

# San Juan County Financial Review

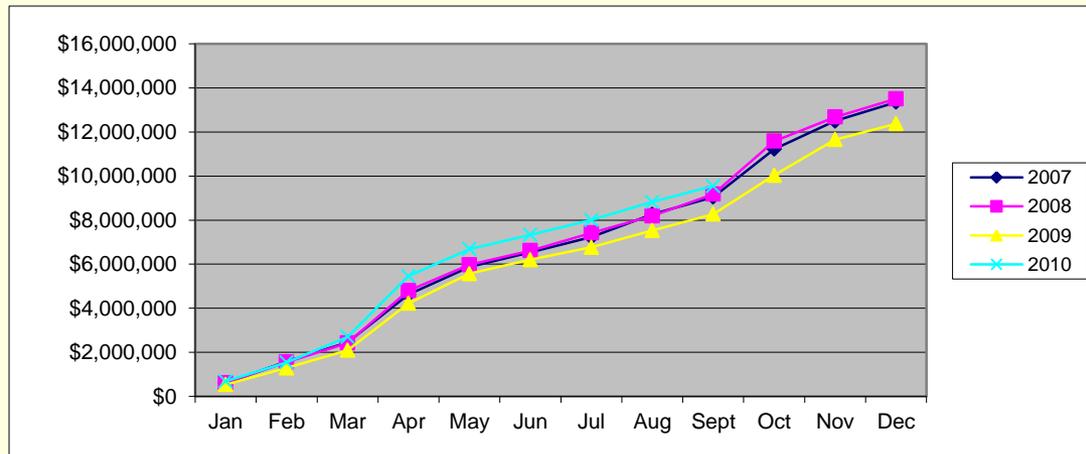
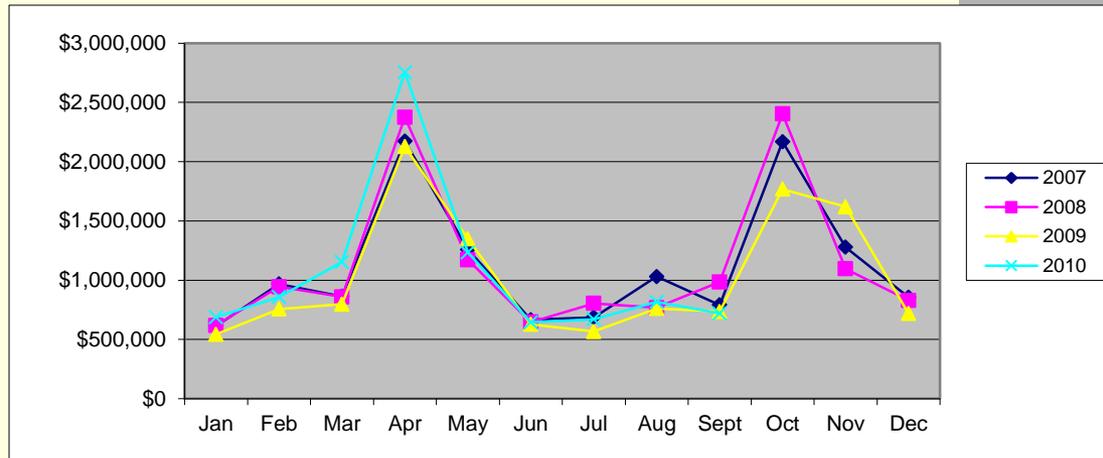
3<sup>rd</sup> quarter 2010  
November 2, 2010

# Revenue – Current Expense

| <b>Fund</b>                            | <b>2010 Adj.<br/>Budget</b> | <b>Actuals<br/>thru 3Q10</b> | <b>% Rcvd</b> |
|----------------------------------------|-----------------------------|------------------------------|---------------|
| <b>Current Expense</b>                 | <b>13,497,598</b>           | <b>9,541,682</b>             | <b>70.69%</b> |
| <b>Current Expense, excluding cash</b> | <b>13,647,189</b>           | <b>9,541,682</b>             | <b>69.92%</b> |

- Current Expense revenues peak in October, with property taxes
- Current projection is that aggregate CE revenues will end the year about 3.5% above budget

# Current Expense Revenue, Monthly & Cumulative



# Revenue – Current Expense, by Department

| <b>General Government Departments<br/>(&amp; reasons for high or low income)</b> | <b>2010 Adj.<br/>Budget</b> | <b>Actuals<br/>thru 3Q10</b> | <b>% Rcvd</b> |
|----------------------------------------------------------------------------------|-----------------------------|------------------------------|---------------|
| General (property tax)                                                           | 5,717,529                   | 3,594,096                    | 62.86%        |
| County Administration (little apt rental)                                        | 2,000                       | 591                          | 29.57%        |
| Assessor (True Auto \$ not used)                                                 | 80,322                      | 49,930                       | 62.16%        |
| Auditor (high DOL cost reimbursement)                                            | 216,000                     | 215,404                      | 99.72%        |
| Facilities (janitorial & rent income)                                            | 9,500                       | 13,980                       | 147.16%       |
| Election Reserve (HAVA grants)                                                   | 79,003                      | 115,082                      | 145.67%       |
| General Admin (COBRA reimbs)                                                     | 21,044                      | 66,130                       | 314.25%       |
| Operating Transfers (YE transfers)                                               | 23,000                      | 0                            | 0.00%         |
| Treasurer                                                                        | 4,212,446                   | 3,176,230                    | 75.40%        |
| <b>Total General Government Depts</b>                                            | <b>10,510,435</b>           | <b>7,231,444</b>             | <b>68.80%</b> |

# Revenue – Current Expense, by Department

| <b>Law &amp; Justice Departments (&amp; reasons for high or low income)</b> | <b>2010 Adj. Budget</b> | <b>Actuals thru 3Q10</b> | <b>% Rcvd</b> |
|-----------------------------------------------------------------------------|-------------------------|--------------------------|---------------|
| Clerk                                                                       | 109,769                 | 78,645                   | 71.65%        |
| Dispatch (state contract went up)                                           | 358,129                 | 344,420                  | 96.17%        |
| District Court/Probation (criminal filings down)                            | 347,576                 | 222,078                  | 63.89%        |
| Jail (few work crew candidates)                                             | 15,000                  | 6,784                    | 45.23%        |
| Juvenile Court (AOC grant for GAL)                                          | 500                     | 1,320                    | 264.00%       |
| Law Library (vendor refund)                                                 | 0                       | 1,894                    | -             |
| Prosecuting Attorney/Coroner                                                | 147,976                 | 114,058                  | 77.08%        |
| Sheriff (liquor profits, donation, other)                                   | 382,673                 | 314,397                  | 82.16%        |
| Superior Court (little use of MH \$)                                        | 30,740                  | 11,688                   | 38.02%        |
| <b>Total Law &amp; Justice Departments</b>                                  | <b>1,392,363</b>        | <b>1,095,284</b>         | <b>78.66%</b> |

# Revenue – Current Expense, by Department

| <b>Community Service Departments<br/>(&amp; reasons for high or low income)</b> | <b>2010 Adj.<br/>Budget</b> | <b>Actuals<br/>thru 3Q10</b> | <b>% Rcvd</b> |
|---------------------------------------------------------------------------------|-----------------------------|------------------------------|---------------|
| Community Development & Planning<br>(permitting revenue has fallen)             | 1,163,249                   | 784,070                      | 67.40%        |
| County Agent                                                                    | 10,821                      | 7,961                        | 73.57%        |
| Health & Community Services                                                     | 570,321                     | 422,803                      | 74.13%        |
| <b>Total Community Service Depts</b>                                            | <b>1,744,391</b>            | <b>1,214,834</b>             | <b>69.64%</b> |

- General Government revenues on track, or high
- Law & Justice revenues on track
- Community Services revenues running a little low

# Revenue – Current Expense, by Type

| <b>BASUB</b> | <b>Type</b>                       | <b>2010 Adj. Budget</b> | <b>Actuals thru 3Q10</b> | <b>% Rcvd</b> |
|--------------|-----------------------------------|-------------------------|--------------------------|---------------|
| 300          | Cash                              | -149,591                | 0                        | 0.00%         |
| 310          | Taxes                             | 9,827,437               | 6,528,805                | 66.43%        |
| 320          | Licenses and Permits              | 1,115,263               | 854,026                  | 76.58%        |
| 330          | Intergovernmental Revenue         | 1,173,818               | 1,124,168                | 95.77%        |
| 340          | Charges for Goods and Services    | 905,532                 | 579,182                  | 63.96%        |
| 350          | Fines and Forfeits                | 155,482                 | 91,352                   | 58.75%        |
| 360          | Miscellaneous Revenues            | 146,288                 | 114,380                  | 78.19%        |
| 390          | Other Financing Sources           | 323,369                 | 249,769                  | 77.24%        |
|              | <b>Grand Total</b>                | <b>13,497,598</b>       | <b>9,541,682</b>         | <b>70.69%</b> |
|              | <b>Grand Total Excluding Cash</b> | <b>13,647,189</b>       | <b>9,541,682</b>         | <b>69.92%</b> |

# Revenue – Current Expense, by Type

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- Charges for Goods & Services are still running 5-6% below budget, though well ahead of last year
- Fines and Forfeits are below last year and 15% below budget
- Other revenue types are meeting budget

# Revenue – Other Funds

(all exclude cash as a source of funds)

| <b>Fund</b>                     | <b>2010 Adj. Budget</b> | <b>Actuals thru 3Q10</b> | <b>% Rcvd</b> |
|---------------------------------|-------------------------|--------------------------|---------------|
| Current Expense Grants Clearing | 2,411,101               | 2,004,436                | 83.13%        |
| Land Bank                       | 3,624,750               | 1,797,072                | 53.11%        |
| Land Bank Stewardship           | 421,350                 | 306,191                  | 72.67%        |
| SJC Noxious Weed Control        | 146,000                 | 89,031                   | 60.98%        |
| Veterans' Assistance            | 85,584                  | 42,756                   | 49.96%        |
| SJC Dept of Emergency Mgt       | 295,901                 | 118,397                  | 40.01%        |
| San Juan County Parks           | 1,123,579               | 1,037,175                | 92.31%        |
| Tax Sale Expense                | 4,500                   | 2,842                    | 63.16%        |
| Dog License                     | 19,000                  | 16,629                   | 87.52%        |
| County Roads                    | 7,356,260               | 4,862,109                | 66.09%        |

# Revenue – Other Funds

(all exclude cash as a source of funds)

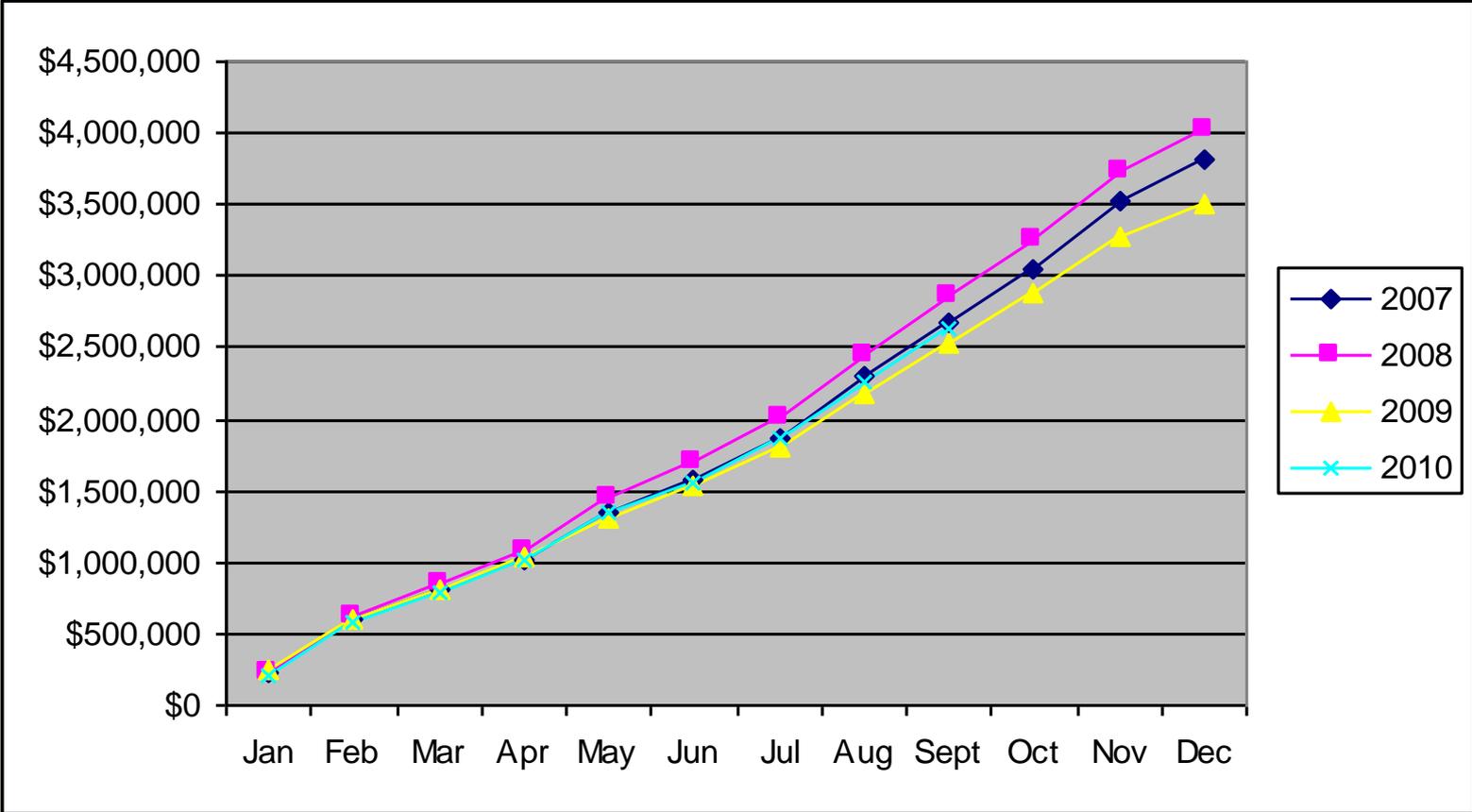
| <b>Fund</b>                   | <b>2010 Adj. Budget</b> | <b>Actuals thru 3Q10</b> | <b>% Rcvd</b> |
|-------------------------------|-------------------------|--------------------------|---------------|
| Enhanced 911                  | 712,218                 | 99,618                   | 13.99%        |
| Multipurpose Facilities Fund  | 350,000                 | 220,088                  | 62.88%        |
| Lodging Tax Fund              | 350,000                 | 220,088                  | 62.88%        |
| Auditor Document Preservation | 83,500                  | 60,678                   | 72.67%        |
| Capital Improvement Fund      | 404,500                 | 370,354                  | 91.56%        |
| Crime Victims                 | 15,000                  | 8,500                    | 56.66%        |
| Mental Health Tax Fund        | 300,000                 | 264,103                  | 88.03%        |
| Other Grants / Septic Loans   | 905,500                 | 840,719                  | 92.85%        |
| Public Facilities Improvement | 348,500                 | 243,463                  | 69.86%        |
| Affordable Housing Fund       | 154,319                 | 109,265                  | 70.80%        |

# Revenue – Other Funds

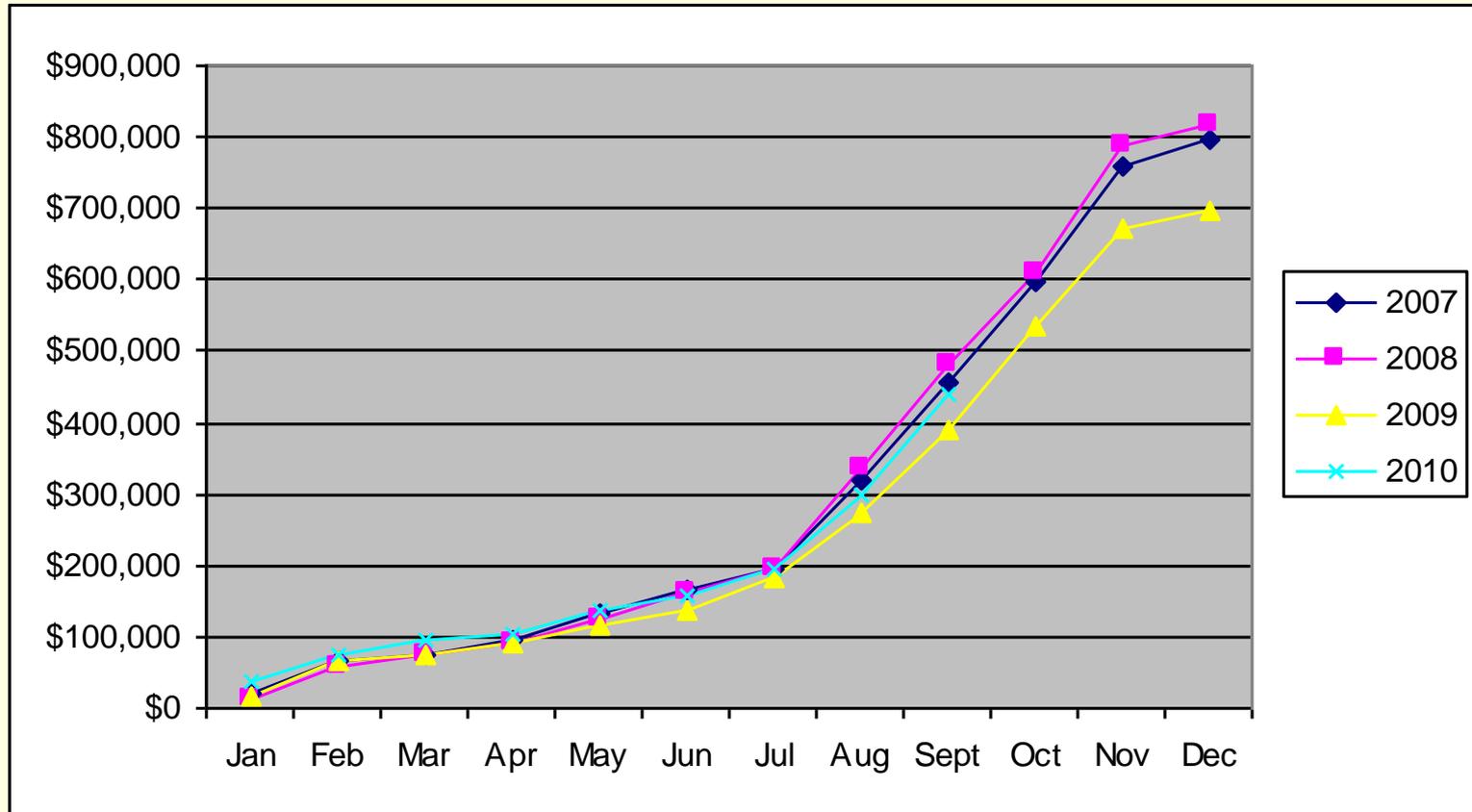
(all exclude cash as a source of funds)

| <b>Fund</b>                  | <b>2010 Adj. Budget</b> | <b>Actuals thru 3Q10</b> | <b>% Rcvd</b> |
|------------------------------|-------------------------|--------------------------|---------------|
| Criminal Justice Fund        | 157,000                 | 91,470                   | 58.26%        |
| Bond Redemption Fund         | 2,946,315               | 414,165                  | 14.06%        |
| Solid Waste Fund             | 2,655,667               | 1,560,528                | 58.76%        |
| Solid Waste Projects Fund    | 2,038,620               | 293,818                  | 14.41%        |
| Stormwater Utility Fund      | 378,000                 | 264,907                  | 70.08%        |
| Stormwater Utility Capital   | 447,652                 | 125,471                  | 25.05%        |
| Equipment Rental & Revolving | 1,509,216               | 1,448,693                | 95.99%        |
| Information Services         | 548,177                 | 415,764                  | 75.84%        |
| Insurance Cumulative Reserve | 32,597                  | 94,362                   | 289.48%       |
| <b>Grand Total</b>           | <b>29,824,806</b>       | <b>17,422,692</b>        | <b>58.42%</b> |

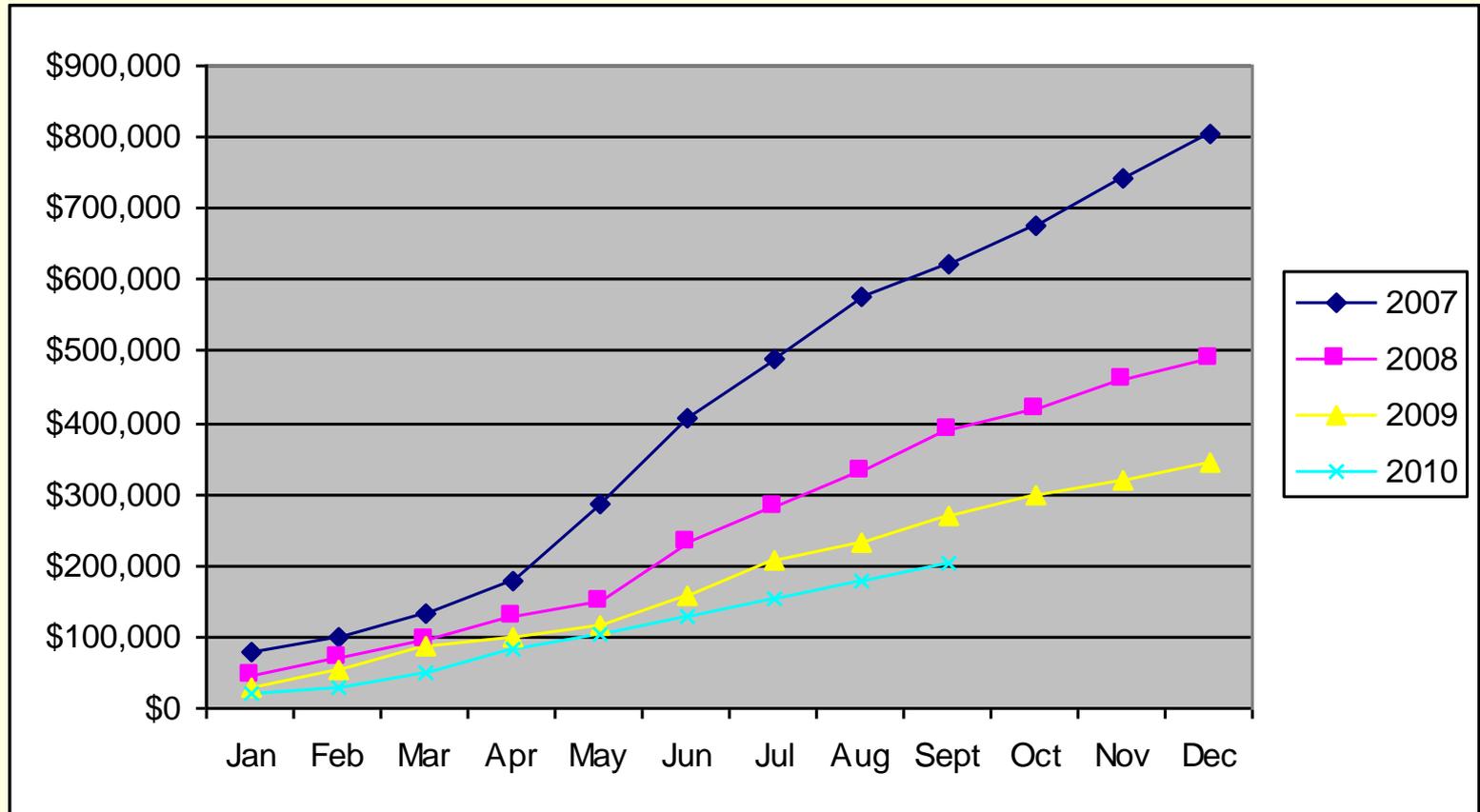
# Specific Revenue Types: Sales Tax



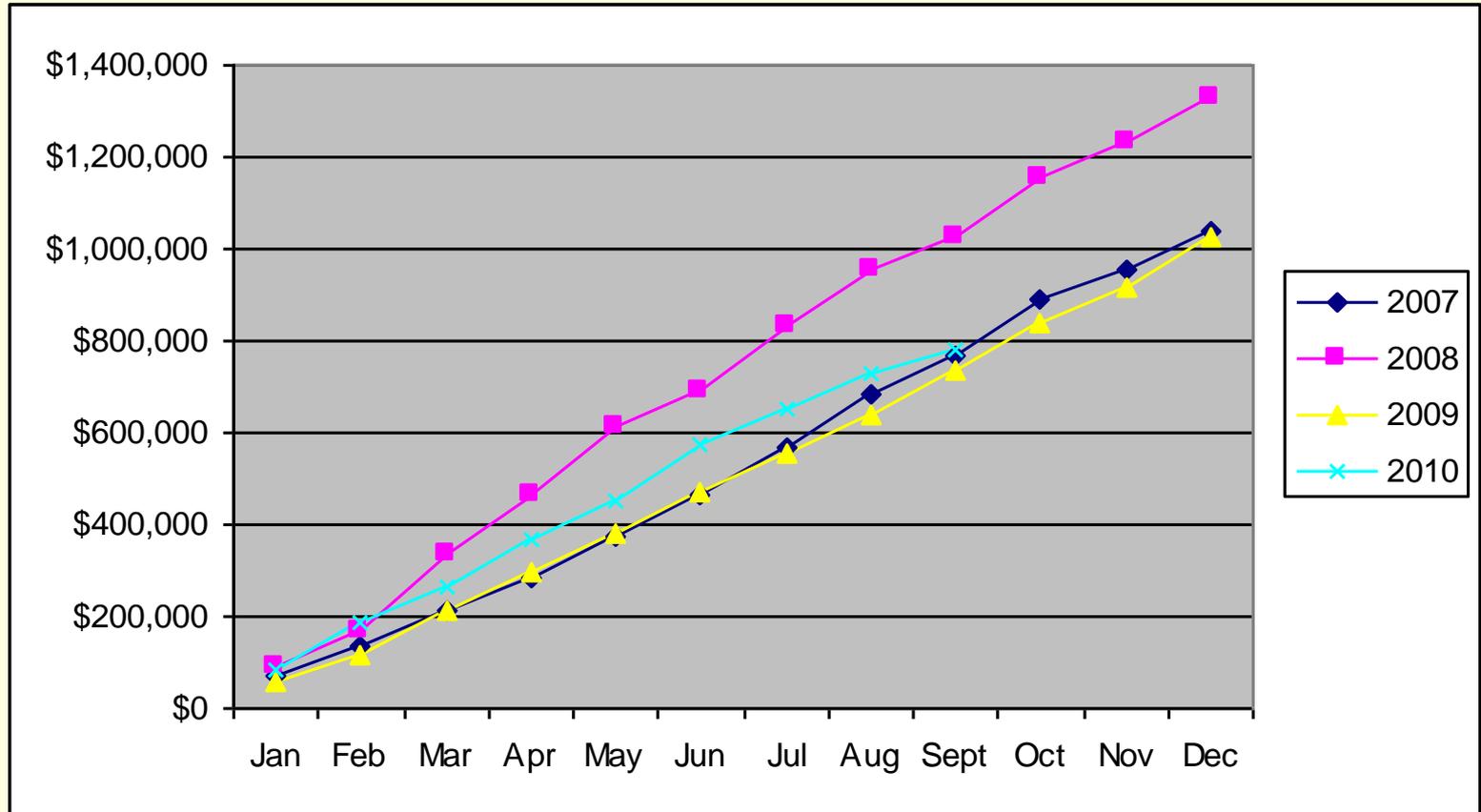
# Specific Revenue Types: Lodging Tax



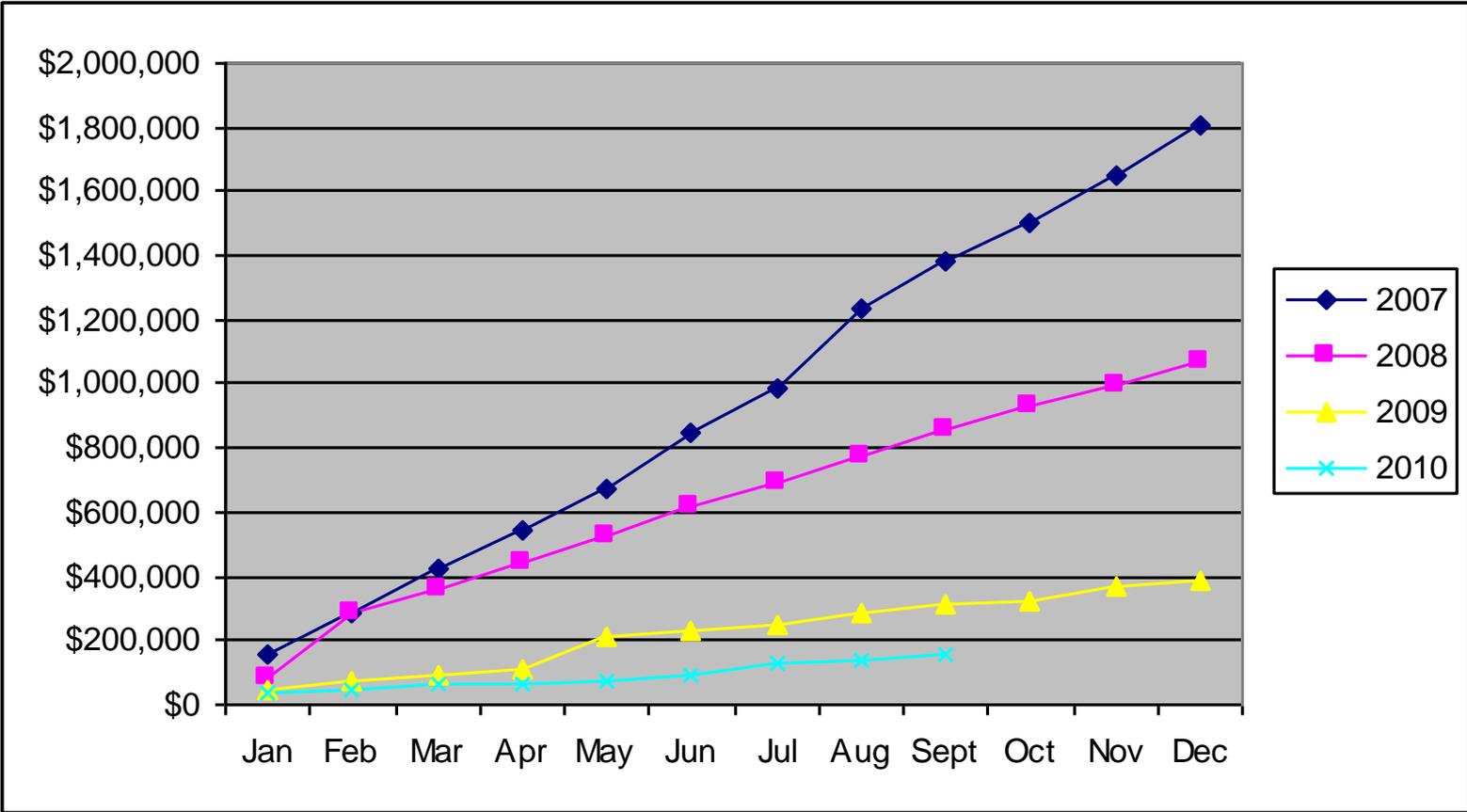
# Specific Revenue Types: Real Estate Excise Tax



# Specific Revenue Types: Planning & Permitting



# Specific Revenue Types: Interest

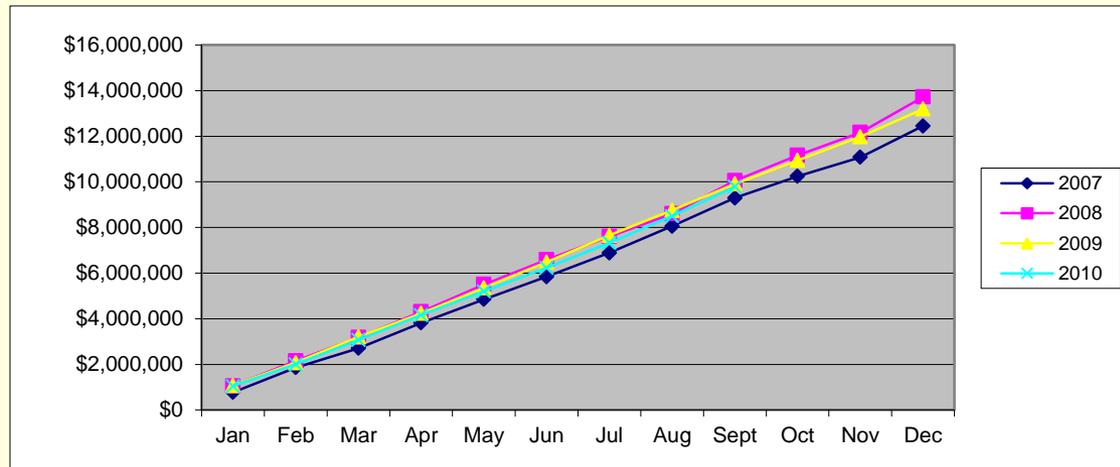
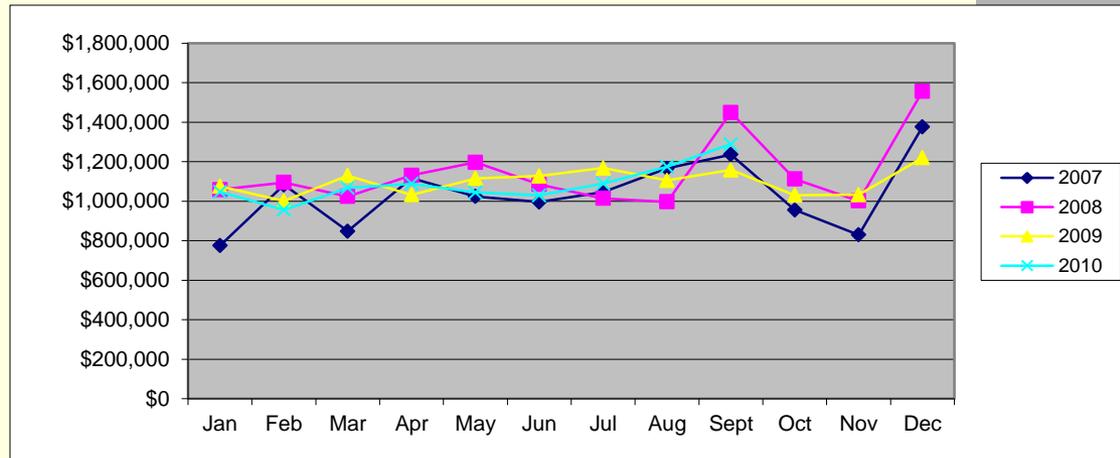


# Expenditures – Current Expense

| <b>Fund/Dept Name</b>       | <b>2010 Adj.<br/>Budget</b> | <b>Exps thru<br/>3Q10</b> | <b>% Used</b> |
|-----------------------------|-----------------------------|---------------------------|---------------|
| <b>Total County Current</b> | <b>13,497,598</b>           | <b>9,801,723</b>          | <b>72.62%</b> |

- Current Expense expenditures at 72.62% of budget through 3<sup>rd</sup> quarter; average of 3 prior years is 74.32%
- Current projection is for expenditures to end the year at about 97.5%

# Current Expense Expenditures, Monthly & Cumulative



# Expenditures – Current Expense, by Department

| <b>General Government Departments<br/>(and reasons for high expenditures)</b> | <b>2010 Adj.<br/>Budget</b> | <b>Exps thru<br/>3Q10</b> | <b>% Used</b> |
|-------------------------------------------------------------------------------|-----------------------------|---------------------------|---------------|
| County Administration                                                         | 649,172                     | 471,165                   | 72.58%        |
| Assessor                                                                      | 705,347                     | 496,816                   | 70.44%        |
| Auditor                                                                       | 713,229                     | 534,494                   | 74.94%        |
| Board of Equalization                                                         | 17,067                      | 11,417                    | 66.90%        |
| Facilities                                                                    | 531,717                     | 337,939                   | 63.56%        |
| Civil Service                                                                 | 15,641                      | 7,570                     | 48.40%        |
| County Council                                                                | 462,613                     | 338,747                   | 73.22%        |
| Election Reserve (HAVA grant)                                                 | 209,313                     | 173,057                   | 82.68%        |
| General Administration (COBRA pmts)                                           | 869,173                     | 732,882                   | 84.32%        |
| Operating Transfers                                                           | 340,384                     | 247,692                   | 72.77%        |
| Treasurer                                                                     | 351,196                     | 259,870                   | 74.00%        |
| <b>Total General Government Depts</b>                                         | <b>4,864,852</b>            | <b>3,611,650</b>          | <b>74.24%</b> |

# Expenditures – Current Expense, by Department

| <b>Law &amp; Justice Departments</b>       | <b>2010 Adj. Budget</b> | <b>Exps thru 3Q10</b> | <b>% Used</b> |
|--------------------------------------------|-------------------------|-----------------------|---------------|
| Clerk                                      | 337,126                 | 247,357               | 73.37%        |
| Dispatch                                   | 692,622                 | 517,004               | 74.64%        |
| District Court/Probation                   | 675,530                 | 498,921               | 73.86%        |
| Jail                                       | 349,806                 | 235,962               | 67.46%        |
| Juvenile Court                             | 368,686                 | 265,855               | 72.11%        |
| Law Library                                | 27,020                  | 21,374                | 79.11%        |
| Prosecuting Attorney/Coroner               | 903,999                 | 672,749               | 74.42%        |
| Sheriff                                    | 2,445,839               | 1,802,932             | 73.71%        |
| Superior Court                             | 174,261                 | 120,664               | 69.24%        |
| <b>Total Law &amp; Justice Departments</b> | <b>5,974,889</b>        | <b>4,382,817</b>      | <b>73.35%</b> |

# Expenditures – Current Expense, by Department

| <b>Community Services Departments</b> | <b>2010 Adj. Budget</b> | <b>Exps thru 3Q10</b> | <b>% Used</b> |
|---------------------------------------|-------------------------|-----------------------|---------------|
| Community Development & Planning      | 1,277,463               | 921,253               | 72.12%        |
| County Agent                          | 196,634                 | 135,937               | 69.13%        |
| Health & Community Services           | 1,183,760               | 749,962               | 63.35%        |
| <b>Total Community Services Depts</b> | <b>2,657,857</b>        | <b>1,807,153</b>      | <b>67.99%</b> |

- General Government & Law & Justice departments are at 3-year average expenditure rate for 3<sup>rd</sup> quarter
- Community Services have spent less
- In the aggregate, CE is on schedule to finish the year on budget

# Cash Status – Current Expense

| <b>Fund</b>              | <b>3Q09</b> | <b>3Q10</b> | <b>Change</b> |
|--------------------------|-------------|-------------|---------------|
| County Current – General | 81,498      | 666,925     | 585,427       |

- Current Expense cash is substantially higher now than one year ago
- Currently projected year-end cash is about \$1.3 million
- Budgeted 2011 beginning cash is \$1,308,950

# Cash Status – 3Q09 vs 3Q10

| <b>Fund</b>                     | <b>3Q09</b> | <b>3Q10</b> | <b>Change</b> |
|---------------------------------|-------------|-------------|---------------|
| County Current – General        | 81,498      | 666,925     | 585,427       |
| Current Expense Grants Clearing | 431,448     | 626,849     | 195,401       |
| SJC Conservation Area Fund      | 5,595,825   | 3,971,409   | -1,624,416    |
| Land Bank Stewardship           | 3,693,979   | 3,552,717   | -141,262      |
| SJC Noxious Weed Control        | -149        | 37,810      | 37,959        |
| Veterans' Assistance            | 14,444      | 8,763       | -5,681        |
| SJC Dept of Emergency Mgt       | -41,921     | -44,374     | -2,454        |
| San Juan County Parks & Fair    | 126,002     | 221,581     | 95,579        |
| Tax Sale Expense                | 95          | 2,578       | 2,483         |
| Dog License                     | 5,643       | 6,472       | 829           |

# Cash Status – 3Q09 vs 3Q10

| <b>Fund</b>                   | <b>3Q09</b> | <b>3Q10</b> | <b>Change</b> |
|-------------------------------|-------------|-------------|---------------|
| County Roads                  | 294,875     | -302,615    | -597,490      |
| Enhanced 911                  | 194,289     | 59,509      | -134,780      |
| Multipurpose Facilities Fund  | 88,336      | 40,866      | -47,470       |
| Lodging Tax Fund              | 2,559       | 34,508      | 31,949        |
| Auditor Document Preservation | 455,858     | 349,465     | -106,393      |
| Capital Improvement Fund      | 213,889     | 73,692      | -140,197      |
| Crime Victims 20%             | 69,414      | 37,064      | -32,350       |
| Mental Health Tax Fund        | 127,648     | 415,143     | 287,495       |
| Other Grants / Septic Loans   | 401,298     | 403,343     | 2,045         |
| Public Facilities Improvement | 1,005,538   | 1,108,019   | 102,481       |

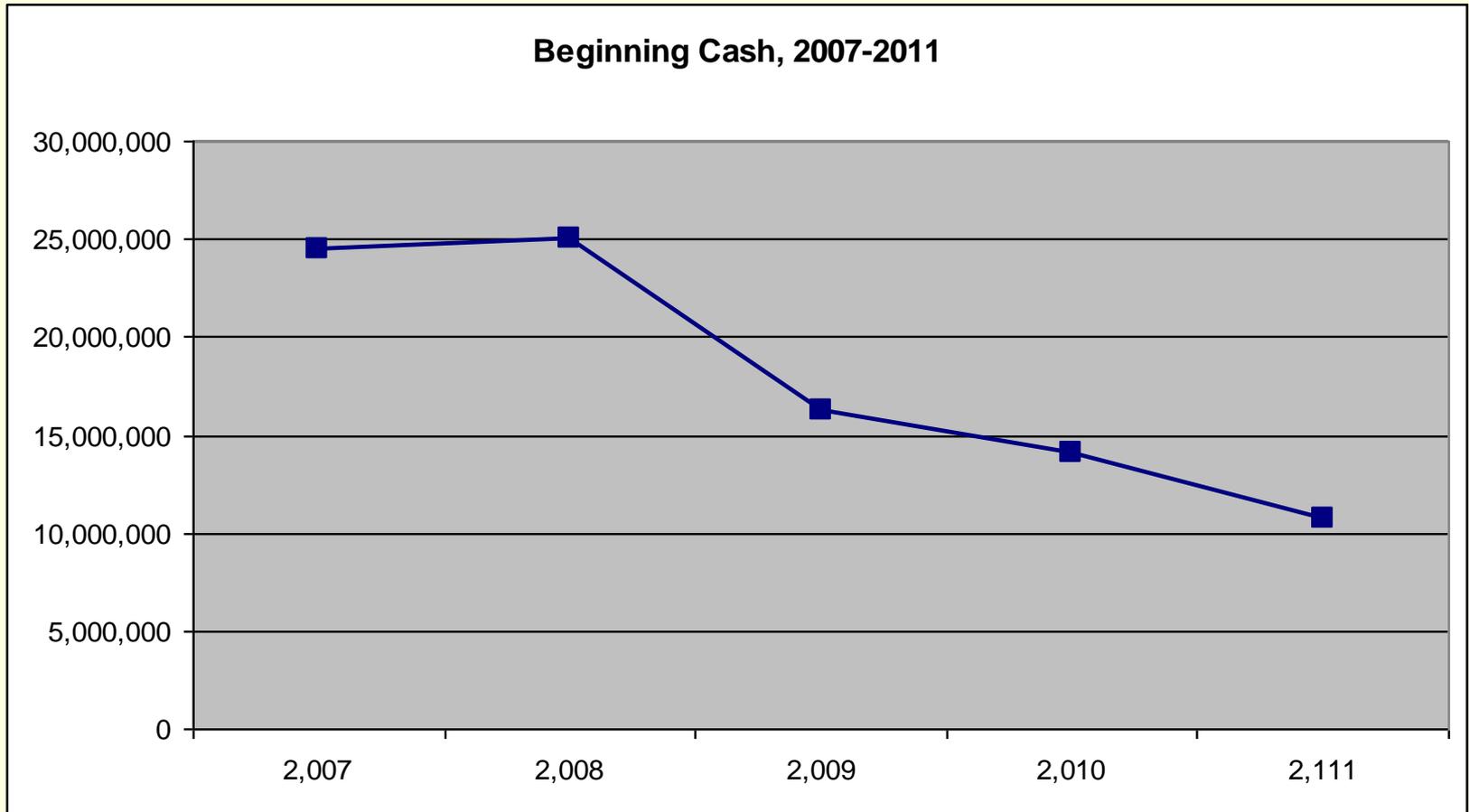
# Cash Status – 3Q09 vs 3Q10

| Fund                            | 3Q09              | 3Q10              | Change            |
|---------------------------------|-------------------|-------------------|-------------------|
| Affordable Housing Fund 60%     | 201,184           | 216,488           | 15,304            |
| Criminal Justice Receiving Fund | 59,629            | 39,304            | -20,325           |
| Bond Redemption Fund            | 307,886           | 151,327           | -156,559          |
| Solid Waste Fund                | -167,431          | -214,648          | -47,217           |
| Solid Waste Projects Fund       | -294,881          | -515,144          | -220,263          |
| Stormwater Utility Fund         | 292,220           | 442,796           | 150,576           |
| Stormwater Utility Capital      | 17,696            | 6,579             | -11,117           |
| Equipment Rental & Revolving    | 2,147,113         | 2,667,321         | 520,208           |
| Information Services            | 60,884            | 50,308            | -10,576           |
| Insurance Cumulative Reserve    | 38,904            | 102,925           | 64,021            |
| <b>Total All Funds</b>          | <b>15,423,770</b> | <b>14,216,978</b> | <b>-1,206,792</b> |

# Cash Status – Beginning Cash, All Funds, '07-'11

| Fund Name                     | 2007<br>Adjusted<br>Budget | 2008<br>Adjusted<br>Budget | 2009<br>Adjusted<br>Budget | 2010<br>Adjusted<br>Budget | 2011<br>Public<br>Hrg |
|-------------------------------|----------------------------|----------------------------|----------------------------|----------------------------|-----------------------|
| Land Bank                     | 9,597,538                  | 9,651,657                  | 5,955,332                  | 4,561,345                  | 3,593,950             |
| Land Bank Stewardship         | 3,202,971                  | 3,402,002                  | 3,576,289                  | 3,574,920                  | 2,554,412             |
| Equipment Rental & Revolving  | 1,696,996                  | 1,167,653                  | 1,225,673                  | 2,181,741                  | 1,978,323             |
| County Current - General      | 2,237,561                  | 2,535,589                  | 1,767,313                  | 930,245                    | 1,308,950             |
| Public Facilities Improvement | 656,827                    | 882,316                    | 1,042,866                  | 1,013,601                  | 443,416               |
| Auditor Document Preservation | 271,950                    | 400,128                    | 453,674                    | 431,402                    | 359,000               |
| County Roads                  | 3,905,396                  | 4,198,459                  | 566,320                    | 270,976                    | 250,000               |
| Stormwater Utility Fund       | 40,136                     | 293,906                    | 137,291                    | 374,618                    | 250,000               |
| Mental Health Tax Fund        | 0                          | 0                          | 0                          | 227,850                    | 227,850               |
| Other Grants / Septic Loans   | 332,267                    | 335,368                    | 332,047                    | 379,065                    | 225,000               |
| Affordable Housing Fund       | 138,543                    | 158,203                    | 194,286                    | 229,288                    | 220,256               |
| Bond Redemption Fund          | 689,482                    | 393,761                    | 312,195                    | 264,918                    | 128,758               |
| Criminal Justice Receiving    | 126,787                    | 127,757                    | 125,560                    | 108,623                    | 104,833               |
| Lodging Tax Fund              | 35,635                     | 74,527                     | 107,946                    | 68,518                     | 100,000               |
| All Other Funds               | 1,543,384                  | 1,368,742                  | 438,899                    | -531,998                   | -1,005,682            |
|                               | <b>24,475,473</b>          | <b>24,990,068</b>          | <b>16,235,691</b>          | <b>14,085,112</b>          | <b>10,739,066</b>     |

# Cash Status – Beginning Cash, All Funds, '07-'11



# Cash Status

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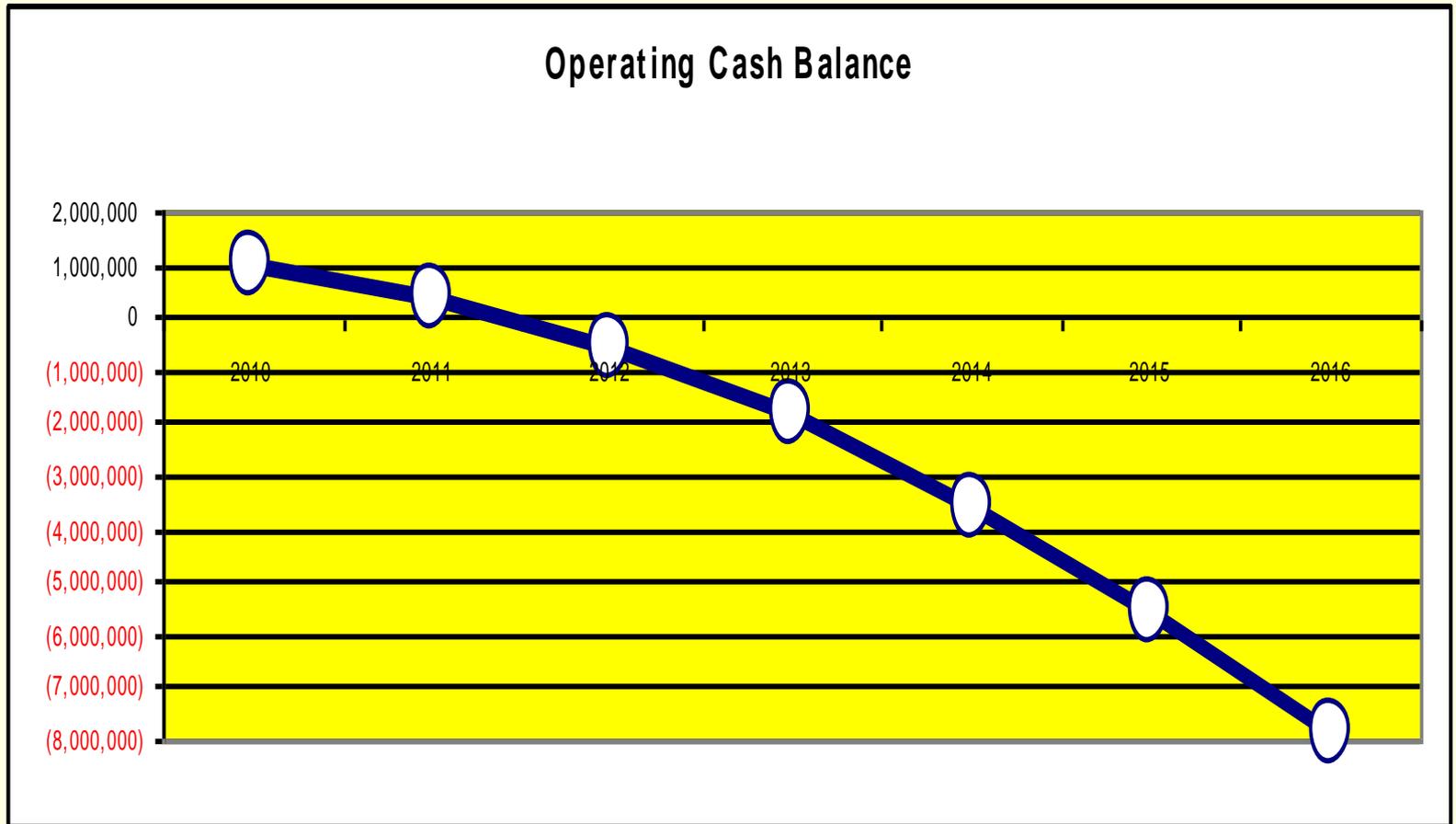
- County cash position continues to erode
- Current Expense cash is in much better shape, because of
  - Reserve Policy
  - Council-mandated mid-year budget correction
- 4 funds are in the red now; 5 expected to be in the red by year-end
  - Proposed coverage of those negative balances will be discussed by Finance Committee this week
- Successful cash management principles applied to CE must be extended to all funds

# Changes to 6-year Strategic Budget

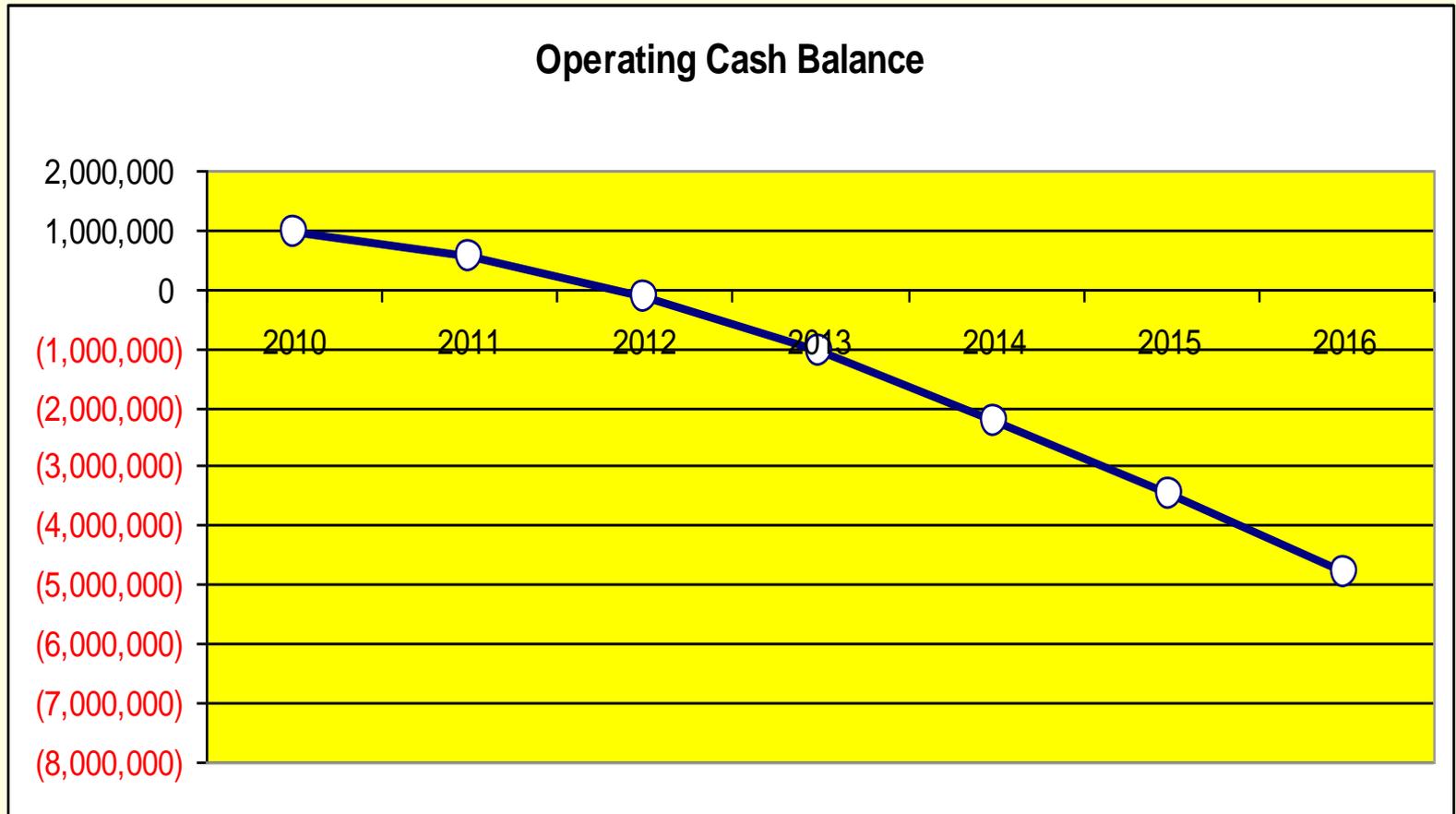
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- Reduced FTE's by 1.5
- Removed COLAs for Courthouse Union & non-reps in 2011, 3% in 2012, 1% in 2013
- Amended 2010 expenditures & revenues
- Matched projected 2011 expenditures & revenues to proposed 2011 budget

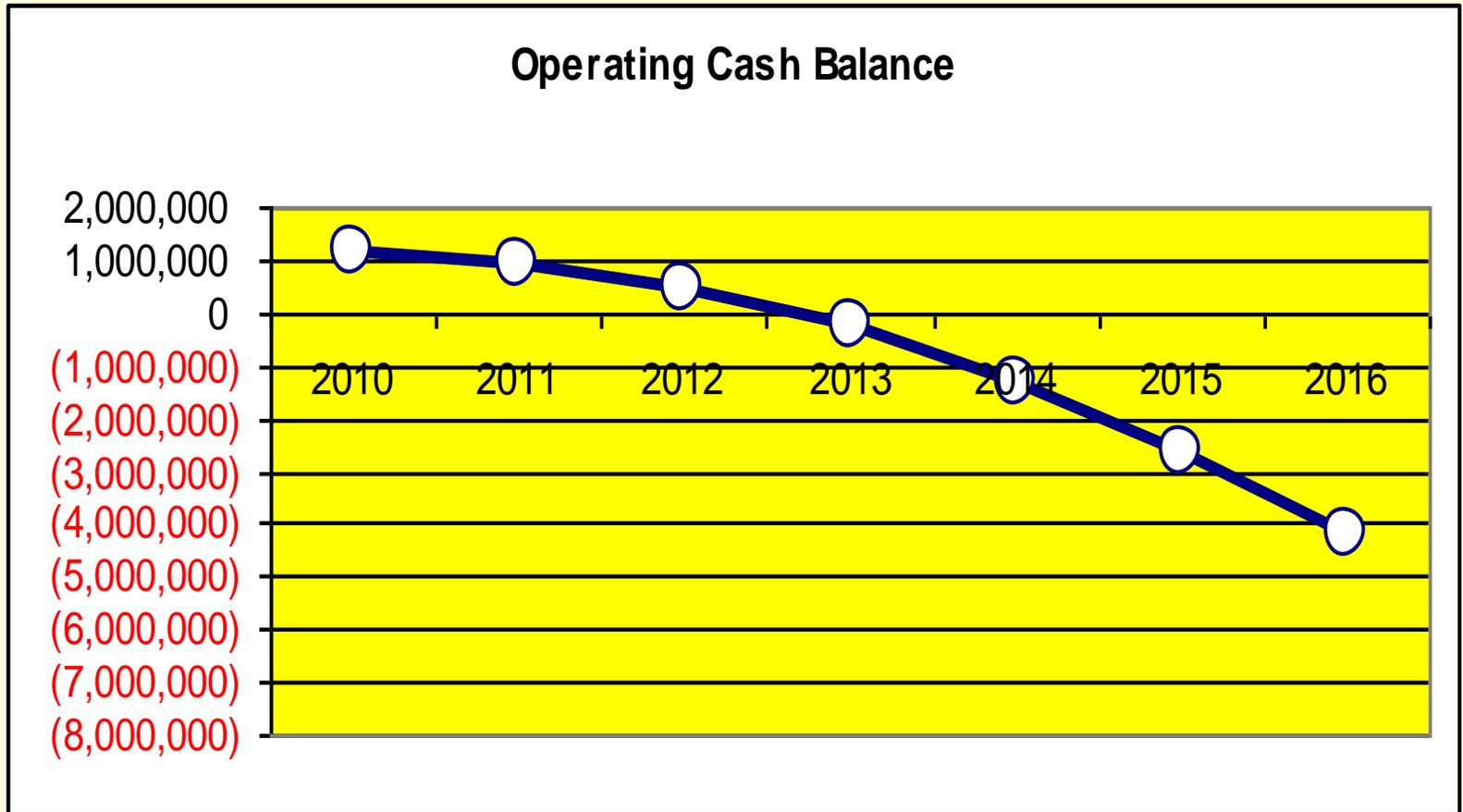
# Changes to 6-year Strategic Budget: Base model



# Changes to 6-year Strategic Budget: (wildly) Optimistic model



# Changes to 6-year Model, with 2010 changes & 2011 budget



# Conclusion

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- The general fund and most other funds are meeting or exceeding revenue projections
- The general fund and most other funds are meeting expenditure projections
- There will be 4 or 5 negative balances to account for with loans
- Positive changes adopted in the 2010 and 2011 budgets have significantly improved the 6-year outlook
- There is more work to do

# Questions?

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