City of Winooski
Vermont's Opportunity City

27 West Allen Street
Winooski Vermont 05404
802 655 6410
winooskivt.gov

Memorandum – 10/11/2023
Finance Department
John Fenney, City Treasurer
jfenney@winooskivt.gov

FY24 Q1 Treasurer's Financial Report
To: The Honorable Mayor and City Council

Please find the first quarter financial report for FY24 ending September 30, 2023, in an unaudited format. Notable items are as follows:

General Fund (Governmental Funds)

For Q1, the City's General Fund (100) is forecasting an annual surplus of $255K with a net fund balance of $2.3M, which is about a 12% increase year over year. For reference, the previous fiscal year's ending net fund balance was $2.05M.

General Fund revenues are forecasted to total $9.3M, which is $105K above budget. The City's main driver of revenue collection, property tax, is estimated to bring in $7.3M for the city this fiscal year. This increase of about 4% from FY23. Like FY23, we predict that external factors in the market will contribute to an increase in net assets; rising interest rates accounted for over $90K of additional revenue last year. We are projecting interest earnings this fiscal year to surpass last year.

General Fund expenses are forecasted at $9.1M, which is about $150K below budget. Similar to FY23, the bulk of these cost savings are due to staff vacancies across multiple departments. Vacancies reduce forecasted salary, fringe, and other employee-related expenses. All vacancies are ongoing without qualified candidate pools or are vacant due to disability and must be held open due to union contracts.

Enterprise Funds

The Water Fund (201) is forecasting a gain of $178K and a net fund balance of $797K. About $66K, or 6% of total revenue, is from allocation costs, which are fees paid by new developments for capacity in the water and wastewater systems. They fluctuate highly with the development of parcels in Winooski and are highly dependent on the type of development.

The Wastewater Fund (205) is forecasting a gain of $101K and a net fund balance of $598K. About $107K, or 7% of total revenue is from allocation costs, similar to the Water Fund. We will continue to monitor allocation fees for both the Water and Wastewater Fund as they are not always reliable revenue sources.

The Combined Parking Garage Fund (207) is forecasting a gain of $48K with a net fund balance of $540K. The development of the Abenaki garage is ongoing, and the combined parking fund now holds a fund balance for the location. The projected fund balance for the Abenaki garage is the sum of debt proceeds (97%), as well as investment income from CDs, where respective monies are held. We are anticipating that the revenue received for parking meters at Spinner Place will double our annual budget based on historical activity.

Special Revenue Funds

The Community Services Fund (400) is forecasting to break even in FY24. Since Winooski is no longer running fee-based programming at the Senior Center, revenue is dependent on grant revenue and donations. In FY23, donations to the Community Services Fund were our largest source of revenue.

The TIF Fund (600) is forecasting a surplus of $237K with a net fund balance of $510K. The forecasted surplus for the TIF fund is a result of higher parking meter and Spinner Place revenue in the Combined Parking Garage Fund. We are also anticipating passing our debt coverage service ratio again this year.

The Rental Registry Fund (702) is forecasting a loss of ($12K) with a net fund deficit of ($31K). In FY23, multiple properties were not billed at a full rate due to an agreement made during the pandemic. In FY23, we started billing the full unit count for the parcels that were reduced; however, an agreement with Winooski Housing Authority regarding their rental units is still pending. Our projections may change depending on if/when an agreement is made in the coming months.

The Community & Economic Development Fund (805) is forecasting a surplus of $13K and a net fund balance of $170K. We are not predicting any major changes to expenses in FY24.

In general, we are forecasting increases across most fund balances this fiscal year. As the year progresses, we should continue to monitor the progress of the Abenaki Garage project, as well as prepare for future projects.

Respectfully submitted,

John Fenney