Jefferson County

First Quarter Financial Report

Fiscal Year 2012
(Unaudited)

Prepared for:

Jefferson County Citizens

May 15, 2012

January 1, 2012 – March 31, 2012

This report provides a financial update of Jefferson County for the first quarter of fiscal year 2012. The focus of this report will be on the funds that receive their revenues primarily from taxes.

General Fund

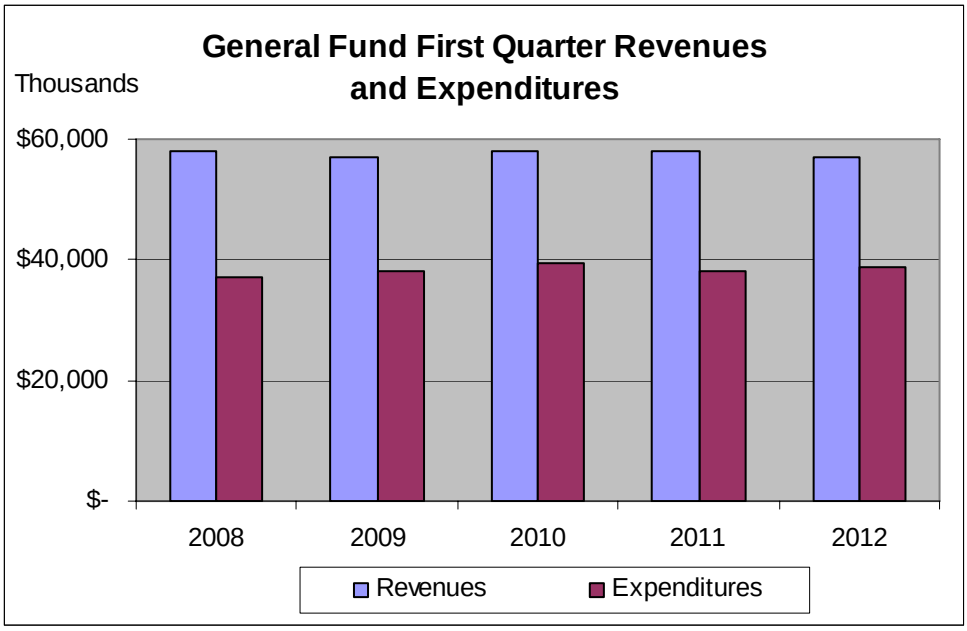
The General Fund is the primary operating fund of the County. Revenues and expenditures that are not required to be accounted for elsewhere are accounted for in the General Fund.

GENERAL FUND - BUDGET BASIS
CURRENT BUDGET, REVENUES, AND EXPENDITURES
For the Three Months Ended March 31
(Unaudited)

	2012			2011
	Full Year Est. Rev/ Appropriated	Actual Revenues/ Expenditures	Percent Received/ Expended	First Three Months
Revenues:				
Property taxes	$ 108,145,305	$ 44,341,865	41.0%	$ 46,226,009
Vehicle ownership taxes	5,172,930	1,116,588	21.6%	1,057,181
Licenses and permits	2,617,370	651,043	24.9%	558,031
Intergovernmental	8,540,212	1,829,585	21.4%	1,844,617
Charges for services	19,524,477	5,088,998	26.1%	4,864,473
Fines and forfeitures	104,000	34,710	33.4%	23,335
Investment income	968,900	222,834	23.0%	221,077
Intra-county	12,825,047	3,583,889	27.9%	2,950,718
Other	3,787,500	253,338	6.7%	191,536
Total revenues	161,685,741	57,122,850	35.3%	57,936,977
Expenditures:				
Salaries and benefits	94,905,358	23,148,313	24.4%	22,590,459
Supplies	6,001,984	1,022,417	17.0%	1,154,138
Other services and charges	23,621,011	4,560,732	19.3%	4,207,959
Capital projects and equipment	6,759,111	89,865	1.3%	418,086
Intergovernmental	2,007,347	814,957	40.6%	841,417
Interdepartmental	42,976,724	9,006,191	21.0%	8,995,189
Total expenditures	176,271,535	38,642,475	21.9%	38,207,248
Budgetary surplus (loss)	(14,585,794)	18,480,375		19,729,729
Fund balance, January 1 (unaudited)	72,132,479	72,132,479		68,143,120
Fund balance, ending	$ 57,546,685	$ 90,612,854		$ 87,872,849

General Fund Revenues

In the first quarter of 2012 revenues were in line with expectations and consistent with the prior two years. Vehicle ownership taxes remain subdued. This tax acts as an ad valorem tax on motor vehicles and is correlated to the value of the fleet of vehicles registered within the County. Intra-county revenue was substantially higher in 2012 compared to 2011 mainly due to Transportation and Engineering indirect and direct charges to Road and Bridge.



Since the County receives a substantial portion of its revenues in the first and second quarter due to the property tax payment cycle, large surpluses are common as expressed in the chart above. It is anticipated that investment income will be lower than prior years due to decreased interest rates on the government securities that the County normally invests in.

General Fund Expenditures

The expenditures in 2012 were about the same as those in 2011. Salaries (the largest expenditure) increased slightly in 2012 compared to 2011 due to a County-wide budgeted salary increase of 2%.

Other Major Funds

For financial reporting purposes the major funds of the County, besides the General Fund, include the Road and Bridge Fund, the Social Services Fund and the Capital Expenditures Fund. These three funds are presented next in a more summarized fashion than the General Fund. In 2009 the County issued $76,480,000 of certificates of participation for several new County facilities. The expenditure of these funds accounts for the unusually high appropriation and reduction of fund balance in 2011.

The Capital Expenditures fund shows a negative amount in the 2012 column for its expenditures. This is due to an accounting reversal entry for the 2011 year end retainage payable which has not yet been fully paid out by the end of March 2012.

MAJOR FUNDS - BUDGET BASIS
CURRENT BUDGET, REVENUES, AND EXPENDITURES
For the Three Months Ended March 31
(Unaudited)

	2012			2011
	Full Year Est. Rev/ Appropriated	**Actual Revenues/ Expenditures**	**Percent Received/ Expended**	**First Three Months**
Road and Bridge Fund				
Revenues:				
Taxes	$ 31,363,289	$ 8,318,115	26.5%	$ 7,745,012
Investment income	223,064	35,758	16.0%	50,993
Other revenues	1,427,075	197,396	13.8%	651,444
Total Revenues	33,013,428	8,551,269	25.9%	8,447,449
Expenditures:				
Salaries and benefits	10,780,587	3,021,871	28.0%	2,779,711
Operating expenditures	22,007,003	2,806,823	12.8%	3,616,049
Intergovernmental	6,373,041	1,361,547	21.4%	1,257,570
Capital expenditures	1,408,748	521,227	37.0%	-
Total Expenditures	40,569,379	7,711,468	19.0%	7,653,330
Budgetary surplus (loss)	(7,555,951)	839,801		794,119
Fund balance, January 1 (unaudited)	13,630,605	13,630,605		19,122,810
Fund balance, ending	$ 6,074,654	$ 14,470,406		$ 19,916,929
Social Services				
Revenues	$ 45,430,841	$ 11,012,217	24.2%	$ 11,094,509
Expenditures	45,430,841	10,376,561	22.8%	9,635,427
Budgetary surplus (loss)	-	635,656		1,459,082
Fund balance, January 1 (unaudited)	5,874,745	5,874,745		7,192,398
Fund balance, ending	$ 5,874,745	$ 6,510,401		$ 8,651,480
Capital Expenditures				
Revenues	$ 10,463,068	$ 3,508,697	33.5%	$ 3,797,767
Expenditures	55,739,724	(321,891)	-0.6%	350,615
Budgetary surplus (loss)	(45,276,656)	3,830,588		3,447,152
Fund balance, January 1 (unaudited)	52,427,958	52,427,958		64,401,985
Fund balance, ending	$ 7,151,302	$ 56,258,546		$ 67,849,137

Proprietary Funds

OTHER FUNDS - BUDGET BASIS
CURRENT BUDGET, REVENUES, AND EXPENDITURES
For the Three Months Ended March 31
(Unaudited)

	2012			2011
	Full Year Est. Rev/ Appropriated	Actual Revenues/ Expenditures	Percent Received/ Expended	First Three Months
Airport				
Revenues	$ 12,663,413	$ 869,529	6.9%	$ 866,537
Expenditures	12,926,552	1,255,184	9.7%	850,181
Budgetary surplus (loss)	(263,139)	(385,655)		162,297
Unrestricted fund balance, January 1 (unaudited)	1,681,821	1,681,821		966,375
Unrestricted fund balance, ending	$ 1,418,682	$ 1,296,166		$ 1,128,672
Internal Service Funds				
Insurance Fund				
Revenues	$ 1,557,090	$ 394,904	25.4%	$ 886,353
Expenditures	1,540,227	485,589	31.5%	450,930
Budgetary surplus (loss)	16,863	(90,685)		435,423
Workers' Compensation Fund				
Revenues	$ 1,093,903	$ 233,011	21.3%	$ 202,849
Expenditures	1,465,031	249,194	17.0%	237,425
Budgetary surplus (loss)	(371,128)	(16,183)		(34,576)
Fleet Services Fund				
Revenues	$ 9,897,260	$ 1,823,891	18.4%	$ 2,453,207
Expenditures	9,046,707	1,612,944	17.8%	1,505,687
Budgetary surplus (loss)	850,553	210,947		947,520
Benefits Fund				
Revenues	$ 29,807,235	$ 7,019,112	23.5%	$ 7,077,135
Expenditures	29,621,516	6,277,228	21.2%	6,219,066
Budgetary surplus (loss)	185,719	741,884		858,069
Facilities Management Fund				
Revenues	$ 11,375,793	$ 2,838,503	25.0%	$ 2,702,432
Expenditures	12,467,051	2,581,231	20.7%	3,314,625
Budgetary surplus (loss)	(1,091,258)	257,272		(612,193)
IT Services Fund				
Revenues	$ 12,797,717	$ 2,932,625	22.9%	$ 2,524,293
Expenditures	13,354,070	2,833,376	21.2%	2,889,359
Budgetary surplus (loss)	(556,353)	99,249		(365,066)
Unrestricted fund balance, January 1 (unaudited)	10,130,732	10,130,732		12,382,199
Unrestricted fund balance, ending	$ 9,165,128	$ 11,333,216		$ 13,611,376

In the first quarter of 2011 an advance was made to the Insurance Fund of $400,000 from the County's property insurance provider for water damage to the Courts and Administration Building. Expenses were recorded in the Facilities Fund accounting for the loss there. After all the expenses were recorded, the Insurance Fund reimbursed the Facilities Fund.

All Other Funds

OTHER FUNDS - BUDGET BASIS
CURRENT BUDGET, REVENUES, AND EXPENDITURES
For the Three Months Ended March 31
(Unaudited)

	2012			2011
	Full Year Est. Rev/ Appropriated	Actual Revenues/ Expenditures	Percent Received/ Expended	First Three Months
All Other County Funds				
Revenues	$ 91,512,801	$ 15,780,391	17.2%	$ 16,489,591
Expenditures	104,161,122	15,570,570	14.9%	19,161,952
Budgetary surplus (loss)	(12,648,321)	209,821		(2,672,361)
Fund balance, January 1 (unaudited)	78,527,869	78,527,869		85,830,608
Fund balance, ending	$ 65,879,548	$ 78,737,690		$ 83,158,247
Health and Environment				
Revenues	$ 13,227,957	$ 3,042,429	23.0%	$ 3,222,506
Expenditures	14,083,957	3,042,429	21.6%	3,222,506
Budgetary surplus (loss)	(856,000)	-		-
Fund balance, January 1 (unaudited)	2,966,534	2,966,534		2,966,535
Fund balance, ending	$ 2,110,534	$ 2,966,534		$ 2,966,535
Public Library				
Revenues	$ 24,627,711	$ 9,600,070	39.0%	$ 9,921,798
Expenditures	25,975,665	5,773,774	22.2%	6,534,589
Budgetary surplus (loss)	(1,347,954)	3,826,296		3,387,209
Fund balance, January 1 (unaudited)	10,813,896	10,813,896		11,424,861
Fund balance, ending	$ 9,465,942	$ 14,640,192		$ 14,812,070

The Public Health Department and the Jefferson County Public Library are component units of the County with their own separate governing boards. The County's General Fund subsidizes the Health Department with the remainder of their revenues coming from fees, state, and federal sources. The Public Library's main source of revenue is property taxes.

Comments

If you have any questions about the information presented in this report, please contact Andrea Amundson, Accounting Director at 303-271-8546.