

Jefferson County

Third Quarter Financial Report

Fiscal Year 2012 (Unaudited)

Prepared for:

Jefferson County Citizens

October 25, 2012

January 1, 2012 - September 30, 2012

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

General Fund

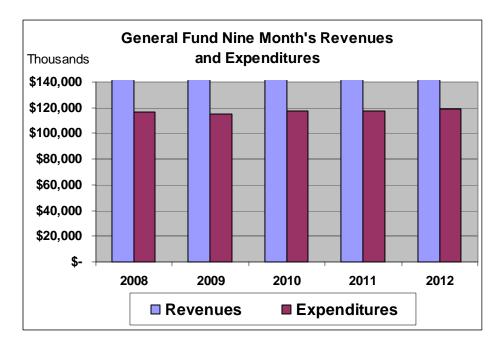
The General Fund is the primary operating fund of the County. Revenues and expenditures that are not required to be accounted for elsewhere are accounted for in the General Fund.

GENERAL FUND - BUDGET BASIS CURRENT BUDGET, REVENUES, AND EXPENDITURES For the Nine Months Ended September 30 (Unaudited)

		2011		
	Full Year	Actual	Percent	First
	Est. Rev/	Revenues/	Received/	Nine
	Appropriated	Expenditures	Expended	Months
Revenues:			<u> </u>	
Property taxes	\$ 108,145,305	\$ 107,045,687	99.0%	\$ 114,206,623
Vehicle ownership taxes	5,172,930	3,424,647	66.2%	3,303,517
Licenses and permits	2,617,370	2,766,562	105.7%	2,250,786
Intergovernmental	8,687,917	7,616,323	87.7%	6,961,549
Charges for services	18,324,477	15,832,054	86.4%	14,622,284
Fines and forfeitures	104,000	95,305	91.6%	152,167
Investment income	967,863	838,764	86.7%	1,036,746
Intra-county	12,825,047	10,229,375	79.8%	8,522,387
Other	3,827,300	763,233	19.9%	762,763
Total revenues	160,672,209	148,611,950	92.5%	151,818,822
Expenditures:				
Salaries and benefits	94,359,277	69,849,487	74.0%	67,326,589
Supplies	5,921,464	4,704,419	79.4%	4,075,227
Other services and charges	24,233,310	13,143,138	54.2%	12,936,167
Capital projects and equipment	6,775,361	1,192,643	17.6%	3,980,481
Intergovernmental	1,812,302	1,020,172	56.3%	1,342,364
Interdepartmental	42,445,186	28,942,164	68.2%	27,656,310
Total expenditures	175,546,900	118,852,023	67.7%	117,317,138
Budgetary surplus (loss)	(14,874,691)	29,759,927		34,501,684
Fund balance, January 1 (audited)	72,882,504	72,882,504		68,178,128
Fund balance, ending	\$ 58,007,813	\$ 102,642,431		\$ 102,679,812

General Fund Revenues

In the third 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. Licenses and permits revenues increased which might indicate construction levels are increasing. 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%. Supplies increased slightly in 2012 compared to 2011 due to Clerk and Recorder initial elections costs as well as printing costs across the County now outsourced to FedEx.

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. Revenues and expenditures in each of these major funds remain somewhat comparable between 2012 and 2011.

MAJOR FUNDS - BUDGET BASIS CURRENT BUDGET, REVENUES, AND EXPENDITURES For the Nine Months Ended September 30

(Unaudited)

	2012			2011
	Full Year	Actual	Percent	First
	Est. Rev/	Revenues/	Received/	Nine
	Appropriated	Expenditures	Expended	Months
Road and Bridge Fund				
Revenues:				
Property taxes	\$ 11,611,081	\$ 11,445,898	98.6%	\$ 10,645,302
Fuel taxes	12,775,000	8,058,899	63.1%	7,889,082
Vehicle ownership taxes	6,977,208	4,621,005	66.2%	4,455,860
Investment income	223,064	115,080	51.6%	120,876
Other revenues	1,477,075	925,988	62.7%	1,595,108
Total Revenues	33,063,428	25,166,870	76.1%	24,706,228
Expenditures:				
Salaries and benefits	10,780,587	8,839,906	82.0%	8,326,364
Operating expenditures	22,537,750	15,213,051	67.5%	15,074,383
Intergovernmental	6,373,041	3,277,382	51.4%	3,075,123
Capital expenditures	1,408,748	982,043	69.7%	353,330
Total Expenditures	41,100,126	28,312,382	68.9%	26,829,200
Budgetary surplus (loss)	(8,036,698)	(3,145,512)		(2,122,972)
Fund balance, January 1 (audited)	13,630,605	13,630,605		19,122,810
Fund balance, ending	\$ 5,593,907	\$ 10,485,093		\$ 16,999,838
Social Services				
Revenues:				
Property taxes	\$ 9,995,043	\$ 9,863,656	98.7%	\$ 10,396,830
Intergovernmental	32,550,998	21,690,559	66.6%	23,098,359
Investment income	76,077	42,142	55.4%	80,780
Other revenues	2,808,723	35,147	1.3%	12,947
Total Revenues	45,430,841	31,631,504	69.6%	33,588,916
Expenditures:				
Salaries and benefits	28,295,248	21,704,009	76.7%	20,261,059
Operating expenditures	15,510,658	10,378,790	66.9%	10,459,803
Intergovernmental	1,699,553	1,060,473	62.4%	1,186,760
Total Expenditures	45,505,459	33,143,272	72.8%	31,907,622
Budgetary surplus (loss)	(74,618)	(1,511,768)		1,681,294
Fund balance, January 1 (audited)	5,874,745	5,874,745		7,192,398
Fund balance, ending	\$ 5,800,127	\$ 4,362,977		\$ 8,873,692
Capital Expenditures				
Revenues	\$ 10,463,068	\$ 9,511,810	90.9%	\$ 9,718,539
Expenditures	57,139,724	4,530,426	7.9%	10,372,614
Budgetary surplus (loss)	(46,676,656)	4,981,384	1.5/0	-
				(654,075)
Fund balance, January 1 (unaudited)	52,427,958	\$52,427,958		64,401,985
Fund balance, ending	\$ 5,751,302	\$ 57,409,342		\$ 63,747,910

Proprietary Funds

OTHER FUNDS - BUDGET BASIS CURRENT BUDGET, REVENUES, AND EXPENDITURES

For the Nine Months Ended September 30 (Unaudited)

	2012			2011	
	Full Year	Actual	Percent	First	
	Est. Rev/	Revenues/	Received/	Nine	
	Appropriated	Expenditures	Expended	Months	
<u>Airport</u>					
Revenues	\$ 12,663,413	\$ 3,377,470	26.7%	\$ 2,973,343	
Expenditures	12,926,552	4,223,216	32.7%	2,468,632	
Budgetary surplus (loss)	(263,139)	(845,746)		504,711	
Unrestricted fund balance, January 1 (unaudited)	1,681,821	1,681,821		966,375	
Unrestricted fund balance, ending	\$ 1,418,682	\$ 836,075		\$ 1,471,086	
Internal Service Funds					
Insurance Fund					
Revenues	\$ 1,557,090	\$ 1,371,284	88.1%	\$ 2,132,247	
Expenditures	1,540,227	1,704,640	110.7%	2,457,120	
Budgetary surplus (loss)	16,863	(333,356)		(324,873)	
Workers' Compensation Fund					
Revenues	\$ 1,094,076	\$ 699,922	64.0%	\$ 666,274	
Expenditures	1,465,031	947,515	64.7%	956,311	
Budgetary surplus (loss)	(370,955)	(247,593)		(290,037)	
Fleet Services Fund					
Revenues	\$ 9,897,260	\$ 7,265,918	73.4%	\$ 7,717,684	
Expenditures	9,046,707	6,133,721	67.8%	5,561,098	
Budgetary surplus (loss)	850,553	1,132,197		2,156,586	
Benefits Fund					
Revenues	\$ 29,828,514	\$ 21,250,404	71.2%	\$ 21,237,169	
Expenditures	29,621,516	19,745,786	66.7%	19,630,750	
Budgetary surplus (loss)	206,998	1,504,618		1,606,419	
Facilities Management Fund					
Revenues	\$ 11,400,211	\$ 8,861,484	77.7%	\$ 8,870,055	
Expenditures	12,491,469	8,481,135	67.9%	9,271,898	
Budgetary surplus (loss)	(1,091,258)	380,349		(401,843)	
IT Services Fund					
Revenues	\$ 12,797,717	\$ 9,003,288	70.4%	\$ 9,052,189	
Expenditures	13,434,070	9,202,047	68.5%	10,822,104	
Budgetary surplus (loss)	(636,353)	(198,759)		(1,769,915)	
Combined Internal Service Funds					
Unrestricted fund balance, January 1 (unaudited)	10,130,732	10,130,732		12,382,199	
Unrestricted fund balance, ending	\$ 9,106,580	\$ 12,368,188		\$ 13,358,536	

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. The remainder of the revenues and expenses in these internal service funds are comparable between 2012 and 2011.

All Other Funds

OTHER FUNDS - BUDGET BASIS CURRENT BUDGET, REVENUES, AND EXPENDITURES For the Nine Months Ended September 30

(Unaudited)

	2012			2011	
	Full Year	Actual	Percent	First	
	Est. Rev/	Revenues/	Received/	Nine	
	Appropriated	Expenditures	Expended	Months	
All Other County Funds					
Revenues	\$101,975,869	\$ 81,797,117	80.2%	\$ 75,819,650	
Expenditures	162,640,846	73,216,191	45.0%	75,034,182	
Budgetary surplus (loss)	(60,664,977)	8,580,926		785,468	
Fund balance, January 1 (audited)	77,847,295	77,847,295		85,830,608	
Fund balance, ending	\$ 17,182,318	\$ 86,428,221		\$ 86,616,076	
Public Health					
Revenues	\$ 13,248,831	\$ 9,657,103	72.9%	\$ 9,791,388	
Expenditures	14,144,112	9,657,103	68.3%	9,791,388	
Budgetary surplus (loss)	(895,281)				
Fund balance, January 1 (audited)	2,966,534	2,966,534		2,966,534	
Fund balance, ending	\$ 2,071,253	\$ 2,966,534		\$ 2,966,534	
Public Library					
Revenues	\$ 24,627,711	\$ 23,622,976	95.9%	\$ 24,786,809	
Expenditures	25,975,665	17,555,813	67.6%	18,204,986	
Budgetary surplus (loss)	(1,347,954)	6,067,163		6,581,823	
Fund balance, January 1 (audited)	10,825,835	10,825,835		11,424,861	
Fund balance, ending	\$ 9,477,881	\$ 16,892,998		\$ 18,006,684	

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.