

General Fund

Statement of Revenues, Expenditures and Changes in Fund Balance

May 7, 2013

MEMORANDUM

TO: Sylvia A. Edwards, Finance Director

FROM: Frances J. Slane, Fiscal Analyst

RE: Statement of General Fund Revenues and Expenditures – Budget-to-Actual
October 1, 2012 through March 31, 2013

As Council has requested attached is the budget-to-actual report for the general fund through March 31, 2013. The report is in the format presented in the Comprehensive Annual Financial Report (CAFR), with an added column presenting percent of actual expenditures to the amended budget. The letters to the right of the percent column identify anomalies within plus or minus 5% of the percent of fiscal year completed (50%) and are explained below:

- A) The majority of ad valorem taxes are normally collected early in the year as taxpayers take advantage of discounts for early payments. Year-to-date collections are in line with budget expectations.
- B) Business tax receipts are collected prior to the beginning of the year and are shown as revenue in the first month of the new fiscal year. Year-to-date collections are in line with budget expectations.
- C) The casualty insurance premium tax payment will be received in a lump sum in August 2013.
- D) Electrical franchise fees of \$540,803 were paid in a lump sum in January.
- E) Development fee collections of \$127,189 are greater than 50% of the FY13 \$200,000 budget.
- F) Fines are collected as violations occur.
- G) The City received refunds of \$23,203 and \$8,636 from the Florida Municipal Insurance Trust.
- H) Legislative Department – Other contractual services is expected to end the year \$25,000 under budget. Promotional activities are less than budget but it is expected that expense through the year will conform to the budget.

- I) Administrative Department - A yearly lump-sum payment was made to the General Employees' Pension Plan in December. It is expected that expense through the year will conform to the budget.
- J) Finance Department - A yearly lump-sum payment was made to the General Employees' Pension Plan in December.
- K) Insurance/General Government Department – Other contractual service is less than budget but it is expected that expense through the year will conform to the budget.
- L) Police Department - Yearly lump-sum payments were made for the General Employees' Pension Plan (\$170,453) and the Municipal Police Officers' Pension Plan (\$687,424) in December. It is expected that expense through the year will conform to the budget.
- M) S.E.M.P – It is expected that expense through the year will conform to budget.
- N) Garbage Recycling – Repair and maintenance is under-expended through March. Work is done on an as-needed basis and it is expected that additional expense will be incurred during the remainder of the year.
- O) Public Works Department - A yearly lump-sum payment in the amount of \$157,216 was made to the General Employees' Pension Plan in December. It is expected that expense through the year will conform to the budget.
- P) Historical Village and Museum – Annual flood and windstorm insurance premiums were paid in January. It is expected that expense through the year will conform to the budget.
- Q) Public Facilities - Repair and maintenance is under-expended through March. Work is done on an as-needed basis and it is expected that additional expense will be incurred during the remainder of the year.
- R) Performing Arts Facility – Annual flood and windstorm insurance premiums were paid in January. It is expected that expense through the year will conform to the budget.
- S) Expenditures are never made directly from the reserves, but are re-appropriated by Council-approved budget amendment to the department responsible for supervising the expenditure. Through March 31, 2013 Council has approved the budget amendment below:

| Budget Amendment No. | Amount from Reserves | Purpose |
|----------------------|----------------------|--|
| Beginning Reserves | \$6,390,000 | |
| BA2013-008 | -\$76,191 | \$27,000 for the prorated salary cost of an entry level police officer for 9 months, 5% increased salary cost for one sergeant position of \$2,800 and 5% increased salary cost for one additional lieutenant position of \$3,500 which will increase the Police Department staffing level by one (1) FTE as a lieutenant, plus benefits |
| BA2013-010 | -\$27,000 | MIS security upgrades at the recreation center |
| BA2013-013 | -\$14,851 | Repair/replace a 32' support beam at the primary public entrance to City Hall |
| BA2013-014 | -\$1,358 | Print 14,000 Snowy Plover coloring books |
| BA2013-015 | -\$61,958 | Fund crosswalk policy revision review and traffic studies at three locations |
| BA2013-020 | -\$6,000 | Emergency signage for special events |
| BA2013-022 | -\$12,500 | Review of Lee County's causeway documents |
| BA2013-023 | -\$5,000 | Establish an employee assistance fund at F.I.S.H. |
| BA2013-024 | -\$20,000 | Grant writing services |
| BA2013-025 | -\$15,390 | Center4Life needs assessment |
| BA2013-026 | -\$50,000 | Professional services related to the redevelopment project |
| Ending Reserves | \$6,099,754 | |

- T) Reserve for Undercollection of Revenue – As mentioned above in A) taxpayers have the option of receiving a discount by paying their ad valorem taxes early, that is in the months from November through February. Therefore, the City never collects 100% of its property tax levy and sets aside a percentage of its ad valorem tax levy as a reduction of revenue. In FY13 Council approved a 4% reserve for undercollection.
- U) Fund Balance – In the column labeled “Actual” the audited FY13 beginning fund balance on October 1, 2012 is \$13,936,555. This and the net change in fund balance of \$3,293,898, found directly above it, are added together to calculate the unaudited fund balance on March 31, 2013 of \$17,230,453.

The difference between the audited beginning fund balance of \$13,936,555 and the adopted beginning fund balance of \$12,866,131 is due to FY12 operating expenditures and reserve expenditures being less than budgeted and revenues being more than budgeted.

fjs

Attachment: Statement of Revenues, Expenditures and changes in Fund Balances – Budget and Actual – General Fund

CITY OF SANIBEL, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (UNAUDITED)
GENERAL FUND

For the Six Months Ended March 31, 2013

Percent of Fiscal Year Completed 50.00%

| | Budgets | | Actual | Variance with Amended Budget Positive (Negative) | Percent of Actual to Amended Budget | |
|--|---------------------|---------------------|----------------------|---|--|---|
| | Original | Amended | | | | |
| Revenues | | | | | | |
| Taxes | | | | | | |
| Property taxes | \$ 8,570,962 | \$ 8,570,962 | 7,678,653 | \$ (892,309) | 89.59% | A |
| Business tax receipts | 289,332 | 289,332 | 277,021 | (12,311) | 95.75% | B |
| Casualty insurance premium tax | 58,725 | 58,725 | - | (58,725) | 0.00% | C |
| Communications services tax | 540,000 | 540,000 | 246,317 | (293,683) | 45.61% | |
| Licenses and permits | 967,000 | 967,000 | 794,550 | (172,450) | 82.17% | D |
| Intergovernmental revenues | 748,232 | 748,232 | 345,174 | (403,058) | 46.13% | |
| Charges for services | 1,534,000 | 1,534,000 | 861,042 | (672,958) | 56.13% | E |
| Fines and forfeitures | 40,000 | 40,000 | 16,195 | (23,805) | 40.49% | F |
| Miscellaneous* | 286,005 | 286,005 | 201,126 | (84,879) | 70.32% | G |
| Total revenues | 13,034,256 | 13,034,256 | 10,420,078 | (2,614,178) | 79.94% | |
| Expenditures | | | | | | |
| Current | | | | | | |
| General government | | | | | | |
| Legislative | 328,473 | 329,829 | 105,902 | 223,927 | 32.11% | H |
| Administrative | 786,065 | 806,065 | 456,945 | 349,120 | 56.69% | I |
| Management information systems | 908,078 | 908,078 | 437,805 | 470,273 | 48.21% | |
| Finance | 882,546 | 882,546 | 506,268 | 376,278 | 57.36% | J |
| Legal | 578,885 | 578,885 | 285,323 | 293,562 | 49.29% | |
| Planning | 869,233 | 919,233 | 431,299 | 487,934 | 46.92% | |
| Insurance/Gen'l Gov't | 630,616 | 648,116 | 265,474 | 382,642 | 40.96% | K |
| General government | 4,983,896 | 5,072,752 | 2,489,016 | 2,583,736 | 49.07% | |
| Public safety | | | | | | |
| Police | 3,768,321 | 3,838,035 | 2,138,498 | 1,699,537 | 55.72% | L |
| SEMP | 24,030 | 24,030 | 6,490 | 17,540 | 27.01% | M |
| Public safety | 3,792,351 | 3,862,065 | 2,144,988 | 1,717,077 | 55.54% | |
| Physical Environment | | | | | | |
| Garbage recycling | 58,940 | 58,940 | 24,579 | 34,361 | 41.70% | N |
| Natural resources management | 651,808 | 651,808 | 299,014 | 352,794 | 45.87% | |
| Physical Environment | 710,748 | 710,748 | 323,593 | 387,155 | 45.53% | |
| Transportation-Public works | 782,741 | 782,741 | 463,826 | 318,915 | 59.26% | O |
| Culture/Recreation | | | | | | |
| Parks & Recreation | | | | | | |
| Below Market Rate Housing | 279,800 | 279,800 | 141,168 | 138,632 | 50.45% | |
| Historical Village & Museum | 141,105 | 141,105 | 84,257 | 56,848 | 59.71% | P |
| Public facilities | 600,206 | 600,206 | 235,929 | 364,277 | 39.31% | Q |
| Performing arts facility | 14,329 | 14,329 | 13,209 | 1,120 | 92.18% | R |
| Culture/Recreation | 1,035,440 | 1,035,440 | 474,563 | 560,877 | 45.83% | |
| Total expenditures | 11,305,176 | 11,463,746 | 5,895,986 | 5,567,760 | 51.43% | |
| Excess revenues over expenditures | 1,729,080 | 1,570,510 | 4,524,092 | 2,953,582 | 288.07% | |
| Other financing sources (uses) | | | | | | |
| Reserve for contingencies | (6,390,000) | (6,099,754) | - | 6,099,754 | 0.00% | S |
| Operating transfers out | (2,460,387) | (2,570,735) | (1,230,194) | (1,340,541) | 47.85% | |
| Reserve for undercollection of revenue | (342,838) | (342,838) | - | 342,838 | 0.00% | T |
| Total other financing sources (uses) | (9,193,225) | (9,013,327) | (1,230,194) | 5,102,051 | 13.65% | |
| Net change in fund balances | (7,464,145) | (7,442,817) | 3,293,898 | 10,736,715 | -44.26% | |
| Fund balances, October 1, 2012 (Audited) | 12,866,131 | 12,866,131 | 13,936,555 | 1,070,424 | 108.32% | U |
| Fund balances, March 31, 2013 (Unaudited) | \$ 5,401,986 | \$ 5,423,314 | \$ 17,230,453 | \$ 11,807,139 | | |

*Does not include unrealized gains (losses)