

City of Beaufort, SC

Quarterly Financial Report
Quarter Ending September 30, 2012

Assumptions

To assess the financial performance of the City through the first quarter report, readers should keep in mind the following:

- The amount presented as YTD Budget represents 25% of the adopted annual budget. The allocation of one fourth of the budget is a baseline measure for the first three months of the fiscal year and not an absolute measure. Behavior of actual expenditures are not typically routine and evenly incurred in 25% increments throughout the year. Explanation for significant variances are included in the report. Significant variances are identified as follows:
 - Expenditures and payroll related costs –YTD actual are greater than YTD budget by more than \$20,000.
- Most major revenue sources are not yet realized in the first quarter of the fiscal year. Some of the largest revenue sources of the City, like Property Taxes and Business Licenses have not yet been billed and collected. Other major revenue sources are received on a quarterly basis. In accordance with revenue recognition criteria for governmental funds, revenues received subsequent to September 30, 2012 are not reported in the quarter that they represent but in the period in which they are received.

City of Beaufort

Combined Balance Sheet – All Funds

September
30, 2012

	GENERAL FUND	ACCOM	TIF 1	TIF 2	DRUG CONTROL & PREVENTION	TRUST & AGENCY FUND	CAPITAL PROJECTS	REDEVELOP.	TOTALS
ASSETS									
Cash and CD's	\$ 7,783,180	\$ 230,594	\$ 1,009,952	\$ 4,254,342	\$ 69,476	\$ 161,290	\$ 1,862,243	\$ 163,264	\$ 15,534,341
Taxes Receivables	161,535	-	7,768	70,302	-	-	-	-	239,605
General AR	158,095	-	-	-	-	-	37,221	-	195,315
Due from Funds	-	-	-	-	-	-	-	-	-
Fuel	20,189	-	-	-	-	-	-	-	20,189
Cobra AR	(110)	-	-	-	-	-	-	-	(110)
Other	766	-	-	-	-	-	-	-	766
TOTAL ASSETS	\$ 8,123,655	\$ 230,594	\$ 1,017,720	\$ 4,324,644	\$ 69,476	\$ 161,290	\$ 1,899,463	\$ 163,264	\$ 15,990,106
LIABILITIES									
Accounts Payables	\$ 207,218	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 207,218
Accrued Expenses	-	-	-	-	-	-	43,184	-	43,184
Due to Funds	-	-	-	-	-	-	-	-	-
Rental Deposits	8,600	-	-	-	-	-	-	-	8,600
Planning Deposits	74,912	-	-	-	-	-	-	-	74,912
Impact Fees	11,084	-	-	-	-	-	-	-	11,084
Seized funds	-	-	-	-	19,504	-	-	-	19,504
Accured Payroll	-	-	-	-	-	-	-	-	-
Payroll Withholdings	22,469	-	-	-	-	-	-	-	22,469
Deferred Revenue	50,572	-	6,362	5,666	-	-	-	-	62,600
TOTAL LIABILITIES	\$ 374,855	\$ -	\$ 6,362	\$ 5,666	\$ 19,504	\$ -	\$ 43,184	\$ -	\$ 449,570
Fund Balances									
Nonspendable	\$ 20,189	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	20,189
Restricted	802,609	230,594	1,011,358	4,318,978	49,972	161,290	-	-	6,574,801
Committed	2,308,806	-	-	-	-	-	1,856,279	163,264	4,328,349
Assigned	2,111,886	-	-	-	-	-	-	-	2,111,886
Unassigned	2,505,310	-	-	-	-	-	-	-	2,505,310
TOTAL FUND BALANCE	\$ 7,748,800	\$ 230,594	\$ 1,011,358	\$ 4,318,978	\$ 49,972	\$ 161,290	\$ 1,856,279	\$ 163,264	\$ 15,540,536
TOTAL LIABILITIES AND FUNDS	\$ 8,123,655	\$ 230,594	\$ 1,017,720	\$ 4,324,644	\$ 69,476	\$ 161,290	\$ 1,899,463	\$ 163,264	\$ 15,990,106

City of Beaufort

Combined Revenues, Expenditures and Changes in Fund Balances – All Funds

For the Quarter Ending September 30, 2012

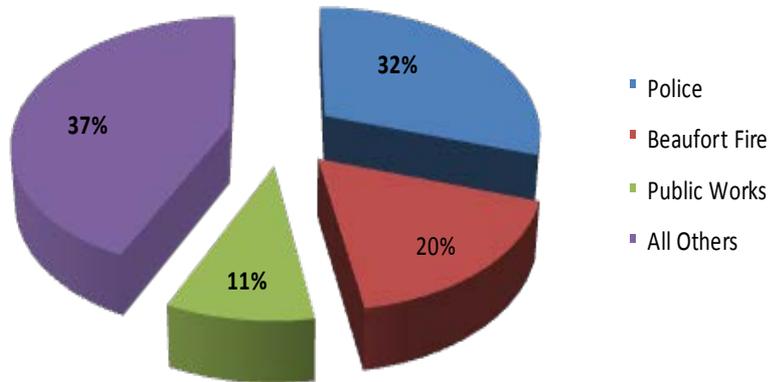
	GENERAL FUND	ACCOM	TIF 1	TIF 2	DRUG CONTROL & PREVENTION	TRUSTEE FUND	CAPITAL PROJECTS	Redevelopment	TOTALS
REVENUES									
Property Taxes	\$ 128,187	\$ -	\$ 1,406	\$ 64,636	\$ -	\$ -	\$ -	\$ -	\$ 194,229
Other Taxes	549,916	-	-	-	-	-	-	-	549,916
Licenses & Permits	341,462	-	-	-	-	-	-	-	341,462
Franchise fees	168,853	-	-	-	-	-	-	-	168,853
Intergovernmental	196,463	-	-	-	-	-	-	-	196,463
Charges for Services	68,445	-	-	-	-	-	-	33,630	102,075
Fines & forfeitures	93,371	-	-	-	-	-	-	-	93,371
Miscellaneous	194,703	-	-	-	100	61,976	529	-	257,307
Transfers In	-	-	-	-	-	-	-	-	-
Storm Water fees	7,251	-	-	-	-	-	-	-	7,251
Refuse fees	146,334	-	-	-	-	-	-	-	146,334
TOTAL REVENUES	\$ 1,894,985	\$ -	\$ 1,406	\$ 64,636	\$ 100	\$ 61,976	\$ 529	\$ 33,630	\$ 2,057,261
EXPENDITURES									
Non-Departmental	160,500	\$ -	\$ -	\$ -	\$ -	\$ 20,906	\$ -	\$ -	\$ 181,406
City Council	35,564	-	-	-	-	-	-	-	35,564
City Manager	82,703	-	-	-	-	-	-	-	82,703
Finance	132,756	-	-	-	-	-	-	-	132,756
Human Resources	45,382	-	-	-	-	-	-	-	45,382
Technology Services	71,242	-	-	-	-	-	-	-	71,242
Courts	87,145	-	-	-	-	-	-	-	87,145
Planning	158,813	-	-	-	-	-	-	805	159,618
OCI	47,104	-	-	-	-	-	-	-	47,104
Police	1,054,835	-	-	-	6,405	-	-	-	1,061,240
SRO	56,301	-	-	-	-	-	-	-	56,301
Crossing Guards	3,840	-	-	-	-	-	-	-	3,840
Victims Rights	14,382	-	-	-	-	-	-	-	14,382
Beaufort Fire	493,752	-	-	-	-	-	-	-	493,752
Port Royal Fire	160,622	-	-	-	-	-	-	-	160,622
Public Works	92,125	-	35,834	25,907	-	-	321,079	-	474,945
Streets	110,159	-	-	-	-	-	-	-	110,159
Parks	103,686	-	114,297	-	-	-	-	-	217,983
Traffic	35,907	-	-	-	-	-	-	-	35,907
Fleet Maintenance	15,920	-	-	-	-	-	-	-	15,920
Storm Water	104,111	-	-	-	-	-	-	-	104,111
Solid Waste	115,678	-	-	-	-	-	-	-	115,678
Transfers out	-	-	-	-	-	-	-	-	-
Debt Service	583,143	-	-	-	-	-	-	-	583,143
TOTAL EXPENDITURES	3,765,670	-	150,131	25,907	6,405	20,906	321,079	805	4,290,902
CHANGE IN FUND BALANCE	(1,870,685)	-	(148,725)	38,729	(6,305)	41,069	(320,550)	32,825	(2,233,641)
Beginning Fund Balance	9,619,485	230,594	1,160,083	4,280,249	56,277	120,221	2,176,829	130,439	17,774,177
Ending Fund Balance	\$ 7,748,800	\$ 230,594	\$ 1,011,358	\$ 4,318,978	\$ 49,972	\$ 161,290	\$ 1,856,279	\$ 163,264	\$ 15,540,536

City of Beaufort

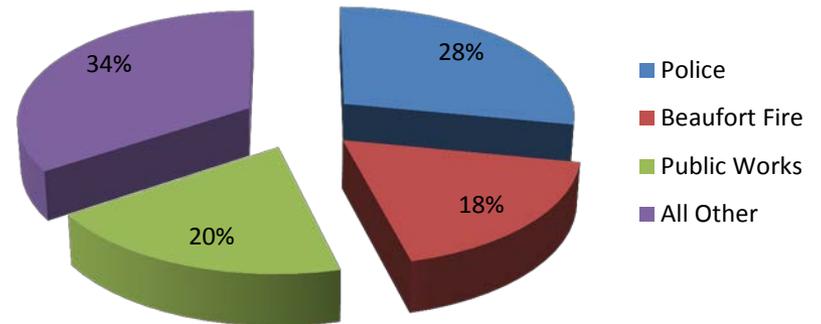
Percentage Distribution of Expenditures

For the Quarter September 30, 2012

YTD Actual Expenditure Percentages by Major Function
Quarter Ending September 30, 2012



FY 2013 Budgeted Expenditures by Major Function



Actual Expenditures for the first quarter 2013 by major service function as a percentage of the total in comparison with the FY 2013 Annual Budget.

City of Beaufort

General Fund Budget to Actual with Comparative to September 30, 2011

For the Quarter ended September 30, 2012

	ANNUAL BUDGET	Y-T-D BUDGET	Y-T-D ACTUALS	CURRENT YEAR VARIANCE	INCREASE/DECREASE OVER/UNDER YTD BUDGET	% OF 2013 BUDGET		Y-T-D ACTUALS FY 2012	OVER/UNDER TO FY 2012
						SPENT/RECEIVED Y-T-D			
REVENUES									
Property Taxes	\$ 4,638,989	\$ 1,159,747	\$ 128,187	\$ (1,031,560)	DECREASE	2.76%	\$ 11,883	\$ 116,304	
Other Taxes	1,875,000	468,750	549,916	81,166	INCREASE	29.33%	500,117	49,799	
Licenses & Permits	3,716,526	929,132	341,387	(587,744)	DECREASE	9.19%	280,035	61,353	
Franchise fees	1,798,046	449,512	168,853	(280,659)	DECREASE	9.39%	160,262	8,591	
Intergovernmental	1,134,809	283,702	196,463	(87,239)	DECREASE	17.31%	63,911	132,553	
Charges for Services	534,054	133,514	69,920	(63,593)	DECREASE	13.09%	92,789	(22,869)	
Fines & forfeitures	303,300	75,825	93,371	17,546	INCREASE	30.79%	110,643	(17,272)	
Miscellaneous	212,000	53,000	193,303	140,303	INCREASE	91.18%	94,004	99,298	
Transfers In	36,250	9,063	-	(9,063)	DECREASE	0.00%	-	-	
Storm Water fees	781,744	195,436	7,251	(188,185)	DECREASE	0.93%	-	7,251	
Refuse Fees	836,992	209,248	146,334	(62,914)	DECREASE	17.48%	5,226	141,108	
TOTAL REVENUES	15,867,710	3,966,928	1,894,985	(2,071,943)		11.94%	1,318,870	576,115	
EXPENDITURES									
Non-Departmental	741,578	185,394	160,500	24,895	DECREASE	21.64%	117,016	43,484	
City Council	176,825	44,206	35,564	8,643	DECREASE	20.11%	64,532	(28,969)	
City Manager	360,741	90,185	82,703	7,482	DECREASE	22.93%	151,687	(68,984)	
Finance	555,778	138,944	132,756	6,188	DECREASE	23.89%	107,326	25,430	
Human Resources	217,515	54,379	45,382	8,997	DECREASE	20.86%	-	45,382	
Technology Services	367,646	91,912	71,242	20,670	DECREASE	19.38%	57,006	14,236	
Courts	406,215	101,554	87,145	14,409	DECREASE	21.45%	93,756	(6,611)	
Planning	743,803	185,951	158,813	27,138	DECREASE	21.35%	255,598	(96,785)	
Office of Civic Investment	194,000	48,500	47,104	1,396	DECREASE	24.28%	-	47,104	
Police	4,136,176	1,034,044	1,054,835	(20,791)	INCREASE	25.50%	1,193,695	(138,860)	
SRO	237,481	59,370	56,301	3,069	DECREASE	23.71%	58,031	(1,730)	
Crossing Guards	39,564	9,891	3,840	6,051	DECREASE	9.71%	4,262	(422)	
Victims Rights	60,767	15,192	14,382	810	DECREASE	23.67%	15,689	(1,307)	
Beaufort Fire	2,139,872	534,968	493,752	41,216	DECREASE	23.07%	494,667	(915)	
Port Royal Fire	723,811	180,953	160,622	20,331	DECREASE	22.19%	160,895	(273)	
Public Works	364,664	91,166	92,125	(960)	INCREASE	25.26%	99,691	(7,566)	
Streets	514,420	128,605	110,159	18,446	DECREASE	21.41%	114,488	(4,329)	
Parks	500,685	125,171	103,686	21,485	DECREASE	20.71%	129,352	(25,665)	
Traffic	162,062	40,515	35,907	4,609	DECREASE	22.16%	39,821	(3,914)	
Fleet Maintenance	70,289	17,572	15,920	1,652	DECREASE	22.65%	16,508	(588)	
Transfers out	254,000	63,500	-	63,500	DECREASE	0.00%	-	-	
Storm Water	866,530	216,633	104,111	112,522	DECREASE	12.01%	104,118	(7)	
Solid Waste	628,400	157,100	115,678	41,422	DECREASE	18.41%	116,171	(494)	
Debt Service	1,470,663	367,666	583,143	(215,477)	INCREASE	39.65%	284,458	298,685	
TOTAL EXPENDITURES	15,933,486	3,983,372	3,765,670	217,702	DECREASE	23.63%	3,678,765	86,905	
CHANGE IN FUND BALANCE	\$ (65,776)	\$ (16,444)	\$ (1,870,685)	\$ (1,854,241)			\$ (2,359,895)	\$ 489,210	

Explanation of Expenditure Variances

1. The police actual expenditures were greater than the YTD budget by \$20,791. This increase between the YTD budget and the YTD actual is a result of the capital acquisitions approved in the annual budget were expended during the first quarter, yet the budget is only reflecting 25% of the annual budget. Therefore, as department costs appear to be on target, and no unusual or unexpected activity is identified, no further explanation is deemed necessary.
2. Debt Service expenditures were greater than the YTD budget by \$215,477. The actual costs are reflective of regularly schedule debt payments. Therefore since the actual costs are due to regularly schedule debt payments and no unusual or unexpected activity has been noted, no further explanation is deemed necessary.
3. The Human Resources department and the Office of Civic Investment are new departments for FY 2013. During fiscal year 2012, the activity of the departments were reflected in the City Managers and Planning departments budgets. Management determined that separate presentation beginning with fiscal year 2012 provides better accountability.

City of Beaufort

General Fund Budget to Actual Revenues with Comparative to September 30, 2011

For the Quarter ended September 30, 2012

	ANNUAL BUDGET	Y-T-D BUDGET	Y-T-D ACTUALS	CURRENT YEAR VARIANCE	INCREASE/DECREASE OVER/UNDER YTD BUDGET	% OF 2011 BUDGET SPENT/RECEIVED Y-T-D	Y-T-D ACTUALS FY 2012	OVER/UNDER TO FY 2012
REVENUES								
Current Property Taxes	\$ 2,962,858	\$ 740,715	\$ -	\$ (740,715)	DECREASE	0.00%	\$ -	\$ -
Property Taxes-Debt	1,028,441	257,110	-	(257,110)	DECREASE	0.00%	-	-
Delinquent Property Taxes	188,253	47,063	61,045	13,982	INCREASE	32.43%	-	61,045
Penalties	38,308	9,577	8,462	(1,115)	DECREASE	22.09%	-	8,462
Vehicle Taxes	249,699	62,425	44,903	(17,521)	DECREASE	17.98%	-	44,903
Homestead	142,630	35,658	11,883	(23,775)	DECREASE	8.33%	11,883	-
Motor Carrier Tax	2,800	700	1,894	1,194	INCREASE	67.64%	-	1,894
Payment in Lieu	26,000	6,500	-	(6,500)	DECREASE	0.00%	-	-
Total Property Taxes	4,638,989	1,159,747	128,187	(1,031,560)	DECREASE	2.76%	11,883	116,304
Franchise Contract	1,157,000	289,250	-	(289,250)	DECREASE	0.00%	-	-
BJWSA	641,046	160,262	168,853	8,591	INCREASE	26.34%	160,262	8,591
Business License	3,503,326	875,832	239,774	(636,057)	DECREASE	6.84%	185,966	53,808
Banner	3,000	750	150	(600)	DECREASE	5.00%	750	(600)
Impact Fees	1,000	250	69	(181)	DECREASE	6.92%	464	(395)
Parade, Public Assembly, Election	175	44	75	31	INCREASE	42.86%	50	25
Leased Parking Spaces	-	-	-	-	INCREASE	0.00%	5,951	(5,951)
Cell Tower	35,000	8,750	(4,849)	(13,599)	DECREASE	-13.85%	101,265	(106,114)
Fines & Forfeitures	260,000	65,000	85,608	20,608	INCREASE	32.93%	1,445	84,163
Parking Fines	5,000	1,250	1,230	(20)	DECREASE	24.60%	-	1,230
Parking Meters	-	-	-	-	INCREASE	0.00%	-	-
School Resourcing Officer	169,000	42,250	-	(42,250)	DECREASE	0.00%	15,375	(15,375)
School Crossing Guards	-	-	-	-	INCREASE	0.00%	2,875	(2,875)
Inter-govt, Hilton Head	51,000	12,750	15,375	2,625	INCREASE	30.15%	96,102	(80,727)
Inter-govt, Bluffton	10,000	2,500	3,250	750	INCREASE	32.50%	-	3,250
Inter-govt, Port Royal	750,000	187,500	177,838	(9,662)	DECREASE	23.71%	7,933	169,905
Traffic Signal Mgt	47,000	11,750	(503)	(12,253)	DECREASE	-1.07%	700	(1,203)
Victims Rights	38,300	9,575	6,532	(3,043)	DECREASE	17.06%	-	6,532
Administrative Summons	1,200	300	1,400	1,100	INCREASE	116.67%	90,543	(89,143)
State Shared Revenues	248,500	62,125	-	(62,125)	DECREASE	0.00%	-	-
Miscellaneous	112,000	28,000	20,707	(7,293)	DECREASE	18.49%	2,530	18,177
Insurance	-	-	172,289	172,289	INCREASE	100.00%	37,659	134,629
Off-Duty	76,000	19,000	33,793	14,793	INCREASE	44.46%	(4,000)	37,793
Bullet Proof Vest	-	-	-	-	INCREASE	-	(46,441)	46,441
JAG/LLEBG	75,309	18,827	-	(18,827)	DECREASE	0.00%	931	(931)
Interest	50,000	12,500	307	(12,193)	DECREASE	0.61%	-	307
Transfer	36,250	9,063	-	(9,063)	DECREASE	0.00%	-	-
SUBTOTAL	7,270,106	1,817,527	921,900	(895,627)	DECREASE	12.68%	660,360	261,540
ZBA and BAR Fees	13,200	3,300	4,000	700	INCREASE	30.30%	2,750	1,250
Building Permits	200,000	50,000	97,613	47,613	INCREASE	48.81%	91,319	6,295
SUBTOTAL	213,200	53,300	101,613	48,313	INCREASE	47.66%	94,069	7,545
Hospitality Fees	1,360,000	340,000	406,582	66,582	INCREASE	29.90%	361,144	45,438
Local Accomodation Fee	450,000	112,500	143,334	30,834	INCREASE	31.85%	138,723	4,611
State ABC Fee	65,000	16,250	-	(16,250)	DECREASE	0.00%	250	(250)
Tourisum Guide Test Fee	250	63	30	(33)	DECREASE	12.00%	60	(30)
Carriage Fees	55,000	13,750	10,801	(2,949)	DECREASE	19.64%	13,055	(2,254)
Tour Vechicle Fee	2,377	594	-	(594)	DECREASE	0.00%	-	-
Marina Lease	120,000	30,000	21,374	(8,626)	DECREASE	17.81%	23,896	(2,521)
Miscellaneous	50,000	12,500	-	(12,500)	DECREASE	0.00%	10,205	(10,205)
Waterfront Park	24,052	6,013	7,579	1,566	INCREASE	31.51%	-	7,579
SUBTOTAL	2,126,679	531,670	589,700	58,030	INCREASE	27.73%	547,332	42,368
Storm Water Utility Fee	781,744	195,436	7,251	(188,185)	DECREASE	0.93%	-	7,251
Solid Waste	836,992	209,248	146,334	(62,914)	DECREASE	17.48%	5,226	141,108
SUBTOTAL	1,618,736	404,684	153,584	(251,100)	DECREASE	9.49%	5,226	148,358
TOTAL REVENUES	\$ 15,867,710	\$ 3,966,928	\$ 1,894,985	\$ (2,071,943)	DECREASE	11.94%	\$ 1,318,870	\$ 576,115

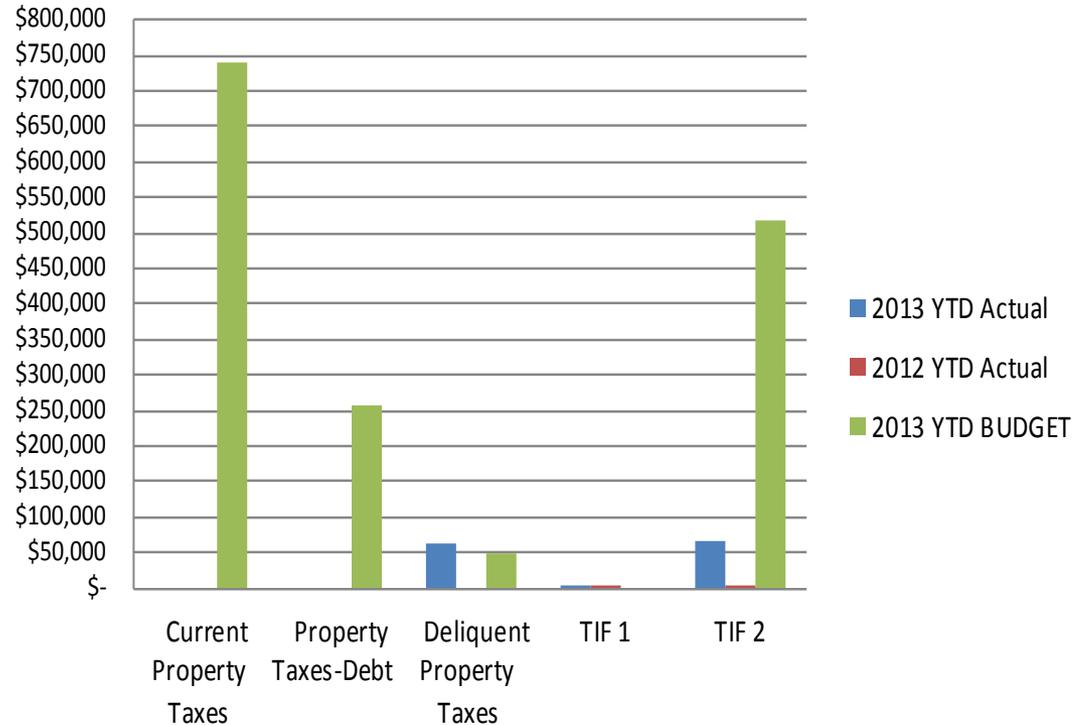
City of Beaufort

General Fund Property Tax Revenues with Comparative to September 30, 2011

For the Quarter ended September 30, 2012

PROPERTY TAXES

For the period ending September 30, 2012 with comparatives at September 30, 2011



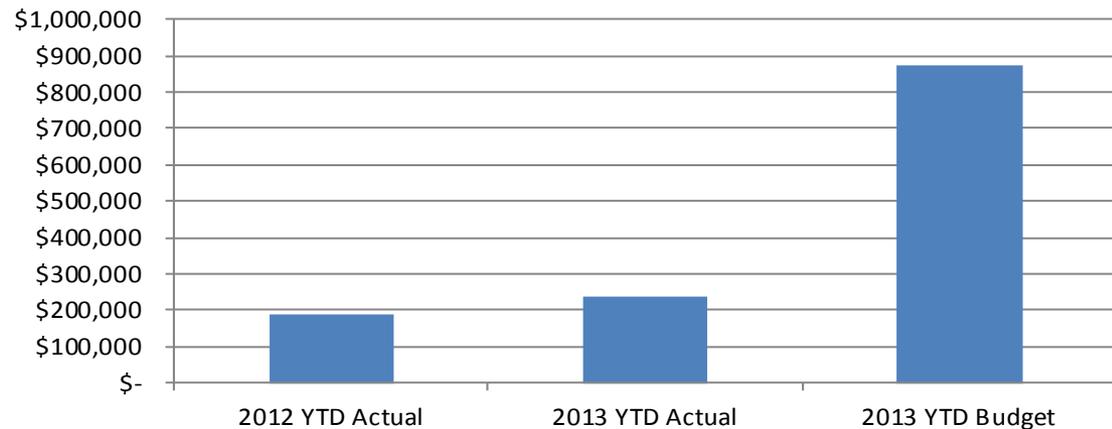
City of Beaufort

General Fund Business License and Accommodation & Hospitality Tax Revenues with Comparative to September 30, 2011

For the Quarter ended September 30, 2012

BUSINESS LICENSE

For the period ending September 30, 2012 with comparatives at September 30, 2011



LOCAL ACCOMODATION AND HOSPITALITY TAXES

For the period ending September 30, 2012 with comparatives at September 2011



City of Beaufort

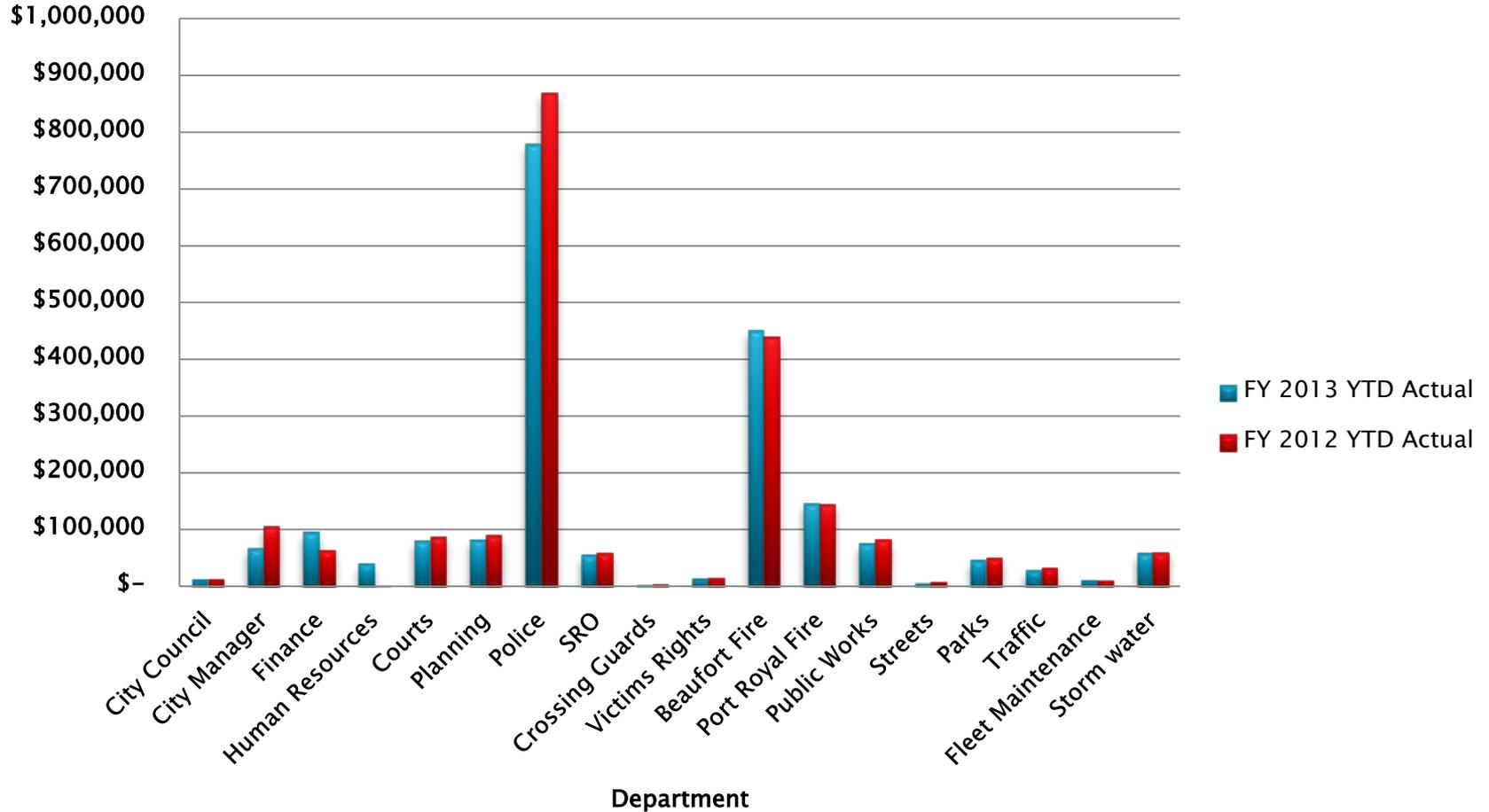
Salaries and Benefits by Department

For the Quarter Ended September 30, 2012

	ANNUAL BUDGET	Y-T-D BUDGET	Y-T-D ACTUALS	CURRENT YEAR VARIANCE	INCREASE/DECREASE OVER/UNDER YTD BUDGET	% OF 2013 BUDGET SPENT/RECEI VED Y-T-D	Y-T-D ACTUALS FY 2012	OVER/UNDER TO FY 2012
SALARIES AND WAGES								
City Council	\$ 46,975	\$ 11,744	\$ 12,521	\$ (777)	INCREASE	26.65%	\$ 13,247	\$ (726)
City Manager	280,236	70,059	67,756	2,303	DECREASE	24.18%	106,689	(38,933)
Finance	442,887	110,722	96,362	14,360	DECREASE	21.76%	64,144	32,217
Human Resources	179,180	44,795	40,347	4,448	DECREASE	22.52%	-	40,347
Courts	361,169	90,292	80,588	9,705	DECREASE	22.31%	88,744	(8,157)
Planning	363,877	90,969	82,691	8,278	DECREASE	22.72%	90,998	(8,307)
Police	3,431,680	857,920	781,377	76,543	DECREASE	22.77%	870,001	(88,624)
SRO	229,781	57,445	56,301	1,144	DECREASE	24.50%	58,031	(1,730)
Crossing Guards	39,564	9,891	3,840	6,051	DECREASE	9.71%	4,262	(422)
Victims Rights	60,767	15,192	14,382	810	DECREASE	23.67%	15,689	(1,307)
Beaufort Fire	1,883,209	470,802	452,085	18,717	DECREASE	24.01%	439,345	12,740
Port Royal Fire	642,259	160,565	147,033	13,531	DECREASE	22.89%	146,526	508
Public Works	322,542	80,636	76,661	3,975	DECREASE	23.77%	82,914	(6,253)
Streets	29,655	7,414	6,200	1,213	DECREASE	20.91%	7,280	(1,079)
Parks	177,847	44,462	46,748	(2,286)	INCREASE	26.29%	51,150	(4,402)
Traffic	127,047	31,762	29,900	1,862	DECREASE	23.53%	32,742	(2,842)
Fleet Maintenance	47,329	11,832	10,991	842	DECREASE	23.22%	11,843	(852)
Storm water	247,810	61,953	58,435	3,518	DECREASE	23.58%	61,119	(2,684)
Total Salaries & Benefits	\$ 8,913,815	\$ 2,228,454	\$ 2,064,215	\$ 164,238	DECREASE	23.16%	\$ 2,144,721	\$ (80,506)

DEPARTMENT'S SALARIES AND BENEFITS

For the period Ending September 30, 2012 with comparison to period ending September 30, 2011



City of Beaufort

Financial Indicators

For the Quarter Ended September 30, 2012

Financial Measurement Question:	Ratio or Cost	Explanation
Can the City overall meet its current obligations?	35.57	Current Ratio: Current Assets/Current Liabilities - All Funds
Can the General Fund of the City meet current obligations?	21.67	Current Ratio: Current Assets/Current Liabilities - General Fund
Is General Fund fund balance adequate?	67%	General Fund unassigned fund balance/General Fund expenditures
What is expended on behalf of each resident?		
Budgetarily at September 30, 2012	\$ 1,271	Total Budgeted expenditures/most recent population of 12,534
Actual at September 30, 2012	\$ 300	YTD expenditures/most recent population of 12,534