



TO: Financial and Administrative Committee
FROM: Finance & Administrative Services, Budget Division
DATE: September 25, 2013
SUBJECT: FY2013 Third Quarter Financial Report

The Third Quarter Financial Report for the period ended August 31, 2013, is attached for your information and review. This document is intended to update you on financial and budgetary performance and inform you of any significant events that may impact the County's financial condition.

The report includes revenues and expenses for the first nine months of the fiscal year. Please note that due to the normal lag in payment from the State and seasonality of certain transactions, the report does not reflect a full nine months of activity in all cases.

The attached report evaluates activity in two ways: budgeted amounts vs. actual activity and as a comparison to the performance of the prior year for the same time period. If the percentages are not around the expected 75% mark, the comparison with last year provides another benchmark to evaluate performance. Individual variations from expectation are explained below.

REVENUE VARIATIONS

Property Tax Funds

- ◆ Many of the property tax funds rely heavily on property taxes for their major funding source. Nearly all property tax revenue is received in the second half of the year, primarily in June and September. Therefore, it is not unusual to see revenues lower than the 75% mark at this time because only the first installment has been received.
- ◆ Most departmental revenues are seasonal and therefore track closely to prior year collections. The exceptions to this are departments with grant funding in which receipts are not collected evenly throughout the year. Due to timing of grant receipts, the Veteran's Assistance Commission and Hulse Detention Center are tracking lower than last year's percent collected.
- ◆ The following funds are tracking slightly below last year's percent collected:
 - ◆ General Fund - The FY2013 budget is greater than FY2012. As a result, the amount collected compared to last year for the same time period is greater; however, the percentage collected is tracking 3% below last year's percent collected. Sales tax

revenue is tracking below budget; however, there appears to be a slight upswing in collections over the past couple months. Income tax, personal property replacement tax, and recorder fees are tracking better than expected for this time period.

- ◆ Winchester House - The census for Winchester House is down from 167 to 162 when compared to the same time period last year. As a result, revenues are tracking 2% below last year's percent of budget collected; however, the amount collected in FY2013 is greater than FY2012.
- ◆ Tuberculosis Clinic - This fund is tracking less than last year's percent collected due to a higher property tax budget in FY2013 required to keep the fund within reserve requirements. Once the second installment is collected, the revenue collected will track to budget.
- ◆ The Health Department did not receive approximately \$1.7 million in FQHC Medicaid CPE reimbursements in FY 2012 and as a result carried forward this revenue into FY 2013. The State initially informed staff that payment should be expected in November 2012, followed by repeated delays. A payment of \$4.5 million from the State was subsequently received in August 2013. The amount covers two years of FQHC Medicaid CPE reimbursements.

Special Revenue Funds

- ◆ The Special Revenue Funds are generally tracking consistently with the budget and last year's collections. Many of these revenue streams are difficult to predict when budgeting (Coroner Fees and Tax Sale Automation) and others are new and had little historical reference on which to base the budget (Electronic Citation and Neutral Site Custody Exchange).

Capital Projects Funds

- ◆ In the ¼% sales tax for transportation and public safety fund, 30% of budgeted revenues have been collected. This is less than the prior years' distributions from the state mainly due to reimbursements from other governments for transportation projects. Nearly \$18.2 million is budgeted in revenues from other governments for reimbursement for transportation projects, of which approximately \$270,500 has been received. In FY2012, approximately \$1.1M was collected for the same time period. This is a planned trend due to the multi-year aspect of capital projects.

EXPENSE VARIATIONS

Property Tax Funds

- ◆ The General Fund expenses are tracking consistently to the prior year percent expensed. All department expenses are right at or under the 75% mark.

- ◆ Corporate Capital Improvements will not track evenly throughout the year. This is consistent with the long-term nature of capital improvements. Capital expenditures are not expected to be spent in one fiscal year.

Special Revenue Funds

- ◆ Expenses in the special revenue funds are also low but they are consistent with the same pattern as last year with the exceptions of:
 - ◆ Coroner Fees - This fund is slightly over the 75% mark due to the purchase of a new laboratory testing machine, a non-recurring capital expense (\$35,000).

Capital Project Funds

- ◆ Both property tax and non property tax capital projects funds are low because of the seasonal nature of when expenses are incurred for transportation projects and the multi-year aspect of capital projects.

With few exceptions the third quarter report of expenditures and revenues is consistent with the 2013 budget.

Revenue Summary - 3rd Quarter FY2013
For the period ended August 31, 2013

| | Budgeted Revenues | Y-T-D Collections | Percent Collected | Prior Year Y-T-D Collections | Prior Year Percent Collected | Prior Year Budgeted Revenues |
|------------------------------------|----------------------|----------------------|----------------------|------------------------------------|------------------------------------|------------------------------------|
| SUMMARY - ALL FUNDS | | | | | | |
| Property Tax Funds | | | | | | |
| General Fund | 170,462,827 | 98,720,997 | 57.91% | 96,617,361 | 60.98% | 158,437,684 |
| Other Property Tax Operating Funds | 157,566,366 | 91,820,587 | 58.27% | 90,293,231 | 55.91% | 161,493,922 |
| Capital Project Funds | 13,429,006 | 7,049,310 | 52.49% | 7,233,572 | 51.10% | 14,156,374 |
| Sub Total | 341,458,199 | 197,590,893 | 57.87% | 194,144,164 | 58.11% | 334,087,980 |
| Special Revenue Funds | 7,233,118 | 4,947,849 | 68.41% | 5,004,634 | 69.99% | 7,150,901 |
| Capital Project Funds | 58,920,664 | 20,212,363 | 34.30% | 21,200,133 | 45.10% | 47,010,345 |
| Internal Service Funds | 44,809,705 | 29,979,893 | 66.90% | 29,452,654 | 67.58% | 43,579,506 |
| Public Works | 40,677,590 | 30,580,431 | 75.18% | 33,419,984 | 73.04% | 45,757,396 |
| GRAND TOTAL - ALL FUNDS | 493,099,276 | 283,311,429 | 57.46% | 283,221,569 | 59.30% | 477,586,128 |
| ===== | | | | | | |
| PROPERTY TAX FUNDS | | | | | | |
| General Fund | 170,462,827 | 98,720,997 | 57.91% | 96,617,361 | 60.98% | 158,437,684 |
| Other Property Tax Operating Funds | | | | | | |
| FICA | 10,660,189 | 5,750,018 | 53.94% | 6,084,678 | 51.73% | 11,762,260 |
| IMRF | 17,765,090 | 9,530,656 | 53.65% | 9,759,958 | 51.54% | 18,934,977 |
| Liability Insurance | 5,655,422 | 3,349,345 | 59.22% | 4,544,489 | 54.39% | 8,354,671 |
| Veterans Assistance Commission | 597,430 | 343,057 | 57.42% | 409,782 | 96.03% | 426,713 |
| Stormwater Management | 10,533,332 | 4,927,720 | 46.78% | 2,352,099 | 21.39% | 10,995,035 |
| Division of Transportation | 18,610,891 | 10,503,644 | 56.44% | 10,637,579 | 55.82% | 19,058,037 |
| Hulse Detention Center | 5,974,642 | 2,653,540 | 44.41% | 3,090,328 | 52.81% | 5,851,886 |
| Winchester House | 15,172,836 | 9,831,084 | 64.79% | 9,127,062 | 67.26% | 13,570,056 |
| Health Department | 71,701,597 | 44,449,824 | 61.99% | 43,768,233 | 60.93% | 71,830,255 |
| Tuberculosis Clinic | 894,937 | 481,699 | 53.82% | 519,024 | 73.10% | 710,032 |
| Total - Other Property Tax Funds | 157,566,366 | 91,820,587 | 58.27% | 90,293,231 | 55.91% | 161,493,922 |
| Total Operating Funds | 328,029,193 | 190,541,583 | 58.09% | 186,910,592 | 58.42% | 319,931,606 |
| Property Tax Capital Funds | | | | | | |
| Bridge Tax | 3,906,161 | 2,185,633 | 55.95% | 2,051,291 | 50.67% | 4,048,211 |
| Matching Tax | 9,522,845 | 4,863,677 | 51.07% | 5,182,282 | 51.27% | 10,108,163 |
| Sub Total - Capital | 13,429,006 | 7,049,310 | 52.49% | 7,233,572 | 51.10% | 14,156,374 |
| TOTAL PROPERTY TAX | 341,458,199 | 197,590,893 | 57.87% | 194,144,164 | 58.11% | 334,087,980 |
| ===== | | | | | | |

| | Budgeted Revenues | Y-T-D Collections | Percent Collected | Prior Year Y-T-D Collections | Prior Year Percent Collected | Prior Year Budgeted Revenues |
|--------------------------------------|--------------------|--------------------|-------------------|------------------------------|------------------------------|------------------------------|
| SPECIAL REVENUE FUNDS | | | | | | |
| Law Library | 417,750 | 253,361 | 60.65% | 284,267 | 64.75% | 439,023 |
| Children's Waiting Room Fund | 214,035 | 126,748 | 59.22% | 144,990 | 64.39% | 225,177 |
| Court Automation | 1,303,009 | 876,950 | 67.30% | 883,921 | 57.34% | 1,541,524 |
| Court Document Storage | 630,008 | 380,103 | 60.33% | 406,340 | 56.57% | 718,282 |
| Probation Services Fee | 2,002,930 | 1,319,008 | 65.85% | 1,206,713 | 69.42% | 1,738,258 |
| Vital Records Automation | 79,743 | 60,386 | 75.73% | 61,841 | 76.98% | 80,332 |
| GIS Automation Fee | 730,592 | 538,809 | 73.75% | 571,682 | 81.36% | 702,648 |
| Tax Sale Automation Fees | 49,938 | 61,058 | 122.27% | 59,895 | 111.25% | 53,836 |
| Recorder Automation | 1,215,032 | 921,832 | 75.87% | 961,922 | 81.82% | 1,175,726 |
| Solid Waste Management Tax | 201,657 | 133,307 | 66.11% | 127,976 | 123.07% | 103,988 |
| Coroner Fees | 105,114 | 91,604 | 87.15% | 91,102 | 86.68% | 105,107 |
| Electronic Citation Fund | 100,181 | 75,879 | 75.74% | 79,882 | 106.51% | 75,000 |
| Neutral Site Custody Exchange Fee | 183,129 | 108,804 | 59.41% | 124,102 | 64.64% | 192,000 |
| TOTAL SPECIAL REVENUE | 7,233,118 | 4,947,849 | 68.41% | 5,004,634 | 69.99% | 7,150,901 |
| CAPITAL PROJECT FUNDS | | | | | | |
| 2010A Bond Road Construction Project | 82,790 | 94,214 | 113.80% | 101,678 | 110.52% | 92,000 |
| 2011A Tax Exempt GO | 37,345 | 21,291 | 57.01% | 45,008 | 86.22% | 52,200 |
| 1/4% Sales Tax | 45,748,853 | 13,868,860 | 30.32% | 14,825,044 | 43.43% | 34,131,800 |
| Motor Fuel Tax | 13,051,676 | 6,227,998 | 47.72% | 6,228,401 | 48.91% | 12,734,345 |
| TOTAL CAPITAL PROJECT FUNDS | 58,920,664 | 20,212,363 | 34.30% | 21,200,133 | 45.10% | 47,010,345 |
| INTERNAL SERVICE FUNDS | | | | | | |
| HEALTH-LIFE-DENTAL INSURANCE FUND | 44,809,705 | 29,979,893 | 66.90% | 29,452,654 | 67.58% | 43,579,506 |
| ENTERPRISE FUND | | | | | | |
| PUBLIC WORKS | 40,677,590 | 30,580,431 | 75.18% | 33,419,984 | 73.04% | 45,757,396 |
| GRAND TOTAL - ALL REVENUES | 493,099,276 | 283,311,429 | 57.46% | 283,221,569 | 59.30% | 477,586,128 |

Expense Summary - Third Quarter FY2013
For the period ended August 31, 2013

| | Current Appropriation | Y-T-D Expenditures | Percent Expensed | Prior Year Y-T-D Expenditures | Prior Year Percent Expensed | Prior Year Budgeted Expenditures |
|---|----------------------------------|-------------------------------|-----------------------------|--|--|---|
| SUMMARY - ALL FUNDS | | | | | | |
| Property Tax Funds | | | | | | |
| General Fund | 237,417,942 | 118,896,821 | 50.08% | 115,351,801 | 60.07% | 192,019,869 |
| Other Property Tax Operating Funds | 175,976,480 | 112,729,554 | 64.06% | 106,920,539 | 61.65% | 173,420,311 |
| Capital Project Funds | 35,377,100 | 4,734,173 | 13.38% | 5,434,391 | 16.52% | 32,894,000 |
| Sub Total | 448,771,523 | 236,360,548 | 52.67% | 227,706,731 | 57.16% | 398,334,180 |
| Special Revenue Funds | 9,253,509 | 3,765,370 | 40.69% | 3,477,226 | 36.28% | 9,584,898 |
| Capital Project Funds | 167,206,754 | 39,851,626 | 23.83% | 28,972,537 | 20.86% | 138,885,400 |
| Internal Service Funds | 45,194,706 | 28,313,724 | 62.65% | 27,680,565 | 63.29% | 43,739,506 |
| Public Works | 69,336,765 | 27,363,783 | 39.47% | 32,053,658 | 47.25% | 67,844,476 |
| GRAND TOTAL - ALL FUNDS | 739,763,257 | 335,655,052 | 45.37% | 319,890,717 | 48.59% | 658,388,459 |
| GENERAL FUND | | | | | | |
| County Board | 1,866,193 | 1,337,843 | 71.69% | 1,507,959 | 74.39% | 2,027,005 |
| County Administrator | 2,515,757 | 1,609,089 | 63.96% | 1,645,770 | 71.20% | 2,311,405 |
| General Operating Expense | 17,766,660 | 5,580,598 | 31.41% | 5,841,932 | 43.80% | 13,338,035 |
| Corporate Capital Improvements | 71,068,207 | 7,007,820 | 9.86% | 5,206,182 | 15.75% | 33,051,277 |
| FAS | 13,467,674 | 8,878,809 | 65.93% | 8,480,484 | 60.25% | 14,075,401 |
| Information Technology | 10,873,530 | 7,865,092 | 72.33% | 7,341,136 | 70.94% | 10,347,730 |
| Human Resources | 1,719,975 | 1,123,529 | 65.32% | 1,269,987 | 87.12% | 1,457,671 |
| Treasurer | 1,527,320 | 1,049,348 | 68.71% | 1,102,252 | 71.83% | 1,534,428 |
| Recorder of Deeds | 952,033 | 722,780 | 75.92% | 658,029 | 69.22% | 950,656 |
| County Clerk | 3,814,888 | 2,671,929 | 70.04% | 2,894,110 | 64.47% | 4,489,291 |
| Chief County Assessment Officer | 2,077,770 | 1,297,882 | 62.47% | 1,343,486 | 68.99% | 1,947,230 |
| Regional Office of Education | 769,608 | 546,718 | 71.04% | 562,611 | 70.35% | 799,746 |
| Planning & Development | 3,936,099 | 2,767,689 | 70.32% | 2,860,221 | 74.30% | 3,849,695 |
| Sheriff | 59,502,886 | 44,036,145 | 74.01% | 42,827,586 | 74.11% | 57,790,361 |
| Clerk of the Circuit Court | 9,221,847 | 6,698,541 | 72.64% | 6,373,892 | 71.39% | 8,927,954 |
| Circuit Courts | 15,796,552 | 10,875,752 | 68.85% | 10,719,719 | 70.95% | 15,107,860 |
| States Attorney | 14,104,123 | 10,230,019 | 72.53% | 10,234,940 | 73.64% | 13,898,030 |
| County Coroner | 1,169,647 | 850,321 | 72.70% | 830,736 | 68.93% | 1,205,244 |
| Public Defender | 5,094,634 | 3,679,071 | 72.21% | 3,544,088 | 75.05% | 4,722,452 |
| Merit Commission | 172,539 | 67,845 | 39.32% | 106,683 | 56.63% | 188,398 |
| TOTAL GENERAL FUND | 237,417,942 | 118,896,821 | 50.08% | 115,351,801 | 60.07% | 192,019,869 |
| OTHER PROPERTY TAX OPERATING FUNDS | | | | | | |
| FICA | 12,087,929 | 7,597,409 | 62.85% | 7,825,905 | 66.50% | 11,768,904 |
| IMRF | 19,937,151 | 13,904,675 | 69.74% | 12,894,070 | 67.65% | 19,060,641 |
| Liability Insurance | 7,140,432 | 3,900,934 | 54.63% | 5,154,697 | 58.32% | 8,839,267 |
| Veterans Assistance Commission | 510,935 | 352,176 | 68.93% | 390,951 | 71.69% | 545,350 |
| Stormwater Management | 9,935,865 | 4,702,117 | 47.32% | 1,900,222 | 20.79% | 9,142,036 |
| Division of Transportation | 19,541,225 | 13,622,269 | 69.71% | 13,041,709 | 67.23% | 19,399,835 |
| Hulse Detention Center | 6,101,131 | 4,306,245 | 70.58% | 4,134,558 | 70.22% | 5,888,330 |
| Winchester House | 17,589,775 | 11,727,302 | 66.67% | 10,995,101 | 65.40% | 16,812,840 |
| Health Department | 82,434,461 | 52,214,139 | 63.34% | 50,154,345 | 61.72% | 81,264,569 |

| | Current Appropriation | Y-T-D Expenditures | Percent Expensed | Prior Year Y-T-D Expenditures | Prior Year Percent Expensed | Prior Year Budgeted Expenditures |
|--------------------------------------|--------------------------|-----------------------|---------------------|-------------------------------------|-----------------------------------|--|
| Tuberculosis Clinic | 697,577 | 402,288 | 57.67% | 428,982 | 61.41% | 698,539 |
| Total - Other Property Tax Op Funds | 175,976,480 | 112,729,554 | 64.06% | 106,920,539 | 61.65% | 173,420,311 |
| Total Operating Funds | 413,394,423 | 231,626,375 | 56.03% | 222,272,340 | 60.82% | 365,440,180 |
| PROPERTY TAX CAPITAL FUNDS | | | | | | |
| Bridge Tax | 11,395,300 | 1,699,395 | 14.91% | 1,319,533 | 12.28% | 10,743,800 |
| Matching Tax | 23,981,800 | 3,034,778 | 12.65% | 4,114,858 | 18.58% | 22,150,200 |
| TOAL PROPERTY TAX CAPITAL FUNDS | 35,377,100 | 4,734,173 | 13.38% | 5,434,391 | 16.52% | 32,894,000 |
| TOTAL PROPERTY TAX | 448,771,523 | 236,360,548 | 52.67% | 227,706,731 | 57.16% | 398,334,180 |
| SPECIAL REVENUE | | | | | | |
| Law Library | 501,933 | 262,621 | 52.32% | 243,757 | 51.15% | 476,593 |
| Children's Waiting Room Fund | 204,228 | 112,375 | 55.02% | 110,418 | 55.58% | 198,656 |
| Court Automation | 1,307,147 | 715,991 | 54.78% | 596,107 | 44.89% | 1,327,963 |
| Court Document Storage | 2,511,060 | 1,020,035 | 40.62% | 1,012,585 | 32.12% | 3,152,100 |
| Probation Services Fee | 1,805,476 | 380,721 | 21.09% | 462,442 | 26.75% | 1,728,876 |
| Vital Records Automation | 170,316 | 119,838 | 70.36% | 96,259 | 60.38% | 159,435 |
| GIS Automation Fee | 730,000 | 0 | 0.00% | 0 | 0.00% | 700,000 |
| Tax Sale Automation Fees | 129,315 | 11,986 | 9.27% | 317 | 0.42% | 76,306 |
| Recorder Automation | 1,374,821 | 837,380 | 60.91% | 805,000 | 58.56% | 1,374,613 |
| Solid Waste Management Tax | 201,657 | 107,085 | 53.10% | 102,000 | 100.00% | 102,000 |
| Coroner Fees | 134,556 | 106,166 | 78.90% | 48,341 | 50.17% | 96,356 |
| Neutral Site Custody Exchange Fee | 183,000 | 91,173 | 49.82% | 0 | 0.00% | 192,000 |
| TOTAL SPECIAL REVENUE | 9,253,509 | 3,765,370 | 40.69% | 3,477,226 | 36.28% | 9,584,898 |
| CAPITAL PROJECT FUNDS | | | | | | |
| 2010A Bond Road Construction Project | 27,840,303 | 4,120,158 | 14.80% | 2,323,314 | 7.46% | 31,132,800 |
| 2011A Tax Exempt GO | 10,407,351 | 6,746,176 | 64.82% | 3,338,730 | 17.85% | 18,701,900 |
| 1/4% Sales Tax | 99,753,300 | 22,680,059 | 22.74% | 16,812,233 | 24.96% | 67,353,600 |
| Motor Fuel Tax | 29,205,800 | 6,305,233 | 21.59% | 6,498,260 | 29.95% | 21,697,100 |
| TOTAL CAPITAL PROJECTS | 167,206,754 | 39,851,626 | 23.83% | 28,972,537 | 20.86% | 138,885,400 |
| INTERNAL SERVICE FUNDS | | | | | | |
| HEALTH-LIFE-DENTAL INSURANCE FUND | 45,194,706 | 28,313,724 | 62.65% | 27,680,565 | 63.29% | 43,739,506 |
| ENTERPRISE FUND | | | | | | |
| PUBLIC WORKS | 69,336,765 | 27,363,783 | 39.47% | 32,053,658 | 47.25% | 67,844,476 |
| GRAND TOTAL - ALL FUNDS | 739,763,257 | 335,655,052 | 45.37% | 319,890,717 | 48.59% | 658,388,459 |