



Date: 8/10/2012

To: Mayor Noah Jacobs
Vice-Mayor Roxanna Ross
Commissioner Bob Anderson
Commissioner Barbara Watts
Commissioner Bryan Cooper

cc: Manager Ana M. Garcia
Attorney John Hearn
Attorney Eve Boutsis
Clerk Maria Camara

Thru: Ana M. Garcia, Village Manager

From: Charles Smith, Finance Director

Re: 2010-11 CAFR and Summary Description

The Village is required to provide annually a report on its financial position and activity that is audited by an independent audit firm of certified public accounts. To meet this requirement attached is the 2010-11 CAFR and CAFR Summary Report describing relevant financial information included in the document. The three page CAFR Summary Report includes:

Page 1 – Unrestricted Surplus Analysis

During the fiscal year the Village faced several financial challenges including the economic downturn, plummeting property values, unbudgeted expenditures and prior year payables that were booked into 2010-11. Page 1 details several unbudgeted items that were reported in fiscal year 2010-11 which directly caused the reduction in the unrestricted surplus.

Page 2 - Revenue and Expenditure Comparison

Page 2 illustrates the reduction in revenue from the prior year including \$261,010 in tax revenue and how it would impact the overall net income when compared to expenditures.

Page 3 – Full-time Equivalent Positions Comparison

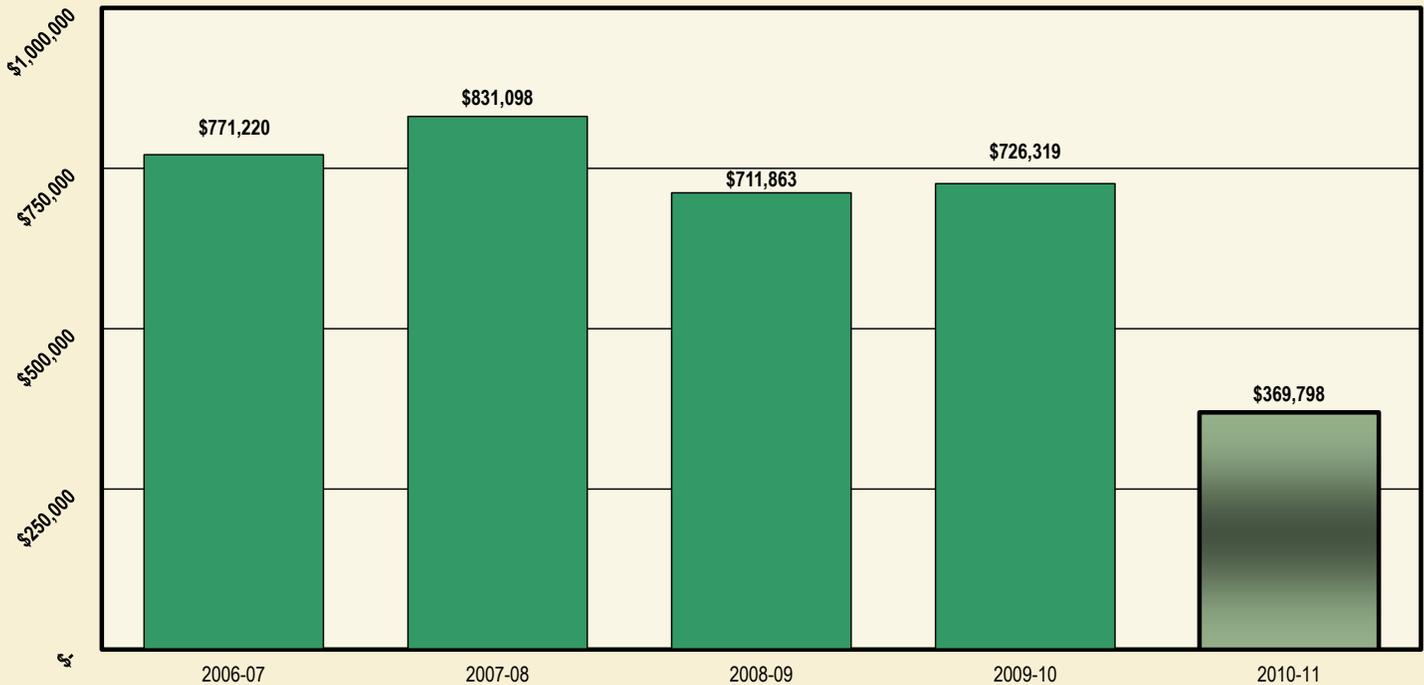
Because of the previously explained financial challenges, the number of government employees was directly impacted. Page 3 describes changes in staffing patterns and reductions in Public Works and Sanitation over the past ten years up to the 2010-11 fiscal year.



Fiscal Year ending September 30, 2011 – General Fund Unrestricted Surplus

During 2010-11 the Village faced several financial challenges while implementing strategies that included re-evaluation of levels of service to residents, maintenance of infrastructure, utilization of the strategic plan to reinvest in the community, and development of a five year capital plan. These challenges included the economic downturn, plummeting property values, unanticipated expenditures, and prior year payables booked into the 2010-11 fiscal year, all of which contributed to the reduction of the General Fund Unrestricted Surplus.

The five year comparison below illustrates the financial impact these and other items have had on the General Fund Unrestricted Surplus, which has incurred a reduction of \$401,422 during this timeframe:



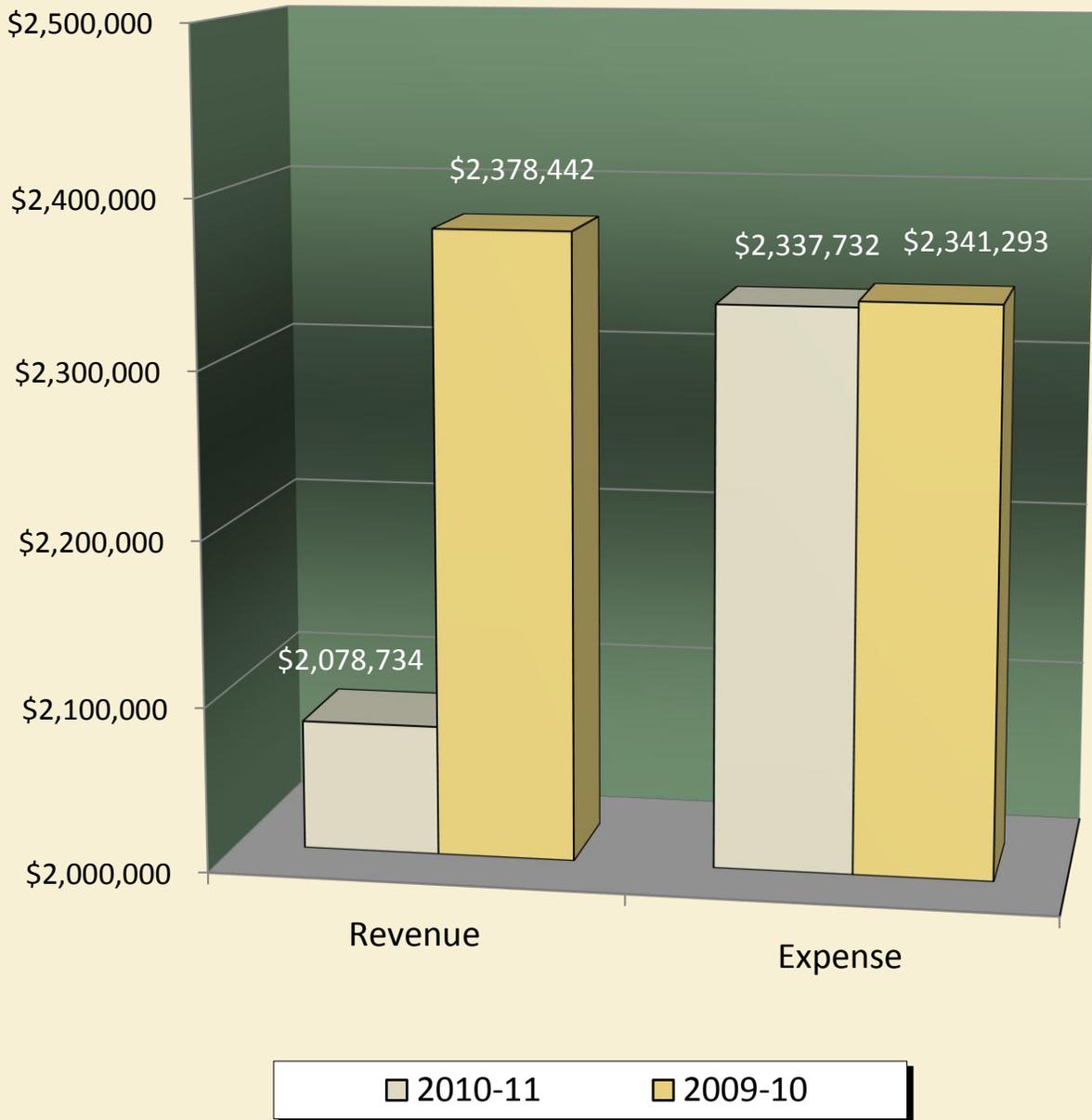
The CAFR report states that the Village is making every effort to improve the current level of unrestricted surplus. As of September 30, 2011 the unassigned General Fund surplus was \$369,798 as compared to \$726,319 in 2010, a decrease of \$356,521. This decrease reflects several unbudgeted items listed below:

- \$125,843 - Old Workers Compensation Claim and corresponding legal expenses that were not included in prior year's statements.
- \$113,531 – Use of CITT funds to implement stormwater drainage projects and maximize \$200,000 in State Grant Match Spending.
- \$62,635 - Reimbursement to the Florida Division of Emergency Management for ineligible Wilma reimbursements received during the 2005-06 fiscal year. Reimbursement was not posted in 2007-08 when the Village was notified.
- \$27,811 - Adjustment for Uncollectable Sanitation Waste Fees Prior Years that have been carried forward from prior years. This adjustment was not included when the account was established.
- \$19,190 - Additional Old Workers Compensation claims and Police payout settlement



General Fund Revenue and Expenditure Comparison

The chart below compares the changes in revenue and expenditures from 2010-11 to 2009-10. Expenditures for 2011 were \$2,337,732 compared to \$2,341,293 in 2010, a reduction of \$3,561. Revenues for 2011 were \$2,078,734 compared to \$2,378,442, a reduction of \$299,708. Changes in revenues and expenditures are explained below:



Revenues decreased \$299,708 or 13% from the prior year and were impacted heavily by the declining economic and housing trends. Because 47% of revenues are generated from property taxes, the 23% decline in property values between 2010 and 2011 resulted in a reduction in tax revenue of \$261,010. Expenditures decreased \$3,561, which was accomplished by reviewing existing contracts, limiting expenditures, reducing personnel and incurring unbudgeted expenditures such as an Old Workers Compensation Claim.



Village of Biscayne Park
2010-11 CAFR Summary Report
Fiscal Year ending September 30, 2011

Ten Year Full-time Equivalent Government Employees by Function

The chart below is a ten year comparison of the Number of Full-time government employees and reflects the reduction in property tax revenue over the past several years. The major position changes have occurred in Public Works, which has been reduced 2 positions and Sanitation, which has been reduced 3 positions. Because of the use of CITT funds to maintain Village medians, the level of landscaping and waste collection services have remained at a high level.

FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION

FULL-TIME EQUIVALENT EMPLOYEES AS OF SEPTEMBER 30, 2011										
Function	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
General government	2	2	2	3	3	2	2	3	3	3
Public safety										
Police										
Officers	10	10	11	11	11	11	11	11	11	11
Civilians	1	1	1	1	1	1	1	1	1	1
Code enforcement	1	1	1	1	1	1	1	1	1	1
Building & Zoning	1	1	1	1	1	1	1	1	1	1
Recreation	2	2	2	2	2	2	2	1	1	1
Public Works	9	9	9	9	9	9	8	7	7	7
Sanitation	9	9	9	9	9	9	9	8	8	6
	35	35	36	37	37	36	35	33	33	31

