



**SUPPLEMENTAL AGENDA ITEM NO. 1
REGULAR CITY COMMISSION MEETING
WEDNESDAY, OCTOBER 17, 2012 6:05 PM**

1. PRESENTATIONS

- A. PRESENTATION OF THE QUARTERLY FINANCIAL STATUS AS OF
SEPTEMBER 30, 2012 (STAFF: DIRECTOR OF FINANCE) (SEE BACKUP)
CAD# 001/12**

EXECUTIVE SUMMARY

Quarterly Financial Statements
Quarter ended September 30, 2012

The Quarter ended September 30, 2012, is the end of the fiscal year. The Revenues, Expenditures and percent of budget shown for each fund are being shown for the Quarter/Fiscal Year Ended September 30, 2012 as of October 12, 2012. As is customary with Year-end closing, there are many audit adjustments, accruals and other end-of-year transactions, other than day-to-day activities that are yet to be recorded subsequent to these financial statements, and some that have already been recorded. Therefore, the figures reported in the Comprehensive Annual Financial Report (CAFR) will not necessarily equate to the figures presented here.

The presentation shows the following for each major fund (General, Sanitation, Water, Stormwater, and Sewer):

- A bar chart depicting FY 11-12 actual vs. FY 10-11 actual, and vs. FY 11-12 budget Revenues
- A pie chart depicting FY 11-12 actual Revenues by type of revenue
- A bar chart depicting FY 11-12 actual vs. FY 10-11 actual, and vs. FY 11-12 budget Expenditures
- A pie chart depicting FY 11-12 actual by department
- An analysis of significant (+/- 10%) variances for revenues and expenditures from amended budget

In addition there is a bar chart depicting the smaller funds revenues vs. expenditures.

Attached are the Statements of Revenues, Expenditures and Changes in Fund Balances for the five major funds noted above. In addition there is less detailed Statement for the remaining minor funds. A short analysis of those funds follow.

Police Training Fund – Revenues are derived from a portion of proceeds of citations and/or court cases and spent for Police Training.

Police Outside Services Fund – The fund is used for tracking the proceeds of customers' use of Off-Duty Police and Fire personnel and the expenses thereof. The Fund is designed to be revenue neutral and any apparent increase or decrease in Fund Balance is due to timing between provision of the services and payment to the employees, vs. billing and collection of the charges to customers.

Police Equitable Sharing – Revenues are derived from distributions to the City from various cases in which City Police personnel participated. Types of expenditures allowed to be paid from this fund are designated by Equitable Sharing regulations.

Transportation Fund – Revenues are derived from Shared revenue proceeds from the State, as well as other receipts, such as local option gas taxes and parking receipts.

Golden Isles Safe Neighborhood District (GISND) – Revenues are derived primarily from Ad Valorem taxes collected for the District, in addition to Citywide Ad Valorem taxes. Expenditures are based on recommendations, as approved by the GISND Board.

Three Islands Safe Neighborhood District (TISND) - Revenues are derived primarily from Ad Valorem taxes collected for the District, in addition to Citywide Ad Valorem taxes. Expenditures are based on recommendations, as approved by the TISND Board.

Law Enforcement Trust – Similar to the Police Equitable Sharing fund, revenues are derived from distributions to the City from various cases in which City Police personnel participated. Types of expenditures allowed to be paid from this fund are designated by State regulations.

Cemetery Fund – This minor Enterprise Fund derives its revenue from charges for permits and interment fees and sales of vaults, markers, and lots. In addition, a portion of each fee/sale is designated to be set aside for future Perpetual Care of the Cemetery. Expenses incurred are predominantly costs for burials and upkeep of the Cemetery.

City of Hallandale Beach, Florida

Statement of Revenue, Expenditures, and Changes in Fund Balances
 General Fund - Preliminary Estimates
 Year Ended September 30, 2012

	Amended Budget	Preliminary Estimated Actual	Percent of Budget	
Revenues:				
Property taxes	\$ 20,296,904	\$ 20,204,878	99.55%	
Charges for services	5,770,279	6,341,608	109.90%	Significant year end entries still forthcoming
Utility taxes	3,775,000	3,964,591	105.02%	
Intergovernmental	2,993,852	3,670,207	122.59%	State Contrib to P&F Pension
Franchise taxes	4,471,269	4,312,873	96.46%	
Licenses and permits	1,096,435	1,298,179	118.40%	Res. Permits - across all disciplines
Fines and forfeitures	645,360	623,612	96.63%	
Fire assessments	4,571,612	4,732,904	103.53%	
Investment earnings	344,500	15,528	4.51%	Investment interest and gains/losses not yet recorded
Slot machine proceeds	1,800,000	1,950,000	108.33%	
Other revenues	440,957	501,351	113.70%	Outside Services, sale of capital assets, E-payables Commission, Storage Lot
Total revenues	<u>46,206,168</u>	<u>47,615,731</u>	103.05%	
Expenditures:				
Personal services	38,928,336	38,623,174	99.22%	
Operating expenditures	6,701,988	4,906,504	73.21%	unbooked reappropriation plus prudent spending
Grants and aids	127,000	125,620	98.91%	
Capital outlay	1,679,337	746,953	44.48%	CLPs in progress
Other	643,500	260,322	40.45%	Reserves are budgeted but not expended
Contingency	1,605,209	-	0.00%	unbooked reappropriation
Total expenditures	<u>49,685,370</u>	<u>44,662,573</u>	89.89%	
Excess (deficiency) of revenues over expenditures	<u>(3,479,202)</u>	<u>2,953,158</u>		
Other financing sources (uses):				
Transfers in	-	-		
Transfers out	(4,395,885)	(3,847,574)	87.53%	
Sale of capital assets	-	-		
Total other financing sources (uses)	<u>(4,395,885)</u>	<u>(3,847,574)</u>		
Net change in fund balances	<u>(7,875,087)</u>	<u>(894,416)</u>		
Fund balances, beginning		26,531,393		
Fund balances, ending		<u>\$ 25,636,977</u>		

City of Hallandale Beach, Florida

Statement of Revenue, Expenditures, and Changes in Fund Balances
 Sanitation Fund - Preliminary Estimates
 Year Ended September 30, 2012

	Amended Budget	Preliminary Estimated Actual	Percent of Budget	
Revenues:				
Charges for services	\$ 5,061,000	\$ 5,024,244	99.27%	
Franchise taxes/permits	240,000	238,018	99.17%	
Investment earnings	46,800	6,634	14.18%	Investment interest and gains/losses not recorded
Gain on sale of capital assets	5,000	9,399	187.98%	Sales of capital assets in excess of anticipated
Other revenues	-	(4,234)	N/A	Bankruptcy Court ordered write-off
Total revenues	<u>5,352,800</u>	<u>5,274,061</u>	98.53%	
Expenditures:				
Personal services	1,509,493	1,499,016	99.31%	
Operating expenses	2,762,126	2,129,474	77.10%	FYE accrual needed, diesel less than estimated
Depreciation expense	-	300,000	N/A	Depreciation is incurred, but not budgeted
Capital outlay	577,340	-	0.00%	Expenses to be capitalized
Administrative charges	828,000	828,000	100.00%	
Contingency	80,000	-	0.00%	Unused contingency
Total expenditures	<u>5,756,959</u>	<u>4,756,490</u>	82.62%	
Excess (deficiency) of revenues over expenditures	<u>(404,159)</u>	<u>517,571</u>		
Other financing sources (uses):				
Transfers in	-	-		
Transfers out	(634,826)	(75,000)	11.81%	Reserves are budgeted but not expended
Sale of capital assets	-	-		
Total other financing sources (uses)	<u>(634,826)</u>	<u>(75,000)</u>		
Net change in fund balances	(1,038,985)	442,571		
Net assets, beginning		5,599,158		
Net assets, ending		<u>\$ 6,041,729</u>		

City of Hallandale Beach, Florida

Statement of Revenue, Expenditures, and Changes in Fund Balances
 Water Fund - Preliminary Estimates
 Year Ended September 30, 2012

	Amended Budget	Preliminary Estimated Actual	Percent of Budget
Revenues:			
Charges for services	\$ 11,514,507	\$ 11,815,254	102.61%
Investment earnings	8,300	81,900	986.75% Recovery of SBA previously recorded unrealized losses
Other revenues	13,000	(74,980)	N/A Bankruptcy Court ordered write-off
Total revenues	<u>11,535,807</u>	<u>11,822,174</u>	102.48%
Expenditures:			
Personal services	4,118,954	3,790,211	92.02%
Operating expenses	3,652,709	2,125,667	58.19% Lower costs for purchased water, machinery & equip parts, and consultants
Depreciation expense	-	2,000,000	N/A
Capital outlay	10,451,365	-	0.00% Expenses to be capitalized
Debt service	594,856	215,232	36.18% Budget for principal payments
Administrative charges	1,033,000	513,000	49.66% Revised actual based on final cost allocation from FY11
Total expenditures	<u>19,850,884</u>	<u>8,644,110</u>	43.55%
Excess (deficiency) of revenues over expenditures	<u>(8,315,077)</u>	<u>3,178,064</u>	
Other financing sources (uses):			
Transfers in	350,000	350,000	
Transfers out	-	(50,000)	N/A
Sale of capital assets	-	2,950	
Total other financing sources (uses)	<u>350,000</u>	<u>302,950</u>	
Net change in fund balances	<u>(7,965,077)</u>	<u>3,481,014</u>	
Net assets, beginning		31,158,019	
Net assets, ending		<u>\$ 34,639,033</u>	

City of Hallandale Beach, Florida

Statement of Revenue, Expenditures, and Changes in Fund Balances
 Stormwater Fund - Preliminary Estimates
 Year Ended September 30, 2012

	Amended Budget	Preliminary Estimated Actual	Percent of Budget
Revenues:			
Charges for services	\$ 2,168,000	\$ 2,007,716	92.61%
Investment earnings	15,800	27,387	173.34% Recovery of SBA previously recorded unrealized losses
Other revenues	-	11,264	N/A
Total revenues	<u>2,183,800</u>	<u>2,046,367</u>	93.71%
Expenditures:			
Personal services	149,982	144,694	96.47%
Operating expenditures	337,893	148,504	43.95% budgets for City Mgr Proj/Prog/Supp and for Grant Match Expenditures not spent
Depreciation expense	-	700,000	N/A
Capital outlay	911,219	-	0.00% Expenses to be capitalized
Debt service	314,452	118,287	37.62% Budget for principal payments
Administrative charges	559,200	559,200	100.00%
Contingency	10,000	-	Unused contingency
Total expenditures	<u>2,282,746</u>	<u>1,670,685</u>	73.19%
Excess (deficiency) of revenues over expenditures	<u>(98,946)</u>	<u>375,682</u>	
Other financing sources (uses):			
Transfers in	-	-	
Transfers out	-	(50,000)	N/A
Sale of capital assets	-	-	
Total other financing sources (uses)	<u>-</u>	<u>(50,000)</u>	
Net change in fund balances	(98,946)	325,682	
Net assets, beginning		8,568,932	
Net assets, ending		<u>\$ 8,894,614</u>	

City of Hallandale Beach, Florida

Statement of Revenue, Expenditures, and Changes in Fund Balances
 Sewer Fund - Preliminary Estimates
 Year Ended September 30, 2012

	Amended Budget	Preliminary Estimated Actual	Percent of Budget	
Revenues:				
Charges for services	\$ 10,110,000	\$ 10,208,772	100.98%	
Investment earnings	143,950	7,581	5.27%	Investment interest and gains/losses not recorded
Other revenues	10,000	7,557	75.57%	Impact fees
Total revenues	<u>10,263,950</u>	<u>10,223,910</u>	99.61%	
Expenditures:				
Personal services	1,039,057	961,015	92.49%	
Operating expenditures	8,892,566	10,001,350	112.47%	Includes wastewater treatment accruals - higher C/Y actual for true-up than expected.
Depreciation expense	-	500,000	N/A	
Capital outlay	3,191,886	-	0.00%	Expenses to be capitalized
Debt service	157,774	54,216	34.36%	Budget for principal payments
Administrative charges	1,275,350	1,275,350	100.00%	
Contingency	120,000	-		Unused contingency
Total expenditures	<u>14,676,633</u>	<u>12,791,931</u>	87.16%	
Excess (deficiency) of revenues over expenditures	<u>(4,412,683)</u>	<u>(2,568,021)</u>		
Other financing sources (uses):				
Transfers in	-	-		
Transfers out	-	(50,000)	N/A	
Sale of capital assets	-	-		
Total other financing sources (uses)	<u>-</u>	<u>(50,000)</u>		
Net change in fund balances	(4,412,683)	(2,618,021)		
Net assets, beginning		12,240,238		
Net assets, ending		<u>\$ 9,622,217</u>		

City of Hallandale Beach, Florida

Statement of Revenue, Expenditures, and Changes in Fund Balances
 Non-Major Funds - Preliminary Estimates
 Year Ended September 30, 2012

	Audited FY 2010-2011 Reserves	Preliminary Estimated Revenue	Preliminary Estimated Expenditures	Increase (Decrease) in Fund Balance/ Net Assets	Preliminary Estimated Ending Fund Balance
Fund:					
Police Training	\$ 56,433	\$ 135	\$ -	\$ 135	\$ 56,568
Police Outside Services	78,746	1,223,750	1,177,500	46,250	124,996
Police Equitable Sharing	1,973,638	245,200	1,070,000	(824,800)	1,148,838
Transportation	2,763,759	1,459,048	2,145,436	(686,388)	2,077,371
Golden Isles Safe Neighborhood District	415,493	212,600	419,917	(207,317)	208,176
Three Islands Safe Neighborhood District	793,941	260,900	445,971	(185,071)	608,870
Law Enforcement Trust	607,904	71,939	316,425	(244,486)	363,418
					-
Cemetery	877,342	237,744	274,836	(37,092)	840,250
Total revenues	<u>7,567,256</u>	<u>3,711,316</u>	<u>5,850,085</u>	<u>(2,138,769)</u>	<u>5,428,487</u>