



# NEW PORT RICHEY

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**TO:** Honorable Mayor and City Council

**FROM:** Doug Haag, Finance Director

**DATE:** February 5, 2013

**RE:** First Quarter Summary & Detail Budget Expenditure Reports – Period Ending Dec 31, 2012

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## INTRODUCTION:

The Financial Policies adopted by the City in 2011 require a quarterly summary revenue and expenditure report be submitted to the City Council to assist in understanding the overall budget and the City's financial status. This is the first of several reports that will be rolled out during the year.

The report presented here is just for the expenditure side of the budget and it covers all funds, representing a total adopted budget of \$44,032,210 as of October 1, 2012. It provides a high level summary by Division, Department and Fund. The information included here is for the Summary Budget Expenditure Report as of December 31, 2012 and includes the previous year amended budget, the current year adopted budget & amended budget, year-to-date actual expenditures, the actual expenditures as a percent of the amended budget, the balance remaining and the balance remaining as a percent of the amended budget. For more information, you can use the following link <http://www.citynpr.org/DocumentCenter/View/432> to access a Detail Budget Expenditure Report that provides similar information for every line item and totals some 145 pages. This report goes to each Department Head so that they can monitor their performance along with the Finance Department.

## YTD Performance

If all expenditures were incurred evenly throughout the year, we should be at about 25% in terms of total expenditures to date. The General Fund is at 18% of budget and citywide for all funds we are at just 11%. However, there are some important footnotes to these numbers:

- 1) The report accurately reflects payroll and accounts payable transactions for the reporting period
- 2) There are some accruals that are posted by journal entry that are not reflected until we close each month. This includes items such as the red light camera payments to the State of Florida, transfers between funds and debt service payments.
- 3) Certain payments such as debt service and capital outlay purchases are only made once or twice a year and not necessarily in the first quarter.
- 4) Other payments such as the lump sum payment to employees is made during the first quarter and as a result the actual percent shown may be higher than 25%.
- 5) Payments for capital improvement projects are not incurred until the project is initiated.

In certain cases the amounts referred to above can be significant. These factors are all taken into consideration as the Finance Department monitors YTD performance.

In the future, we will build on this base report and add some helpful visuals in the form of charts & graphs, include more detailed explanations of any variances, provide comparisons to the previous year, add a similar report for revenues, develop an update regarding Capital Improvement Projects (CIP) and also add a quarterly cash and investment report.

**ATTACHMENTS:**

First Quarter Summary Budget Expenditure Report

Link to First Quarter Detail Budget Expenditure Report <http://www.citynpr.org/DocumentCenter/View/432>

Or, from the City website place the cursor over the center panel for City Departments, then move it over Finance and click on Accounting. Scroll down to the bottom of the page and you will find both the Summary and Detail reports.