

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

For the Three Months Ended December 31, 2008

Percent of Fiscal Year Completed 25.00%

	Budgets		Actual	Variance with Amended Budget Positive (Negative)	Percent of Actual to Amended Budget	
	Original	Amended				
Revenues						
Taxes						
Property taxes	\$ 10,579,884	\$ 10,579,884	7,915,144	\$ (2,664,740)	74.81%	A
Gas taxes	1,250,000	1,168,750	231,773	(936,977)	19.83%	B
Casualty insurance premium tax	50,726	50,726	-	(50,726)	0.00%	C
Communications services tax	500,000	500,000	88,702	(411,298)	17.74%	D
Licenses and permits	7,600	7,600	2,100	(5,500)	27.63%	
Intergovernmental revenues	830,140	825,668	175,010	(650,658)	21.20%	
Charges for services	1,556,700	1,556,700	100,309	(1,456,391)	6.44%	E
Fines and forfeitures	50,200	50,200	16,849	(33,351)	33.56%	F
Miscellaneous	317,385	317,385	20,982	(296,403)	6.61%	G
Total revenues	15,142,635	15,056,913	8,550,869	(6,506,044)	56.79%	
Expenditures						
Current						
General government						
Legislative	296,800	270,800	49,978	220,822	18.46%	H
Administrative	766,541	758,541	191,568	566,973	25.25%	
Management information systems	741,006	730,006	101,997	628,009	13.97%	I
Finance	846,595	843,695	195,902	647,793	23.22%	
Legal	649,260	640,495	96,755	543,740	15.11%	J
Planning	842,458	820,404	175,718	644,686	21.42%	
Insurance	402,671	402,671	111,339	291,332	27.65%	
General government	4,545,331	4,466,612	923,257	3,543,355	20.67%	
Public safety						
Police	4,152,562	3,972,805	961,290	3,011,515	24.20%	
SEMP	25,100	25,100	2,175	22,925	8.67%	K
Public safety	4,177,662	3,997,905	963,465	3,034,440	24.10%	
Physical Environment						
Garbage recycling	92,320	57,320	5,467	51,853	9.54%	L
Natural resources management	409,124	391,224	92,836	298,388	23.73%	
Physical Environment	501,444	448,544	98,303	350,241	21.92%	
Transportation-Public works	2,095,364	2,045,364	448,211	1,597,153	21.91%	
Culture/Recreation						
Parks & Recreation						
Historical Village & Museum	179,852	179,852	23,581	156,271	13.11%	M
Public facilities	527,250	513,250	94,259	418,991	18.37%	N
Seniors program	127,219	126,319	30,812	95,507	24.39%	
Performing arts facility	11,000	11,000	-	11,000	0.00%	O
Culture/Recreation	845,321	830,421	148,652	681,769	17.90%	
Total expenditures	12,165,122	11,788,846	2,581,888	9,206,958	21.90%	
Excess revenues over expenditures	2,977,512	3,268,067	5,968,981	2,700,914	182.65%	
Other financing sources (uses)						
Operating transfers in	70,000	70,000	17,500	(52,500)	25.00%	
Reserve for contingencies	(6,290,000)	(6,580,000)	-	6,580,000	0.00%	P
Reserve for Classification & Pay Adj	(6,997)	(6,997)	-	6,997	0.00%	P
Operating transfers out	(2,315,494)	(2,304,994)	(576,249)	(1,728,746)	25.00%	
Reserve for undercollection of revenue	(528,994)	(528,994)	-	528,994	0.00%	Q
Total other financing sources (uses)	(9,071,485)	(9,350,985)	(558,749)	5,334,746	5.98%	
Net change in fund balances	(6,093,973)	(6,082,918)	5,410,233	11,493,151	-88.94%	
Fund balances, October 1, 2008 (Unaudited)	9,408,131	9,408,131	12,106,472	2,698,341	128.68%	R
Fund balances, December 31, 2008 (Unaudited)	\$ 3,314,158	\$ 3,325,213	\$ 17,516,705	\$ 14,191,492	526.78%	R

January 20, 2009

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, 2008 through December 31, 2008

As Council has requested attached is the budget-to-actual report for the General Fund through December 31, 2008. 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 (25%) 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) Gas taxes are usually distributed by the state of Florida one month in arrears. The actual amount represents two months of distributions, not three. On December 16, 2008 City Council reduced the budget for gas tax revenue by \$81,250 in response to lower state estimates. The local option gas tax was reduced to \$654,500 from \$700,000 and the \$.05 local option gas tax was reduced to \$514,250 from \$550,000.
- C) The casualty insurance premium tax payment will be received in a lump sum in August 2009.
- D) The communication services tax is normally distributed monthly by the state of Florida. In December, however, the state applied a once-a-year adjustment to the tax and the City has not yet received its December distribution. The adjustment is reflected in the City's budget. The actual amount represents two months of distributions, not three.
- E) Charges for services include indirect cost charges to other funds and are based on an indirect cost study of the period ending September 2008. The City recently received the study and charges will be made in the second quarter.
- F) Fines and forfeitures paid to the city by Lee County are higher than budgeted to date.
- G) Interest earnings, a component of the miscellaneous revenue line, are derived from investments in T-bills, public depository accounts in local banks and money received from the City's Local Government Investment Pool (LGIP) account with the state of Florida. T-bill revenue will be recognized when the T-bills mature in the third and fourth quarters. Public depository revenues are recognized on a monthly basis; however due to timing issues December receipts will not be posted until the second

quarter. LGIP balances are substantially lower in FY09 and contribute a nominal amount to interest earnings.

- H) Legislative Department – The \$32,000 budget for the City Council election will be expended in the second quarter of the year. At this time promotional activities are also below previous fiscal years as well as budget.
- I) MIS Department – Operating equipment purchases are being delayed as long as possible. Expenditures do not include annual maintenance contracts that will become due in the second quarter. Professional services expense will be incurred in the latter quarters of the year.
- J) Legal Department - The legal services line is less than budgeted.
- K) SEMP Department – Expenditures will be made later in the fiscal year, during hurricane season.
- L) Garbage Recycling – Repair and maintenance is under-expended through December. Work is done on an as-needed basis and it is expected that expense will be incurred during the remainder of the year.
- M) Historical Village & Museum – Work under the \$40,415 TDC grant for bathrooms at the Village will be done in the second and third quarters.
- N) Public Facilities Dept – The operating portion of this budget is based on historical expenditures, including such things as pressure cleaning of City Hall, and various City Hall repairs including air conditioning, electrical, elevator, exterior, generator, roof and other items. Some of this work is done in the summer and other work is done as needed during the year. While first quarter operating expense is lower than budgeted it is expected that expense through the year will conform to the budget.
- O) Performing arts facility – The primary expense for this facility is for insurance for the annual flood and wind premiums which are paid in the second and third quarters of the year.
- P) Council has approved one budget amendment to reduce appropriated expenditures for various departments and to re-allocate the funds to reserves. These funds will be available for future re-appropriation if required. The amendment decreased appropriated expenditures by \$290,000 and increased reserves from \$6,290,000 to \$6,580,000.
- Q) Reserve for Undercollection of Revenue – As mentioned in A) above, 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 FY09 Council increased the reserve for undercollection from 4% to 5%.
- R) Fund Balance – In the column labeled “Actual” the unaudited FY09 beginning fund balance on October 1, 2008 is \$12,106,472. This and the net change in fund balance of \$5,410,233, found directly above it, are added together to calculate the

unaudited fund balance on December 31, 2008 of \$17,516,705. The December 31, 2008 unaudited fund balance will decrease as the fiscal year proceeds.

The difference between the unaudited beginning fund balance of \$12,106,472 and the adopted beginning fund balance of \$9,408,131 is due to FY08 expenditures being less than budgeted and revenues being more than budgeted. When the FY08 audit is complete staff will prepare a budget amendment to amend the FY09 beginning fund balance.

fjs

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