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MEMORANDUM

To: Hartford Parking Authority Commissioners

From: Rex Fowler, Treasurer
Eric Boone, CEO/Executive Director

Re: Financial Report

Date: December 13, 2013

Monthly Finance Report

Although year-to-date Operating Income was ahead of budget by \$95,000, the full-year forecast indicates a deficit of \$38,000. The surplus seen in the early months of this year was a result of additional revenue earned and reduced planned expenses at Morgan Street Garage in July, August, and September. After the sale of the garage revenue ceased and expenses became finalized, and according, the surplus has eroded. The above indicated full year forecast of a small surplus is within the margin of error for the current forecasting method. HPA staff has commenced the development of a more refined forecasting method to determine with a greater accuracy the year-end budget variance. If the refined forecasting method indicates the potential for budget concerns, corrective actions will be developed and implemented.

November 2013 key indicators are:

- Revenue is \$3,503,100 compared to budget of \$3,681,609, an unfavorable variance of \$178,509.
- Expenses are \$2,006,901 compared to budget of \$2,281,211 a favorable variance of \$274,310.
- Operating income is \$1,496,199 compared to budget of \$1,400,398, a favorable variance of \$95,801.
- Debt service coverage – The debt service coverage ratio for debt on the books of the HPA is 3.64. The debt service coverage ratio for all parking system debt is 1.61. Both ratios reflect the defeasance of Morgan Street Garage bonds in August and the resulting lower debt service.
- The year-to-date standard collection rate for citations is 71% against a target for the year of 80%.

Explanation of Significant Variances

- Administration year-to-date Payroll expense is \$39,244 less than budget as a result of savings associated with the vacant CEO position up until mid-October and use of the Community Sick Bank for 60 hours (total Administration Payroll & Related expenses favorable variance of \$46,308).
- Morgan Street Garage year-to-date Monthly Parking revenue is \$48,792 higher than budget as a result of one more month revenue than expected.
- Morgan Street Garage year-to-date Capital Community College revenue is \$31,627 higher than budget as a result of true-up adjustments received in August and September for Fiscal 2012-13 and Fiscal 2013-14.
- Church Street Garage year-to-date Hourly Parking revenue is \$31,064 higher than budget as a result of higher special event revenue than last year.
- Church Street Garage year-to-date Monthly Parking revenue is \$79,046 higher than budget as a result of the addition of 175 new parkers in the first two months of the year.
- On-Street Parking year-to-date Citation revenue is \$252,455 lower than budget.
- On-Street Parking year-to-date Collection Agency revenue is \$188,325 lower than budget.
- On-Street Parking year-to-date Collection Fee expenses \$74,588 lower than budget (favorable variance) since collection fee expense is a function of the amount collected.