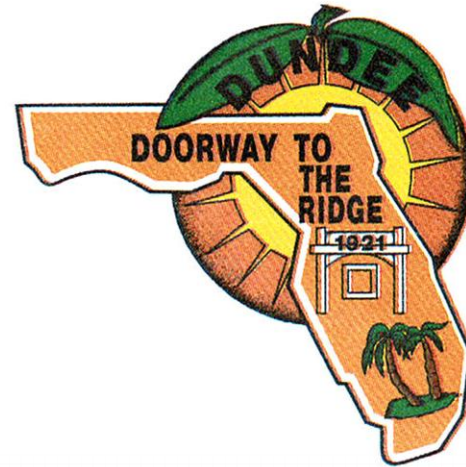


Town of Dundee

Town of Dundee



Financial Statements & Auditor's Reports For the year ended September 30, 2018

Prepared by:



Summary of Audit Results

Report on the Financial Statements (page 1-2)

- Unmodified (“Clean”) Audit Opinion
- The financial statements are a fair reflection of what actually happened.
- No Material Errors

Report on Internal Control & Compliance (pages 63-64)

- No material weaknesses and no significant deficiencies in internal control reported (one significant deficiency reported in 2017)
- No instances of noncompliance reported.

Management Letter (pages 65-66)

- One Current Year Recommendation which is a repeat recommendation from 2017
- No deteriorating financial conditions noted

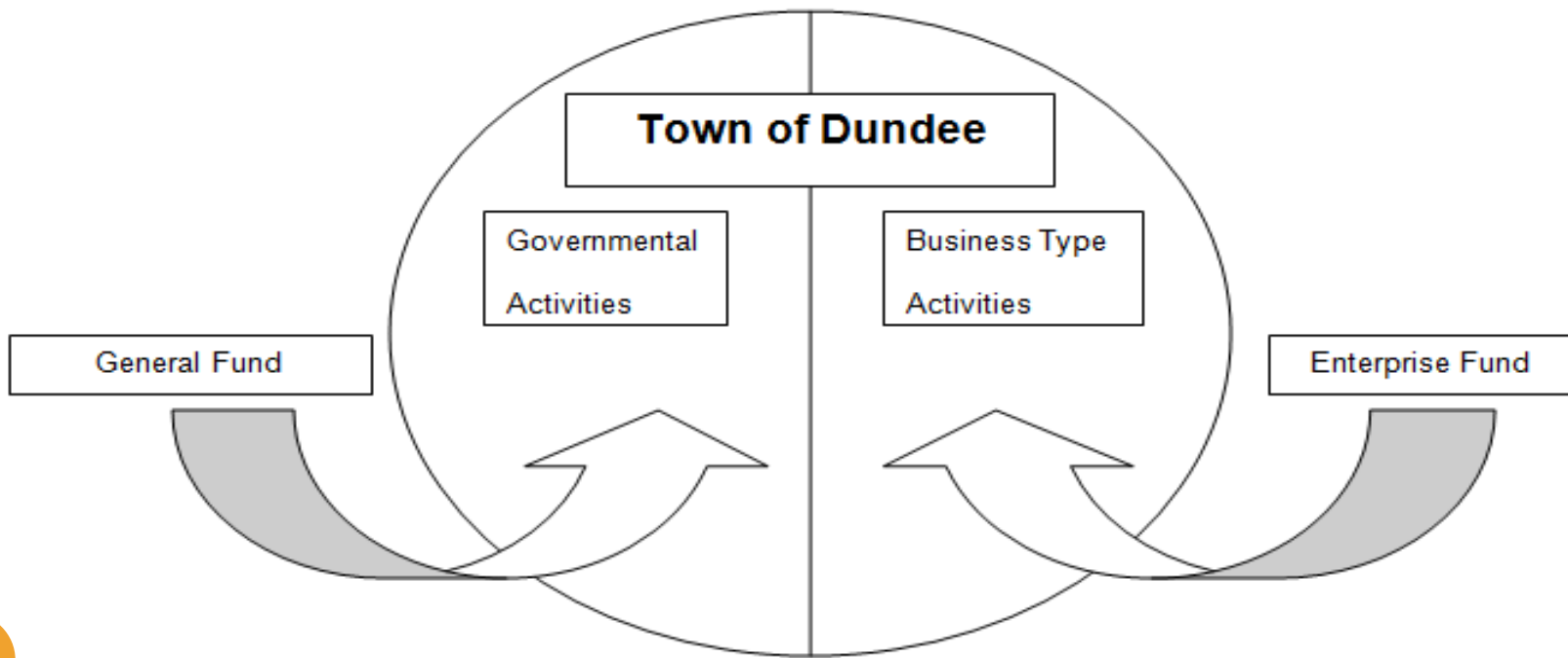
Compliance Report with Section 218.415, Florida Statutes (page 67)

- No instances of noncompliance with Section 218.415, Florida Statutes – Local Government Investment Policies.

Report to the Town Commission (separate letter)

- No disagreements with management.
- No difficulties encountered while performing our audit.

Fund Level Financial Statements



Town of Dundee, FL
 General Fund – Balance Sheet
 As of September 30, 2018

	2017	2018	Change	
1	ASSETS			
2	\$ 984,257	\$ 1,144,762	\$ 160,505	16%
3	1,316,600	1,770,645	454,045	34%
4	157,514	143,988	(13,526)	-9%
5	-	53,233	53,233	-----
6	<u>\$ 2,458,371</u>	<u>\$ 3,112,628</u>	<u>654,257</u>	27%
7	LIABILITIES AND FUND BALANCE			
8	\$ 64,382	\$ 64,779	397	1%
9	165,295	142,678	(22,617)	-14%
10	<u>229,677</u>	<u>207,457</u>	<u>(22,220)</u>	-10%
11	FUND BALANCE:			
12	1,361,986	1,823,878	461,892	34%
13	866,708	1,081,293	214,585	25%
14	<u>2,228,694</u>	<u>2,905,171</u>	<u>676,477</u>	30%
15	<u>\$ 2,458,371</u>	<u>\$ 3,112,628</u>		
16				
17	Total 2017-2018 general fund expenditures		\$ 3,132,705	Prior Year
18	Assigned and Unassigned fund balance as a % of annual expenditures		35%	30%
19	Total months of expenditures in unassigned fund balance		4.14	3.62

2018 data from page 14 of the Town of Dundee's Audited Financial Statements for the year ended September 30, 2018

Unassigned and Assigned Fund Balance as a % of Total Expenditures

GOVERNMENTAL UNASSIGNED+ASSIGNED FUND BALANCE TO TOTAL EXPENDITURES

Warning Trend:

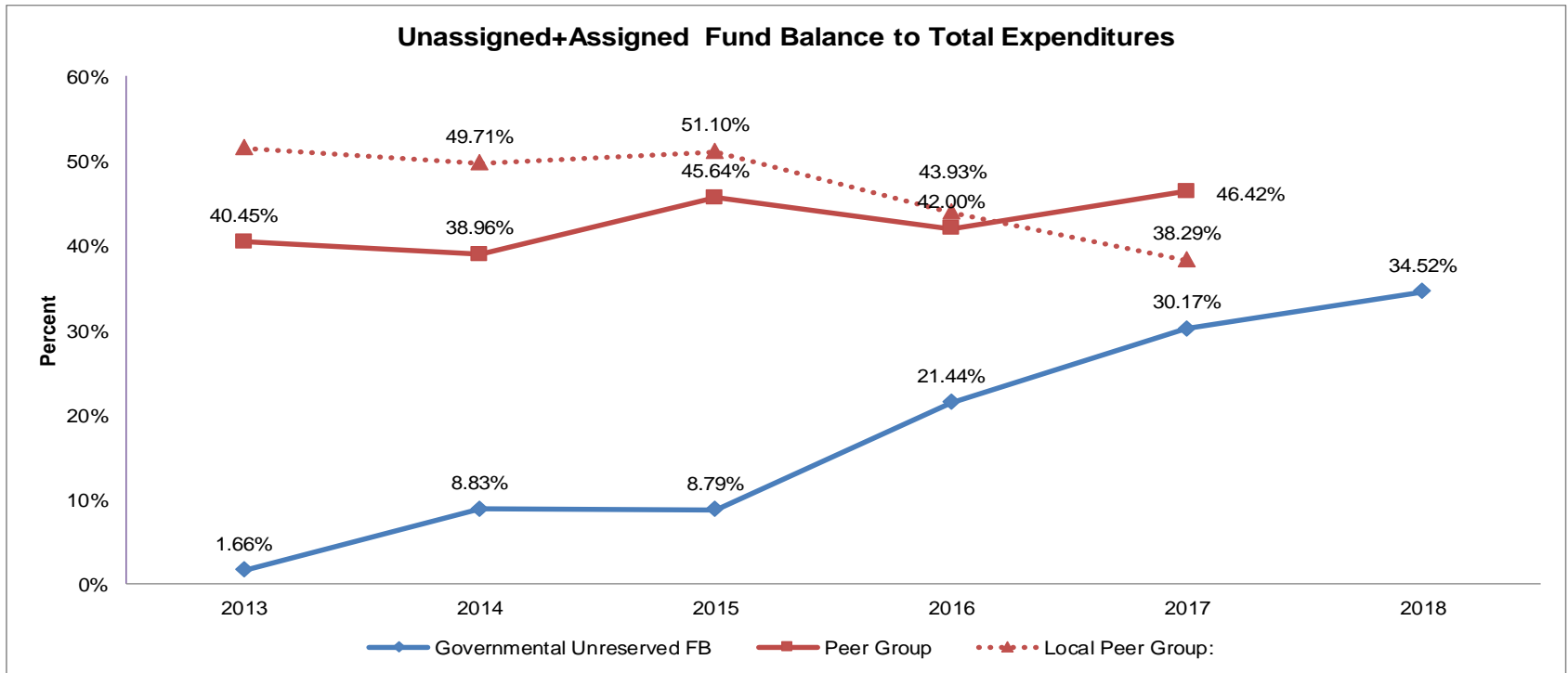
Decreasing Unassigned + Assigned Fund Balance as a Percent of Total Expenditures

Formulation:

$$\frac{\text{Governmental Unassigned+Assigned Fund Balance}}{\text{Total Expenditures}}$$

Description:

Unreserved equity reflect changes in reserves expendable for future periods. Increasing unreserved equity can indicate that the entity is saving prior period surpluses for future expenditures. In addition, if decreases are occurring which cannot be explained, spending or the use of unreserved surpluses may indicate declining productivity - spending more to deliver the same level of service.



Peer Group:

Unassigned+Assigned FB to Expenditures 46.42%

Local Peer Group:

38.29%

Current Year Actual:

Unassigned+Assigned FB to Expenditures 34.52%

TOWN OF DUNDEE, FLORIDA
BALANCE SHEET – GOVERNMENTAL FUND
 September 30, 2018

	<u>General Fund</u>
ASSETS	
Cash and cash equivalents	\$ 1,144,762
Receivables, current:	
Franchise and public service taxes	56,373
Intergovernmental	87,615
Prepaid items	53,233
Restricted assets:	
Cash and cash equivalents	1,770,645
TOTAL ASSETS	<u>\$ 3,112,628</u>
LIABILITIES	
Accounts payable	41,571
Accrued payroll	23,208
Due to other governments	118,417
Customer deposits	24,261
TOTAL LIABILITIES	<u>207,457</u>
FUND BALANCE	
Nonspendable	\$ 53,233
Restricted for:	
Transportation infrastructure - gas taxes	221,187
Parks	60,842
Building code enforcement	267,412
Recreation impact fees	133,140
Library impact fees	276,866
Law enforcement impact fees	178,366
Roads impact fees	541,704
Fire impact fees	91,128
Assigned for:	
Subsequent year budget	299,050
Unassigned	782,243
TOTAL FUND BALANCE	<u>2,905,171</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 3,112,628</u>

Town of Dundee, FL
 General Fund – Revenues and Expenditures
 Years ended September 30, 2017 and 2018

	[A]	[B]	[C]	[D]
	2017	2018	Change	% of Revenue
REVENUES:				
1 Taxes	\$ 2,057,153	\$ 2,231,840	174,687	63.24%
2 Licenses and Permits	699,061	629,186	(69,875)	17.83%
3 Intergovernmental Revenue	455,105	485,474	30,369	13.76%
4 Charges for Service	87,012	81,896	(5,116)	2.32%
5 Fines and Forfeitures	27,205	66,250	39,045	1.88%
6 Other	39,057	34,293	(4,764)	0.97%
7 Total Revenues	<u>3,364,593</u>	<u>3,528,939</u>	<u>164,346</u>	100.00%
EXPENDITURES:				
8 General Government	666,743	675,697	8,954	19.15%
9 Public Safety	1,255,953	1,479,345	223,392	41.92%
10 Transportation	288,338	342,869	54,531	9.72%
11 Culture and Recreation	247,149	255,332	8,183	7.24%
12 Capital outlay	170,785	136,017	(34,768)	3.85%
13 Debt Service	243,445	243,445	-	6.90%
14 Total Expenditures	<u>2,872,413</u>	<u>3,132,705</u>	<u>260,292</u>	88.77%
15 REVENUES MINUS EXPENDITURES	492,180	396,234	(95,946)	
16 EXCESS REVENUES (EXPENSES)				
17 AS % OF REVENUE	15%	11%		

2018 data from page 16 of the Town of Dundee's Audited Financial Statements for the year ended September 30, 2018

General Fund Excess/(Deficiency) of Revenues over Expenditures as % of Revenue

EXCESS OF REVENUES OVER EXPENDITURES - GOVERNMENTAL FUNDS

Warning Trend:

Increasing Amount of General Fund Operating Deficits as a Percent of Total Revenue

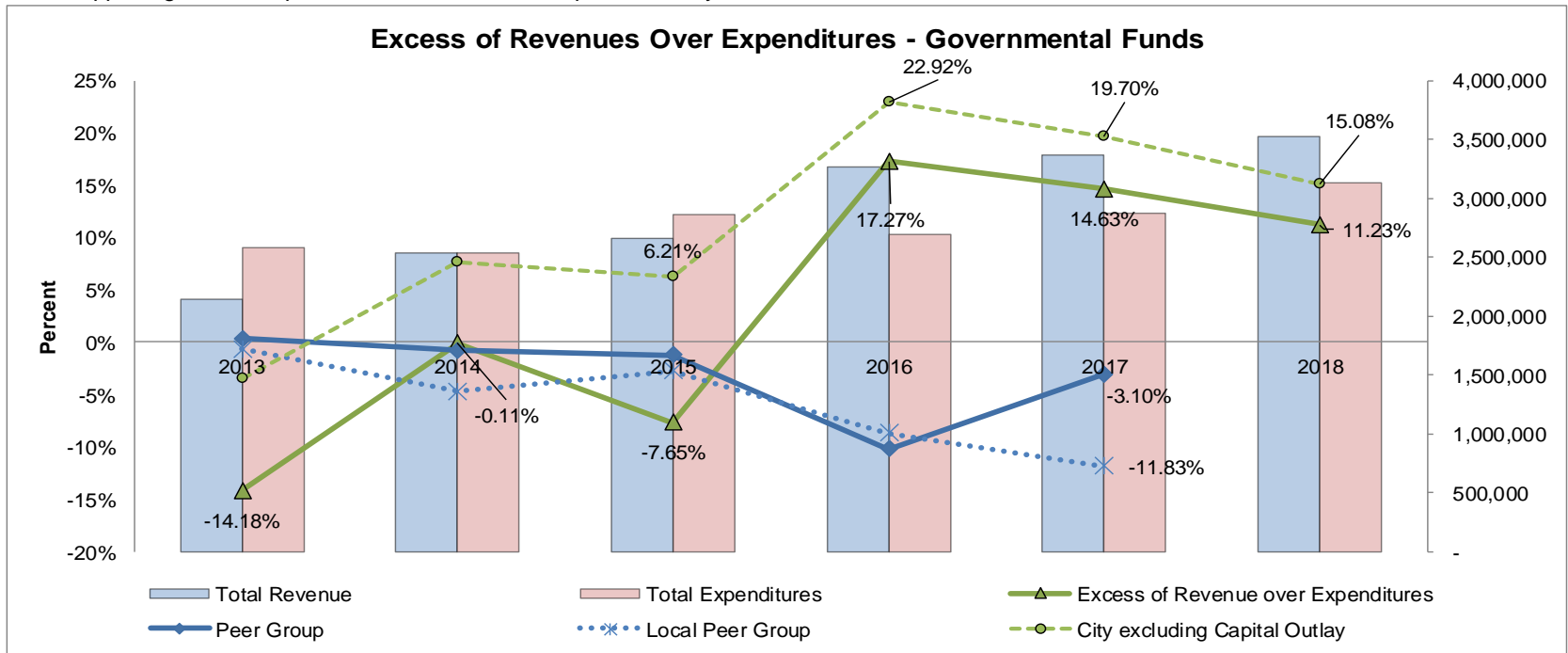
Formulation:

$$\frac{\text{Excess of Revenues Over (Under) Expenditures}}{\text{Total Revenue}}$$

Description:

An operating deficit will occur as operating expenditures exceed operating revenues. However, this does not necessarily mean the budget will be out of balance. Reserves (fund balances) and transfers are sometimes used to cover the differences. Continuing use of reserves and the unjustifiable transfer of funds to balance the deficit may indicate a revenue/expenditure problem.

The existence of an operating deficit in one year is not cause for concern, but frequent and increasing deficits can indicate that current revenues are not supporting current expenditures, and that serious problems may lie ahead.



Peer Group:

Excess of Revs over Expenditures -3.10%

Current Year Actual:

Excess of Revs over Expenditures 11.23%

Local Peer Group:

Excess of Revs over Expenditures -11.83%

Town of Dundee, FL

Enterprise Fund – Statement of Net Position

As of September 30, 2018

	2017	2018	Change	
1	ASSETS			
2	\$ 537,025	\$ 1,026,026	\$ 489,001	91%
3	214,023	213,502	(521)	0%
4	941,423	923,063	(18,360)	-2%
5	16,016,662	15,456,071	(560,591)	-4%
6	26,491	29,235	2,744	
7	<u>\$ 17,735,624</u>	<u>\$ 17,647,897</u>	<u>\$ (90,471)</u>	-1%
8	LIABILITIES			
9	\$ 306,723	\$ 102,232	\$ (204,491)	-67%
10	533,419	456,098	(77,321)	-14%
11	155,602	164,481	8,879	6%
12	5,118,137	4,900,758	(217,379)	-4%
13	<u>6,113,881</u>	<u>5,623,569</u>	<u>(490,312)</u>	-8%
14	NET POSITION			
15	10,371,219	10,104,467	(266,752)	-3%
16	764,799	738,975	(25,824)	-3%
17	485,725	1,180,886	695,161	143%
18	<u>11,621,743</u>	<u>12,024,328</u>	<u>402,585</u>	3%
19	<u>\$ 17,735,624</u>	<u>\$ 17,647,897</u>	<u>\$ (87,727)</u>	
20	Total operating revenue		\$ 2,358,723	Prior Year
21	Unrestricted Net Position as a % of Operating Revenue		50%	23%
22	Total months of operating revenue in unrestricted net position		6.01	2.72

The 2018 data is from page 18 of the Town of Dundee Audited Financial Statements for the year ended September 30, 2018

Unrestricted Net Position as % of Revenue

NET POSITION

Warning Trend:

Decreasing Unrestricted Net Position as a Percent of Operating Revenues

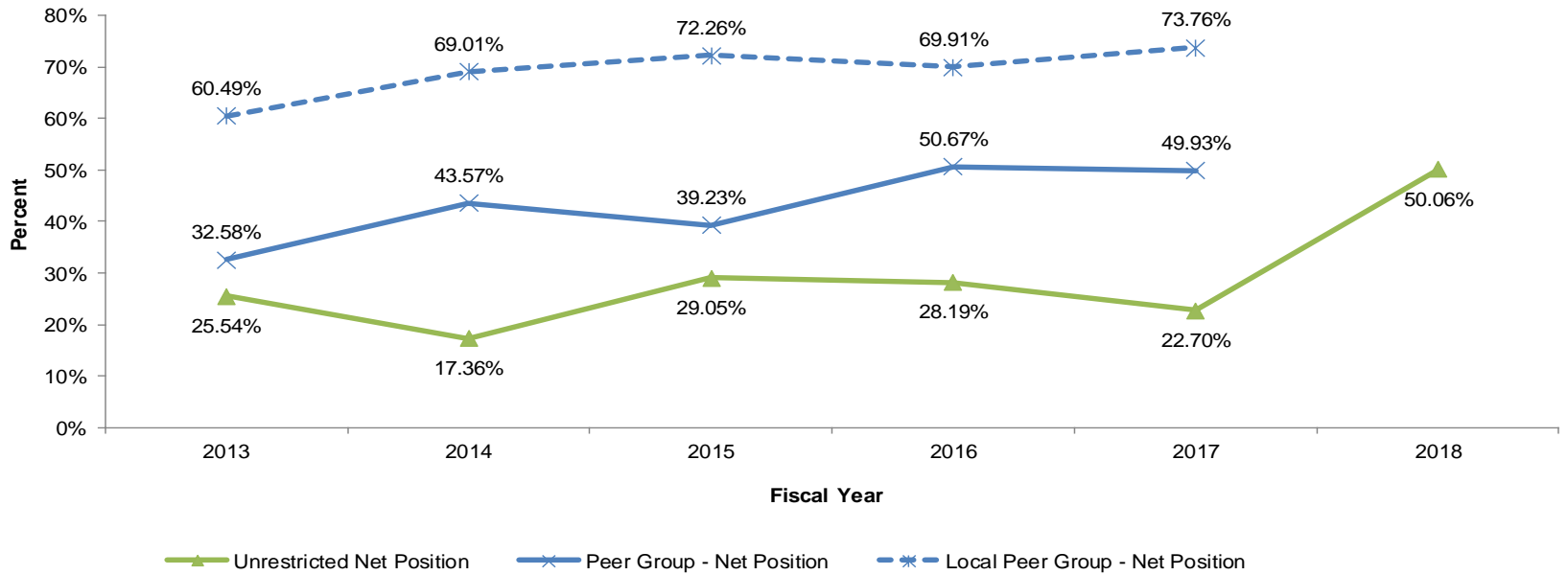
Formulation:

$$\frac{\text{Unrestricted Net Position}}{\text{Operating Revenue}}$$

Description:

Most communities maintain some type of reserves in order to meet unforeseen contingencies. There exist no set rules for determining at what levels these reserves should be maintained. Much depends on such factors as the kind of natural disasters or hardships the City is subject to, the flexibility of the City's revenue base, national economic conditions, and the City's overall financial health.

Net Position as a Percent of Operating Revenues



Peer Group:

Unrestricted Net Position 49.93% Unrestricted Net Position 50.06%

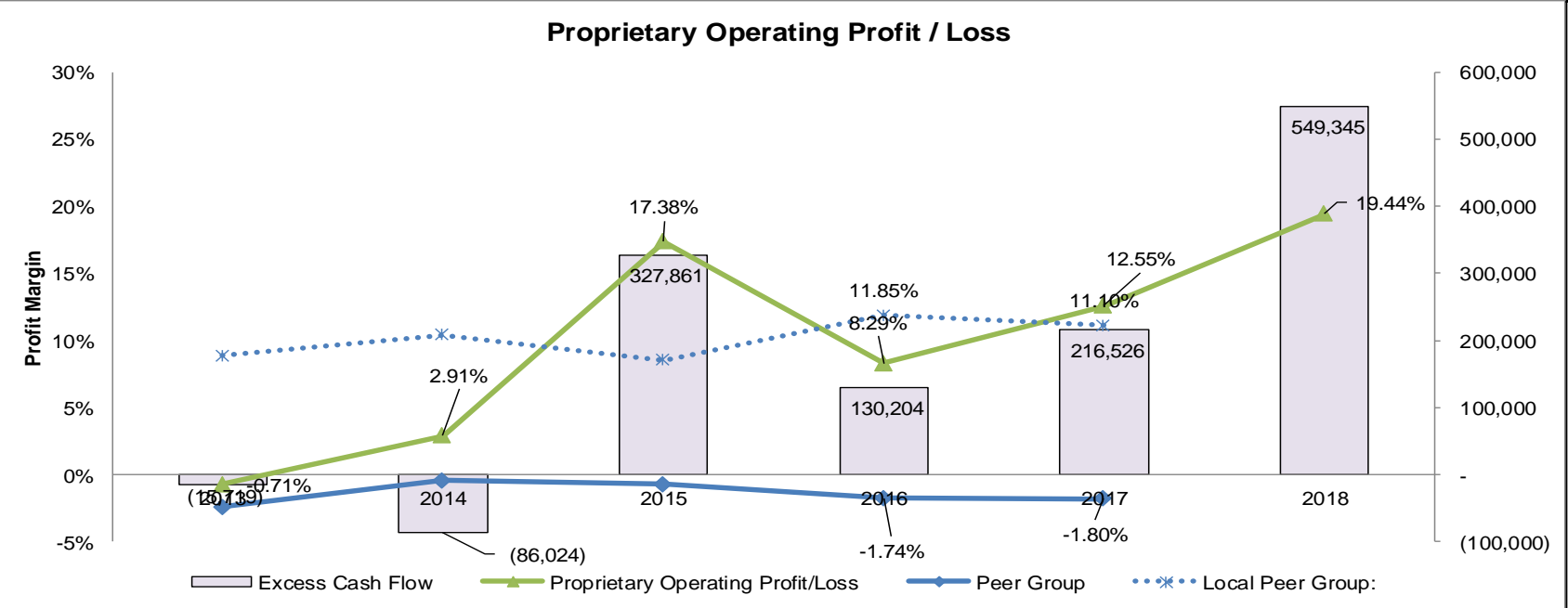
Local Peer Group:

Unrestricted Net Position 73.76%

Town of Dundee, FL
 Enterprise Fund – Revenues and Expenses
 Years ended September 30, 2017 and 2018

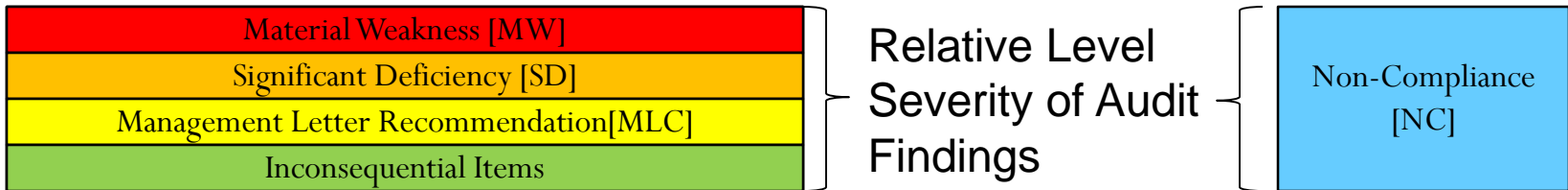
	2017	2018	Change	
1 Operating Revenue	\$ 2,140,027	\$ 2,358,723	218,696	10%
2 Operating Expenses	(1,871,425)	(1,900,146)	28,721	-2%
3 Operating Income	\$ 268,602	\$ 458,577	247,417	92%
4 Interest Expense	(228,119)	(218,356)	(9,763)	4%
5 Profit (Loss) after Interest Expense	\$ 40,483	\$ 240,221	\$ (199,738)	-493%
6 Operating Profit Margin	12.55%	19.44%		
7 Interest Expense as % of Op. Revenue	10.66%	9.26%		

from page 20 of the Town of Dundee Audited Financial Statements for the year ended September 30, 2018



Current Year Recommendations

Current Year Recommendations	Severity
2018-1: Impact Fees	MLR





Town of Dundee, Florida

Data portrayed in this graphic presentation was derived from the Town's financial statements which were audited by Brynjulfson CPA, P.A., whose unmodified report thereon is rendered. The following data should be taken in conjunction with the Town's financial statements and the auditor's report thereon.

Any Questions or Comments?