



Quarterly Financial Report 2017 – Fourth Quarter YTD (January to December 2017)

UNAUDITED

Executive Summary

2017 Noteworthy Results:

- The 2016 Audit (completed during 2017) received a good opinion and contained no findings.
- The 2018 Budget was completed on time.
- Both AP and Payroll were consistently paid on time, with attention to detail and accuracy.

The 2017 books are substantially completed, except for a few year-end closing adjustments. We are close enough to report the results of our collective finance management efforts for the year, which are summarized below:

Fund	Total Bgt Categ.	Categ. Under Bgt	Categ. Over Bgt	Rev %	Rev \$ <Under> Over	Exp %	Exp \$ <Over> Under
General	35	29	6	103%	\$319,370	93%	\$860,983
Road & Bridge	8	8	0	104%	\$258,780	66%	\$2,617,565
Dept. Human Services	12	11	1	95%	(\$213,379)	86%	\$652,072
Dispatch	4	4	0	101%	\$11,549	96%	\$40,067
Governmental	59	52	7	102%	\$376,320	84%	\$4,170,687
Solid Waste	6	6	0	106%	\$68,400	68%	\$414,367
Airport	3	1	2	101%	\$1,296	95%	\$32,518
Fleet	3	3	0	99%	(\$22,115)	87%	\$212,753
Proprietary	12	10	2	102%	\$47,581	82%	\$659,638
<u>Totals</u>	<u>71</u>	<u>62</u>	<u>9</u>	<u>102%</u>	<u>\$423,901</u>	<u>83%</u>	<u>\$4,830,325</u>

Revenue:

- Revenues were received (on average) at 102% of the amounts budgeted.
- Only two funds received less than their budgeted revenues. The revenue for both of those funds (DHS and Fleet) are largely tied to expenses incurred, and those expenses were lower than budget, driving the lower revenue. In both of those funds, revenue exceeded expense, by healthy amounts.

Expense:

- Expenses were incurred, on average, at 83% of the amounts budgeted.
- No individual funds went over budget.
- 62 out of 71 major budget categories were at or under expense budget.
- Of the 9 departments that went over budget; 2 were by 5%, 1 by 3%, 2 were 2% and 4 were 1%. None of the over budget amounts were material to the total expense budget of the fund they were in.

Variations from the Budget Plan:

The major variations from the 2017 budget were relatively few. They were:

- **General Fund:**
 - **Revenue up** about \$300,000, due to transfers-in for Weed and Pest (one-time).
 - **Expense low** by about \$532,000, due to unused contingency budgets (\$412,000) and a downward adjustment of amounts due to the District Attorney’s office, primarily due to unanticipated revenue for that department.
- **Road & Bridge Fund:**
 - **Expense low** by about \$2,062,634, due to less consumption of fuel (\$130,000) and two large Capital Improvement Paving Projects not executed, due to bids coming in higher than the engineers estimate. They have been rescheduled to 2018.
- **Solid Waste Fund:**
 - **Revenue up** by about a net \$68,000, due to fee revenue associated with unusual demolition projects that occurred in late May and June.
 - **Expense low** by about \$350,000, due to annual depreciation expense (not yet booked) and an unused contingency for an adjustment to the accrual of landfill closure costs.
- **Fleet Fund:**
 - **Expense low** by about \$113,000, due to lower than expected fuel costs.

If these variations are factored out of the 2017 summary of results, we see the following:

Fund	Total	Categ.	Categ.	Rev %	Rev \$	Exp %	Exp \$ <Over>
	Bgt	Under	Over		<Under>		Under
	Categ.	Bgt	Bgt		Over		
General	35	29	6	100%	\$19,370	97%	\$328,983
Road & Bridge	8	8	0	104%	\$258,780	92%	\$554,931
Dept. Human Services	12	11	1	95%	(\$213,379)	86%	\$652,072
Dispatch	4	4	0	101%	\$11,549	96%	\$40,067
Governmental	59	52	7	100%	\$76,320	94%	\$1,576,053
Solid Waste	6	6	0	100%	\$0	95%	\$64,367
Airport	3	1	2	101%	\$1,296	95%	\$32,518
Fleet	3	3	0	99%	(\$22,115)	94%	\$100,220
Proprietary	12	10	2	99%	(\$20,819)	95%	\$197,105
Totals	<u>71</u>	<u>62</u>	<u>9</u>	<u>100%</u>	<u>\$55,501</u>	<u>94%</u>	<u>\$1,773,158</u>

This is a better indicator of the results of control on the majority of the budget categories in the overall County budget, during 2017.

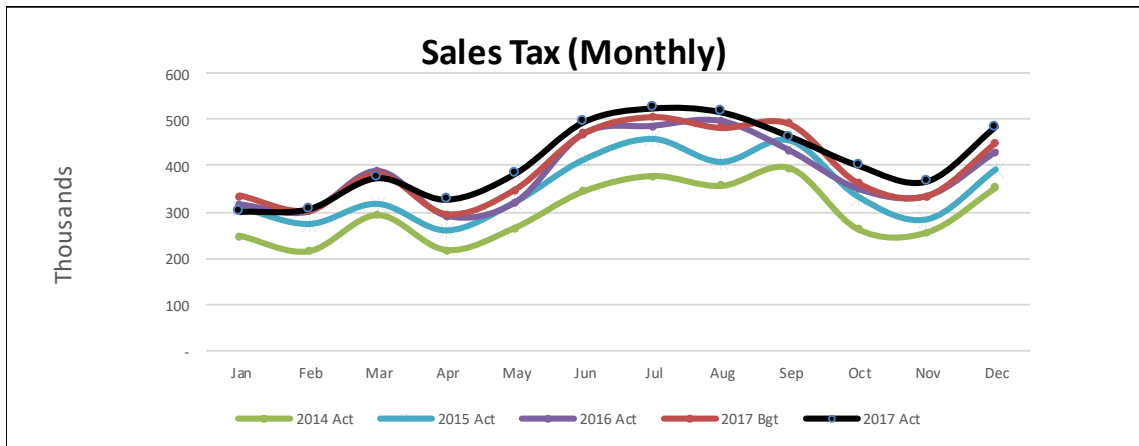
Details about each fund start on the next page...

General Fund:

Revenue Detail:

The general ledger currently shows revenue in the General fund at 103% (\$319,370 *over*) the annual budgeted amount. While some revenue sources ended the year under budget, others more than made up the difference, including the following:

- **Interest Revenue:** being \$66,399 (40%) higher than the amount budgeted for 2017.
- **Weed & Pest Misc. Revenue:** being \$222,042 in weed and pest related cash transferred to the County.
- **Weed & Pest Service Charges:** being \$86,805 (considerably higher) than the amount budgeted for 2017.
- **Sales Tax Revenue:** being \$42,845 (2%) higher than the (amended) budget amount for 2017. The graph below shows Sales Tax receipt history (for all Funds).



Expense Detail:

At the end of 2017, total expenditures were at 93% (\$860,983 *under*) the budgeted amount. Twenty-nine out of thirty-five departments were at (or under) budget at year end. Only six departments were over budget (by a combined total of \$77,348, which is the equivalent of 6/10's of 1% of the \$12,129,652 expense budgeted in this fund). Those departments were over as follows:

- **Attorney:** 5% (\$8,036) over budget: The net effect of unanticipated litigation costs accounted for this budget being over at year end.
- **Building & Grounds:** 3% (\$16,171) over budget: While most categories within this budget were underspent during 2017, there were over \$30,000 in (unanticipated) fees associated with testing the indoor air quality of the Courthouse.
- **County Treasurer:** 5% (\$26,992) over budget: Treasurer fees and bank charges were over budget by a combined \$37,145. These were offset by savings in other categories. Note that Treasurer fee "revenue" was also over budget, offsetting the higher than expected fees. The fees are taken off the revenue, according to State mandated rates.
- **Sheriff Administration:** 1% (\$3,190) over budget: While some categories were under budget, overspending in training, advertising, body armor, uniforms, office supply and dues/subscriptions accounting for finishing the year over budget.
- **Sheriff Patrol:** 2% (\$21,461) over budget: Some categories came in under budget. However, overspending in non-patrol overtime, training, ammunition, and uniforms pushed this department over budget for the year.

The General Fund "Summary of Revenues and Expenditures" appears on the next page.

Governmental Fund - General

YTD Percent = 100%

as of December 31, 2017

	Original Budget	Amended Budget	YTD Actual	Remaining Budget	% of Budget
Revenues					
Taxes	6,651,545	6,820,211	6,905,630	(85,419)	101%
Licenses and Permits	532,300	591,648	562,750	28,898	95%
Intergovernmental	1,272,533	1,725,894	1,560,129	165,765	90%
Charges for Services	1,583,336	1,583,336	1,688,172	(104,836)	107%
Interest	77,045	167,045	233,484	(66,439)	140%
Misc	437,490	659,872	917,211	(257,339)	139%
Total Revenues	10,554,249	11,548,006	11,867,376	(319,370)	103%
Expenditures					
Administration	391,733	391,733	320,230	71,503	82%
Attorney	161,755	168,755	176,791	(8,036)	105%
Building & Grounds	401,257	645,339	661,510	(16,171)	103%
County Assessor	563,100	578,100	572,257	5,843	99%
County Clerk & Recorder	507,584	507,584	466,827	40,757	92%
County Clerk- Elections	129,618	129,618	99,430	30,188	77%
County Commissioners	872,319	797,319	659,154	138,165	83%
County Coroner	71,726	82,226	82,617	(391)	100%
County Fair Board	83,301	83,301	72,639	10,662	87%
County Surveyor	17,003	17,003	16,856	147	99%
County Treasurer	517,390	531,390	558,382	(26,992)	105%
County Treasurer - Public Trustee	15,162	15,162	15,131	31	100%
CSU Extension	162,446	162,446	153,685	8,761	95%
CSU Extension Checking	20,000	20,000	2,214	17,786	11%
Development Services-Building	168,277	168,277	155,829	12,448	93%
Development Services-Planning	133,733	133,733	133,528	205	100%
District Attorney	404,000	409,000	288,963	120,037	71%
Finance	424,504	424,504	418,147	6,357	99%
Human Resources	141,880	141,880	134,407	7,473	95%
IT/GIS	436,375	436,375	413,136	23,239	95%
Jail Commissary	65,000	65,000	48,596	16,404	75%
Livestock Auction	305,000	305,000	271,411	33,589	89%
Sheriff Administration	344,107	348,107	351,297	(3,190)	101%
Sheriff Animal Control	55,000	55,000	50,000	5,000	91%
Sheriff Court Security	78,740	78,740	71,334	7,406	91%
Sheriff Detention	1,082,701	1,247,701	1,249,514	(1,813)	100%
Sheriff Emergency Management	338,346	338,346	328,859	9,487	97%
Sheriff Investigations	271,522	271,522	219,577	51,945	81%
Sheriff Patrol	866,336	912,788	934,249	(21,461)	102%
Tourism Fund	120,000	170,000	152,032	17,968	89%
Transportation Administration	77,790	86,790	85,630	1,160	99%
Transportation Mountain Express	302,924	314,924	308,606	6,318	98%
Veterans Services	89,871	100,871	102,369	(1,498)	101%
Weed & Pest	117,900	155,900	145,619	10,281	93%
Non-Departmental	1,397,495	1,795,035	1,507,657	287,378	84%
Total Expenditures	11,135,895	12,129,652	11,268,669	860,983	93%
Revenue over (under) Expenditures	(581,646)	(581,646)	598,707		

Road & Bridge Fund:

Revenue Detail

The general ledger currently shows revenue in the Road & Bridge fund at 104% (\$258,780 *higher*) than the annual budgeted revenue.

That said, some individual revenue streams came in lower than expected, including:

- **Property Tax:** \$27,913 (2%) lower than budget.
- **HUTF Highway User Tax:** \$45,606 (2%) lower than budget.

These under budget revenues were offset by higher than expected revenues in other categories, including:

- **Sales Tax:** \$159,511 (6.9%) higher than (amended) budget for 2017.
- **Misc. Revenue & Refunds:** \$87,436 (372%) higher than budget, mostly due to the sale of one old truck.
- **USDA Forest Service:** \$22,405 higher than expected (there was no budget). This was reimbursement for services requested and supplied.
- **Road Cut/Driveway Permits Revenue:** \$10,720 (43%) higher than 2017 budget.

Expense Detail:

At the end of 2017, total expenditures were at 66% (\$2,617,565 *under*) the budgeted amount. Most of the under spending occurred in the following two departments:

- **Road Capital Improvement (Maintenance):** 16% (\$466,987) under budget: Most of the savings were in Fuel and Fleet Repair (\$130,310) and in various Road Supplies (\$278,499).
- **Road Capital Improvement (Paving):** 70% (\$1,932,634) under budget: This occurred because two large planned paving projects were cancelled when the low bids came in higher than the engineering estimate for those projects. They will be re-bid in 2018 and we are hopeful that they will come in significantly lower, and will be executed as planned.

Governmental Fund - Road & Bridge

as of December 31, 2017

YTD Percent =	100%
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	Original Budget	Amended Budget	YTD Actual	Remaining Budget	% of Budget
Revenues					
Taxes	3,802,799	3,804,799	3,987,343	(182,544)	✓105%
Licenses and Permits	25,000	25,000	35,720	(10,720)	✓143%
Intergovernmental	1,904,810	1,904,810	1,882,890	21,920	🟡99%
Misc	23,473	23,473	110,909	(87,436)	✓472%
Total Revenues	5,756,082	5,758,082	6,016,862	(258,780)	✓104%
Expenditures					
Administration	871,399	873,399	878,732	(5,333)	✓101%
Road Maintenance	2,871,143	2,871,143	2,404,156	466,987	✓84%
RCI (General)	496,896	496,896	494,512	2,384	✓100%
RCI (Paving)	2,763,501	2,763,501	830,867	1,932,634	✓30%
RCI (Pavement Maintenance)	668,940	668,940	481,000	187,940	✓72%
RCI (Five Year Plan)	38,000	38,000	6,176	31,824	✓16%
RCI (Bridges)	-	-	786	(786)	N/A
Unallocated	-	-	-1,915	1,915	N/A
Total Expenditures	7,709,879	7,711,879	5,094,314	2,617,565	✓66%
Revenue over (under) Expenditures	(1,953,797)	(1,953,797)	922,548		

Department of Human Services (DHS) Fund:

The majority of the DHS annual budget is funded by the State. Each year, the State supplies the County with “allocations” of funding for various specific programs and program types. The County budgets up to the maximum level of these “allocations”, to insure that approved and appropriated budget amounts are available, should the needs rise to those levels during the year. In the typical year, not all of the funding is needed and therefore expenses tend to be lower than budget in this fund.

During 2017, the County budgeted more Expense than Revenue, intending to draw down about \$297,000 of the DHS Fund Balance. Instead, expenses were lower than anticipated. And, while revenues were also lower, they were proportionately higher than expenses, with the result that, by year end, there was a \$141,137 surplus added to the fund balance.

Revenue Detail

The general ledger currently shows that revenue came in at 95% of budget during 2017. This was lower than the \$4,412,571 revenue budget by \$213,379. The shortfalls were rather evenly spread across program types, except in the case of Child Care. Child Care revenue was only at 49% of budget (being \$81,069 low), because corresponding Child Care expenses were significantly lower than the amount “allocated” to the County by the State. (See the expense variance explanation below).

Expense Detail:

At the end of 2017, total expenditures were at 86% (\$652,071 *under*) the budgeted amount. Ten out of eleven program types were under budget during 2017. Only one was **over** budget at year end, as follows:

- **Medicaid (Medical Transportation):** 23% over (\$15,427): The number of medical transports has been increasing and exceeded amounts budgeted during 2017 by a significant amount. Fortunately, related revenue is also over budget, as these costs are reimbursed 100% by the State, using Medicaid funding. Other Medicaid related programs were a bit under budget, so the Medicaid category as a whole was only over 2% (\$6,365).

Two expense categories were significantly **under** budget during the year, as follows:

- **Child Care:** only 55% utilized (82,990 under budget in total), because there is a lack of eligible providers located within Archuleta County. Note that the County DHS Director holds a position on the CCAP Allocation Committee (representing the Western Slope, as well as Archuleta County), and is therefore positioned to insure suitable future allocations to the County that will permit increased Child Care utilization if/when additional eligible providers are created within the County.
- **Other Programs:** only 33% utilized (\$176,643 under budget in total), because two of the programs within this category (Medicaid Outreach and Collaborative Management Program) were both significantly under budget. The Collaborative Management Program is executed by SJBPHD, who bills the County. The County is only the fiscal agent and does not control the pace of program execution.

The DHS Fund report appears on the next page.

Governmental Fund - Human Services

YTD Percent = 100%

as of December 31, 2017

	Original Budget	Amended Budget	YTD Actual	Remaining Budget	% of Budget
Revenues					
Total Administration	254,714	324,714	306,353	18,361	94%
Total Adult Protective Services	54,358	54,358	56,150	(1,792)	103%
Total Child Care	160,424	160,424	79,355	81,069	49%
Total Child Support Enforcement	90,273	90,273	88,849	1,424	98%
Total Child Welfare	674,709	688,709	683,286	5,423	99%
Total TANF	252,352	252,352	222,758	29,594	88%
Total Core Services	156,539	156,539	146,876	9,663	94%
Total Food Assistance Benefits	1,514,250	1,604,250	1,571,593	32,657	98%
Total LEAP	1,911	171,911	148,663	23,248	86%
Total Medicaid	293,778	348,778	346,620	2,158	99%
Total Other Programs	261,265	261,265	256,750	4,515	98%
Total Non-Departmental	298,998	298,998	291,937	7,061	98%
Total Revenues	4,013,571	4,412,571	4,199,192	213,379	95%
Expenditures					
Total Administration	325,433	395,433	350,739	44,694	89%
Total Adult Protective Services	71,033	71,033	69,901	1,132	98%
Total Child Care	182,647	182,647	99,657	82,990	55%
Total Child Support Enforcement	145,202	145,202	124,895	20,307	86%
Total Child Welfare	1,026,015	1,040,015	826,292	213,723	79%
Total TANF	288,444	288,444	260,004	28,440	90%
Total Core Services	180,173	180,173	160,121	20,052	89%
Total Food Assistance Benefits	1,500,000	1,580,000	1,552,098	27,902	98%
Total LEAP	1,983	171,983	144,996	26,987	84%
Total Medicaid	301,775	356,775	363,140	(6,365)	102%
Total Other Programs	259,922	259,922	86,279	173,643	33%
Total Non-Departmental	-	-	464	(464)	N/A
Total Expenditures	4,311,127	4,710,127	4,058,055	652,071	86%
Revenue over (under) Expenditures	(297,556)	(297,556)	141,137		

Dispatch Fund:

Revenue Detail

The general ledger currently shows revenue in the Dispatch fund at 101% of the annual budgeted revenue

Expense Detail

Expenses for 2017 were at 96% of the amounts budgeted. No major categories of expense were over budget.

Governmental Fund - Archuleta County Combined Dispatch

YTD Percent =	100%
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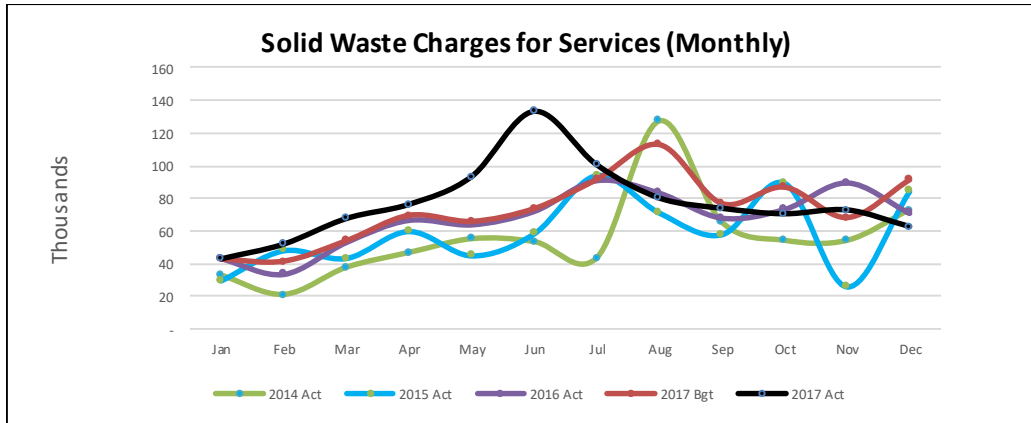
as of December 31, 2017

	Original Budget	Amended Budget	YTD Actual	Remaining Budget	% of Budget
Revenues					
Intergovernmental	296,140	296,140	296,140	-	✓ 100%
Charges for Services	221,000	221,000	228,833	(7,833)	✓ 104%
Misc	-	-	3,716	(3,716)	N/A
Transfers In	363,945	363,945	363,945	-	✓ 100%
Total Revenues	881,085	881,085	892,634	(11,549)	✓ 101%
Expenditures					
Combined Dispatch					
Personnel Costs	632,680	632,680	609,957	22,723	✓ 96%
Materials & Services	159,651	159,651	154,059	5,592	✓ 96%
Capital Outlay	49,950	49,950	38,198	11,752	✓ 76%
Debt Service	57,664	57,664	57,664	0	✓ 100%
Total Expenditures	899,945	899,945	859,878	40,067	✓ 96%
Revenue over (under) Expenditures	(18,860)	(18,860)	32,756		

Solid Waste Fund:

Revenue Detail

Total revenue to the Solid Waste fund was higher than the (amended) budget by 6% (\$68,400). The majority was received in the form of Solid Waste Charges for Services (Landfill Fees), which were over budget by 6% (\$56,843). See the graph below:



Landfill fee revenue was strong during the first quarter. Then, during May and (especially) June, two exceptional demolition projects within the Town of Pagosa Springs resulted in very significant and high dumping fees. In the second half of the year, fee revenue was lower than amounts received during 2016 and lower than the seasonally adjusted budget.

Recycling fees collected at the Pagosa Transfer Station, and sales of recycled materials also came in over budget by \$18,561, which is about twice the amount budgeted for 2017.

Expense Detail

At the end of 2017, total expenditures were at 68% (\$414,367 *under*) the budgeted amount. All six departments were under budget during the year. Three departments were significantly under budget as follows:

- **Landfill:** 29% under (\$278,092). A large (\$250,000) “contingency” for Landfill Closure Costs was budgeted in 2017, in case it became necessary to make a significant adjustment to the costs of closing out the existing landfill. While additional information was accumulated about those costs, it was not demonstrated that a major adjustment was needed and therefore the \$250,000 was not utilized for the adjustment. In addition, the first year costs associated with the lease of a new Compactor were \$32,192 less than previously estimated.
- **Recycling:** 94% under (\$49,420). Most of the 2017 Recycling budget was related to the “allocated” part of the personnel costs of operating the Recycling part of the Pagosa Transfer Station. As 2017 began, the Public Works Director decided that it was not managerially useful to allocate a portion of Transfer Station staff time to the Recycling effort, as these activities were located a few feet apart and the allocation of time was essentially arbitrary. Therefore, all staff time was allocated to the Transfer Station, leaving most of the Recycling budget untouched.
- **Non-Departmental:** 100% under (\$80,000). The annual depreciation costs have not yet been booked to 2017, but will be prior to year-end closing. The budget will be consumed with the booking occurs.

Enterprise Fund - Solid Waste

as of December 31, 2017

YTD Percent = 100%

	Original Budget	Amended Budget	YTD Actual	Remaining Budget	% of Budget
Revenues					
Charges for Services	739,000	889,000	945,843	(56,843)	✓106%
Misc	3,500	3,500	15,058	(11,558)	✓430%
Transfers In	300,000	300,000	300,000	-	✓100%
Total Revenues	1,042,500	1,192,500	1,260,900	(68,400)	106%
Expenditures					
Administration	71,409	74,409	72,767	1,642	✓98%
Arboles Transfer Station	15,612	15,612	13,642	1,970	✓87%
Landfill	924,238	961,238	683,146	278,092	✓71%
Pagosa Transfer Station	91,957	121,957	119,118	2,839	✓98%
Recycling	52,361	52,361	2,941	49,420	✓6%
Non-Departmental	-	80,000	(405)	80,405	✓-1%
Total Expenditures	1,155,577	1,305,577	891,210	414,367	68%
Revenue over (under) Expenditures	(113,077)	(113,077)	369,691		

Airport Fund:**Revenue Detail**

Total revenue to the Airport fund was higher than budgeted by 1% (\$1,296). Some revenue sources were higher than expected and one was lower.

Revenue Lower Than Expected:

Sales Tax revenue came in at 50% of the budgeted amount. It should be noted that during 2017, a new rule required that a portion of Sales Tax be shared with the Airport fund. The County modified its allocation process in 2017, as an "early adopter" of the rule. Sales Tax revenue is shared 50/50 with the Town. The Town was not required to share their portion until 2018 and they chose not to adopt in 2017. The budget was based on receiving both the County and Town share. Therefore, this revenue was lower by 50% (\$11,546).

Revenue Higher Than Expected:

- **Intergovernmental:** \$904 (6%) higher than budget. The tail end of the Airport Taxiway project (AIP 22), fell into the beginning of 2017. (Most of the project was executed during 2016). Grant revenue associated with this project was slightly higher than anticipated.
- **Charges for Services:** \$11,784 (11%) higher than budget. Excise tax refunds related to fuel flow and airport fees were higher than budgeted, accounting for the majority of the higher than expected revenue.

Expense Detail

At the end of 2017, total expenditures were at 95% (\$32,662 *under*) the budgeted amount. Two out of three expense categories were modestly over budget, and one category was significantly under budget follows:

- **Personnel Costs:** 1% over (\$758). This was due to higher than expected compensated absences expense.

- **Materials & Services:** 23% under (\$37,518). Half of the savings here were due to unusually low snow removal costs. Significant savings were also realized in pavement maintenance, mowing and other maintenance costs.
- **Capital Outlay:** 1% over (\$4,099). This was due to a cost overrun on the project to replace the FBO Hangar Door.

Enterprise Fund - Airport

as of December 31, 2017

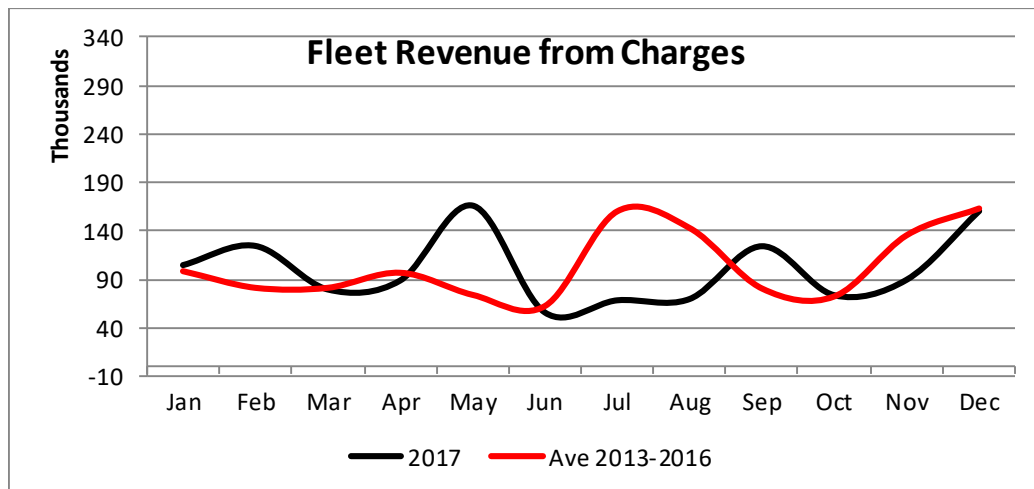
YTD Percent = 100%

	Original Budget	Amended Budget	YTD Actual	Remaining Budget	% of Budget
Revenues					
Taxes	23,200	23,200	11,655	11,546	50%
Intragovernmental	-	16,296	17,200	(904)	106%
Charges for Services	107,200	107,200	118,984	(11,784)	111%
Misc	-	-	154	(154)	N/A
Transfers In	100,000	100,000	100,000	-	100%
Total Revenues	230,400	246,696	247,992	(1,296)	101%
Expenditures					
Airport					
Personnel Costs	126,306	126,306	127,064	(758)	101%
Materials & Services	162,817	162,817	125,299	37,518	77%
Capital Outlay	325,000	341,296	345,395	(4,099)	101%
Total Expenditures	614,123	630,419	597,757	32,662	95%
Revenue over (under) Expenditures	(383,723)	(383,723)	(349,765)		

Fleet Fund:

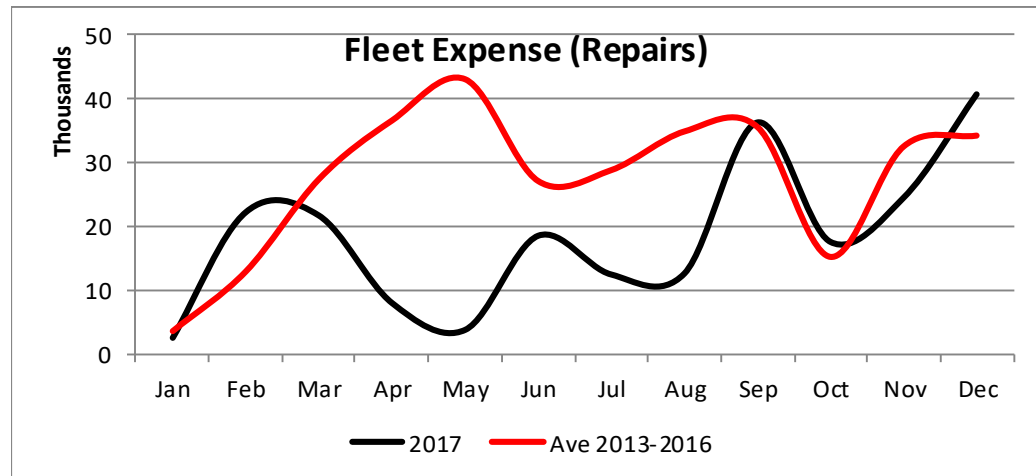
Revenue Detail

The general ledger shows revenue in the Fleet fund as 1% (\$22,115) *under* the annual budgeted revenue. Most of the revenue comes from charges to County departments for fuel and services. These are somewhat volatile, depending on events which are not scheduled, such as heavy equipment break downs. See the graph below for a comparison of 2017 revenue (black), to the average revenue (red) for the preceding four years.



Expense Detail

At the end of 2017, total Fleet expenditures were 13% (\$212,753) *under* the budgeted amount. The major categories of expense were all under budget. The biggest savings were in Materials and Services (\$178,527 under). Savings included \$112,533 in Fuel, \$47,087 in Repair Materials and \$14,450 in Tires. It is worth noting that Repair Material costs were the lower than each of the previous four years and much lower than the average of those years, as illustrated in the graph below.



Internal Services Fund - Fleet as of December 31, 2017

YTD Percent = 100%

	Original Budget	Amended Budget	YTD Actual	Remaining Budget	% of Budget
Revenues					
Charges for Services	1,248,880	1,248,880	1,209,438	39,443	97%
Misc	-	17,000	34,327	(17,327)	202%
Transfers In	325,000	325,000	325,000	-	100%
Total Revenues	1,573,880	1,590,880	1,568,765	22,115	99%
Expenditures					
Fleet Services					
Personnel Costs	294,351	294,351	271,161	23,190	92%
Materials & Services	891,463	891,463	712,936	178,527	80%
Capital Outlay	424,000	441,000	429,965	11,035	97%
Total Expenditures	1,609,814	1,626,814	1,414,061	212,753	87%
Revenue over (under) Expenditures	(35,934)	(35,934)	154,704	(190,638)	

Finance Department Performance Measures

This section shows progress on various Performance Measures being used within the Finance Department, in a “table” format. Some categories are only relevant during one quarter of the year.

<u>Activity</u>	<u>Q1</u>	<u>Q2</u>	<u>Q3</u>	<u>Q4</u>
Audit (Good Opinion)	N/A	N/A	100%	N/A
Budget (GFOA Award)	N/A	N/A	N/A	N/A
Expenditures/Fund (Within Budget)	100%	100%	100%	100%
<i>Core Processes Completed:</i>				
Audit Prep	90%	100%	N/A	N/A
Accounts Payable	100%	100%	100%	100%
Budget	N/A	N/A	75%	100%
Human Services Accounting	83%	75%	88%	100%
Payroll	100%	100%	100%	100%
Quarterly Reporting	100%	100%	100%	100%
Year End Close Process	90%	100%	N/A	N/A

Highlights from the fourth quarter include:

- The 2016 Audit was completed by the Sep. 30, 2017 (extended deadline). The auditors issued an unmodified opinion (the good opinion) and there were no findings.
- The 2018 budget was prepared on time.
- After winning the GFOA Budget Excellence Award for 3 years in a row, we did not submit the 2017 budget for consideration, so as to save time and money. We plan to submit every other year, in order to see if our budgets are maintaining the standard of excellence previously achieved.
- None of the County funds expended more than the amounts budgeted for them.
- All of the Core Processes were completed. The Year End Close and Audit Prep original deadlines were not met, but the extended deadlines were met. Three of the four Quarterly Reports were submitted later than the target date. However, the underlying internal control work was timely all year long, as evidenced by the all funds being kept well within their expense budgets.
- Significant use of the Long Range Modeling system was made in support of many complex decisions made during the year.
- We have added a Revenue Supplement to this quarterly report, in order to convey results related to the County’s major funding sources and to document our perception that funding growth is expected to slow in the coming months and years. This will complicate the management of the County.
-

Larry Walton (Finance Director)

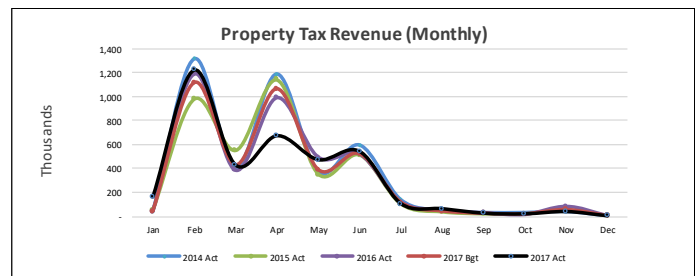
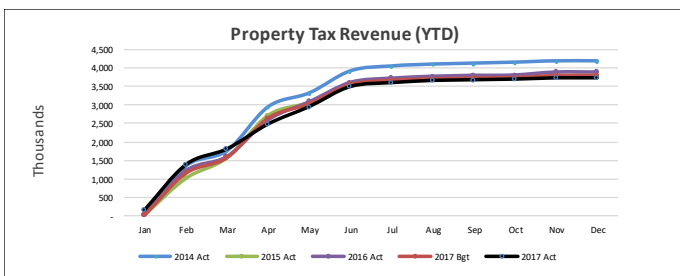
This report contains a Revenue Supplement on the next page...

Revenue Supplement

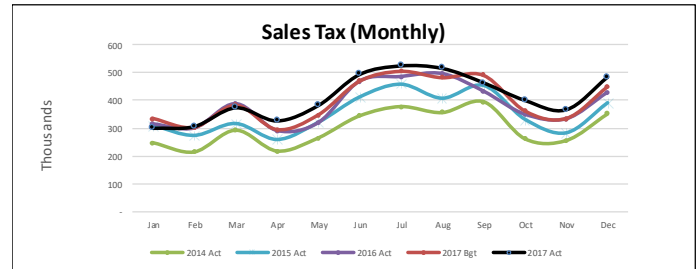
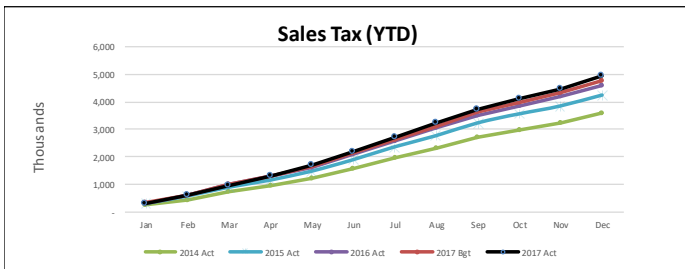
As a supplement to the usual report, we have attached graphs of many of the most material revenue streams of the County. There are two graphs for each revenue type, showing the Year to Date Revenues, and the Month to Month Revenues of each. The Month to Month graphs give an idea of the seasonality of each revenue. Both help access longer range trends. Each graph shows four years of actual data and the 2017 budgeted amounts (in red).

We have made notes about what the four-year trend indicates (if anything), and also make note of the 10-year trends, when they seem relevant. (The 10 year trends are not shown in this report, but can be viewed in the 2018 Budget Book, available at the County web site: <http://www.archuletacounty.org/ArchiveCenter/ViewFile/Item/286> (starting on page 37).

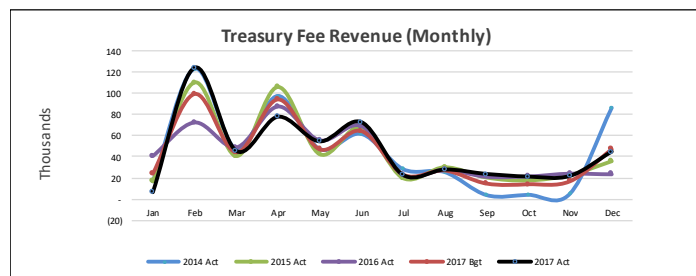
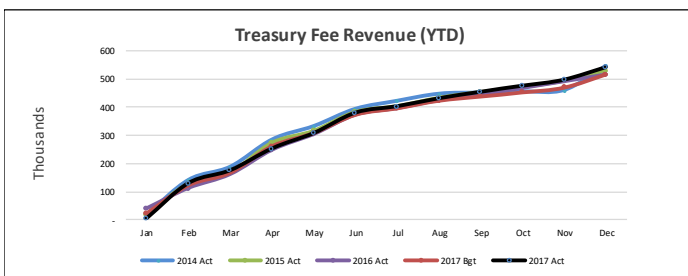
Property Tax: This graph is just “General Fund” property tax. It has been very flat the last 3 years, down from 2014. Property tax was much higher in the past (being only about 68% of the level in 2010). We do not expect to see much growth from this revenue.



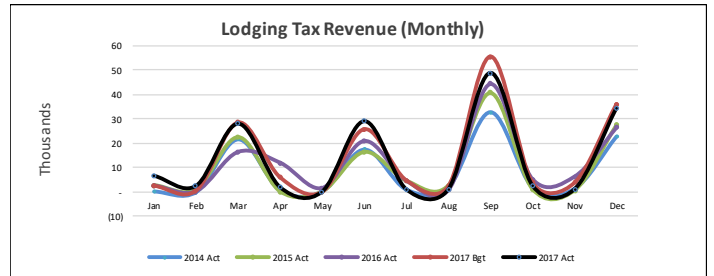
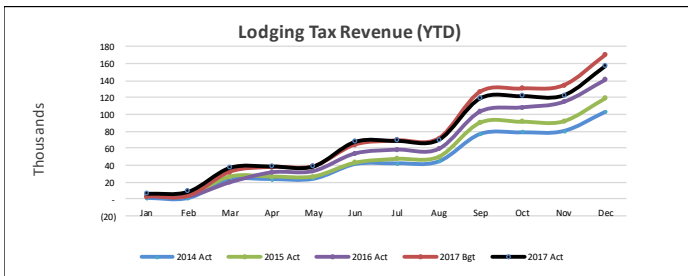
Sales Tax: This tax revenue has increased consistently since the start of 2013, as the local economy (first) recovered from the last recession and then (later) grew significantly. Growth was particularly high in 2015 (18% over the prior year), but the rate of growth has been slowing ever since. We only expect 2% growth during 2018.



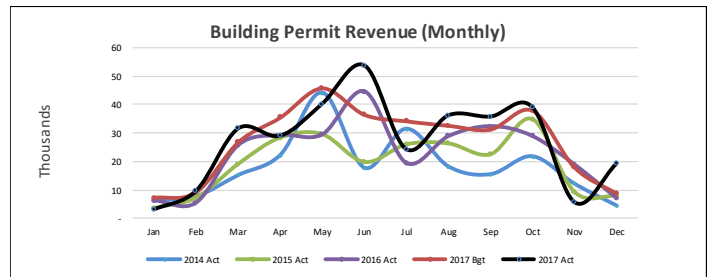
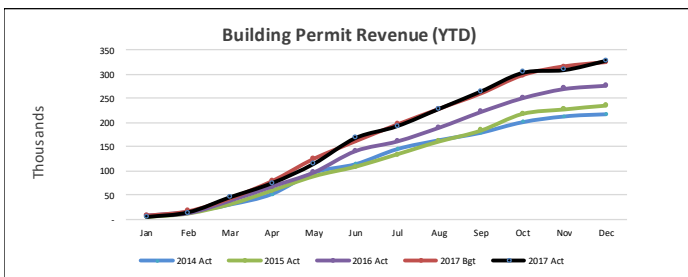
Treasurer Fee Revenue: This revenue decreased significantly during 2011-2014, then became stable. We expect it to remain stable for the next few years.



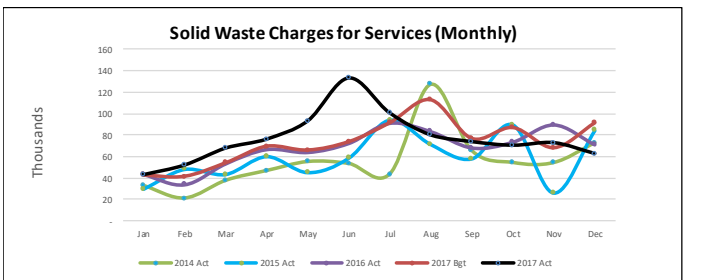
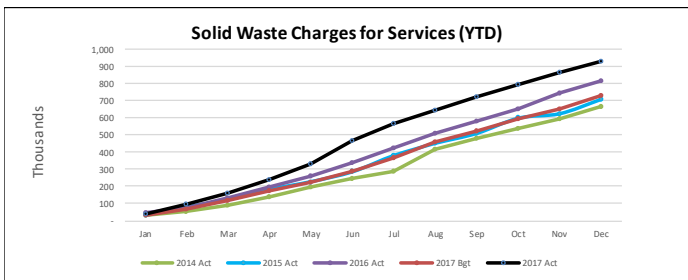
Lodging Tax Revenue: This has been steadily increasing during the last four years, though the rate of growth in 2017 was a bit less than anticipated. We expect growth in this revenue to continue, but more slowly than in recent years.



Building Permit Revenue: This revenue has increased each of the last four years. In fact, it has been steadily increasing since 2010, after crashing in 2008 and 2009. Despite the steady increases, it has not yet fully recovered to the 2007 high.



Solid Waste Fee Revenue: This revenue has been growing during the last four years and for each of the last 10 years (except in 2013). The growth should continue, but not at the rate seen in 2017.



Specific Ownership Tax: This has been growing modestly in recent years, and that growth is expected to continue, at modest rates.

