasonal expenses, insurance related items, and grants.

Capital Expenses

Expenses paid through 09/30 have been primarily for City Hall renovations and Geyser Road Trail.

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: October 29, 2020
Agenda Date: November 2, 2020