Quarterly Financial Report
2016 – First Quarter
(January to March 2016)

Executive Summary

During the first quarter of 2016, most departments spent within their expense budgets and most revenue sources were received as expected, after taking seasonal adjustments into consideration.

Some positive developments include:

- The primary source of revenue for the Solid Waste Fund (Landfill Fees) was 11.5% higher in the first quarter of 2016, than in 2015. This fund has large capital expenditures looming in future years, so an improved revenue picture is very important.
- Sales Tax Revenue is currently meeting the growth projected for it, and is slightly (1.5%) ahead of budget.
- After making adjustments for seasonal variations, there are no major sources of revenue coming in lower than budgeted amounts.

So far, only one department appears to need a budget adjustment, as follows:

- Pagosa Transfer Station: Budget will need to be added to fund the cost of a second transfer station attendant. Only one attendant was budgeted, but a second attendant was added in mid-February. Significant savings in the Solid Waste Administration budget could easily cover the added costs.

Some issues are emerging and should be monitored closely, as follows:

- Sheriff - Administration 27% expended: The Sheriff's Administration budget is currently over by about 2%. While this is only a modest amount, it is not due to timing differences beyond the control of the department. Instead, a number of ordinary accounts have been spent at an accelerated rate, relative to the annual budget, including: Overtime Pay (90% spent), Training and related Meals (68% spent), Office Supplies (32% spent) and Body Armor (92% spent).
- Sheriff – Investigations 26% expended: The majority of this department's budget is in Wages & Benefits, and these costs were right at the budgeted amount during the first quarter. Some of the remaining budget line items were already over budget at the end of the first quarter, such as; Minor Equip (664% of budget), Other Operating Supply (122% of budget), Meals & Entertainment (142% of budget). Some other categories were being spent at an accelerated rate, such as; Travel Costs (59% of budget) and Small Tools (also 59% of budget). If this department is to finish the year within budget, some remaining budget line items will have to be under-spent.

The following funds will be reported in detail during the first quarter of 2016:

General	Human Services	Fleet
Road & Bridge	Solid Waste	

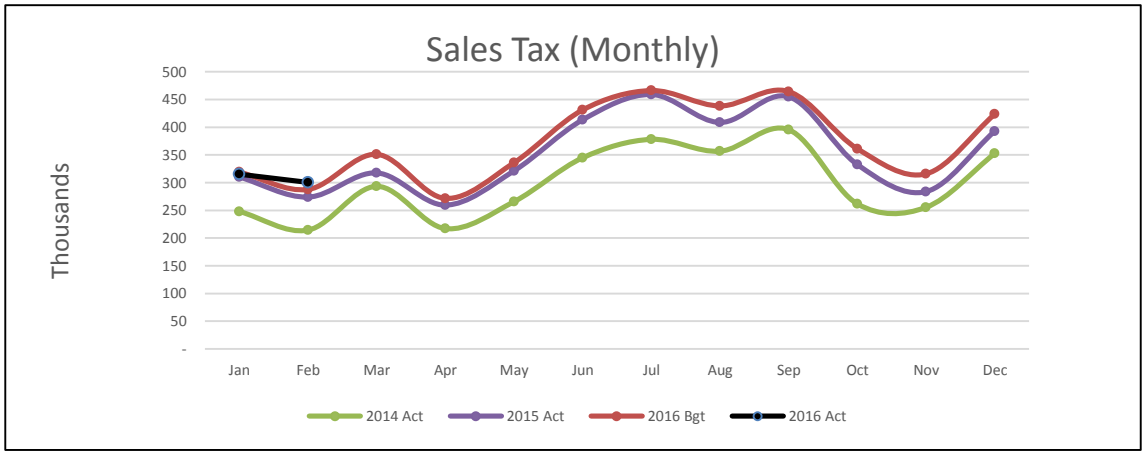
General Fund:

Revenue Detail

During the first quarter of the year, 23% of the budgeted General revenue was received. This is the same "percent to total budget" received during the first quarter of 2015. In the detail, individual types of revenue are subject to very considerable seasonal variation. However, they virtually washed out during the first quarter. The most material variations are:

Property Tax:
During the first quarter, about 41% of the budgeted property tax was actually received. While property owners may pay their property tax in a single installment (due on or before April 30), most exercise the option of paying in two installments, the first being due by Feb. 28th and the second by June 15th. As a result, receiving such a large amount of property tax in the first quarter is quite normal.

Sales Tax:
Sales Tax revenue is collected in arrears. The first quarter General Fund report only includes the January revenue. However, we know the February amount (which was received in early April). Taken together, the January and February amounts received are slightly ahead of the seasonally adjusted budget.



Licenses and Permits Revenue:
Like Sales Tax, the larger Licenses and Permits revenues are processed in arears. The first quarter report only shows January revenue, though we also know the February amounts, which were processed in early April. The amounts received are approximately the monthly amounts expected.

Intergovernmental Revenue:
The largest components of Intergovernmental revenue are PILT funding (Payment in Lieu of Taxes from the Federal government), and various "cost reimbursement" grants. The PILT funding is mostly received in a single installment, generally around mid-year. Cost Reimbursement grant revenue is collected in arrears, being generally received about two months after the reimbursable expenses are incurred.

Miscellaneous Revenue:
The largest components of Miscellaneous revenue are annual proceeds from the Livestock Auction which occur during the County Fair in August of each year.

Taking seasonal variations into account, General Fund revenue streams are being received at close to the amounts budgeted for 2016.

Expense Detail:

During the first quarter only 19% of the General Fund expense budget was utilized. The majority of individual departments (30 out of 37) were *under* budget during the first quarter.

Five departments incurred a disproportionate amount of expense during the first quarter of the year, as follows:

- County Assessor 28% expended: Within the Assessors budget, the annual amount for software maintenance was expended in a single installment in the first quarter. All other Assessor expenses are under budget, except for Fleet charges, being over due to an unanticipated vehicle repair cost. *The Assessors budget is currently expected to end the year at or under budget.*
- Sheriff – Patrol 26% expended: Significant Fleet repair and maintenance costs pushed this budget slightly over budget during the first quarter. Some other costs have been expended at an accelerated rate, such as: Wages & Benefits (26% spent), Other Professional Services (34% spend) and Small Tools (42% spent). Furthermore, the Training budget has already exceeded the annual budgeted amount. However, many other categories are either significantly under budget or not utilized at all. *At this time, we anticipate this budget will finish the year at or under budget.*
- Jail Commissary 44% expended: The Jail Commissary was *reestablished* during the first quarter of 2016, to service inmates held in the newly constructed "holding cells". Based on current information, ongoing commissary costs are not expected to push this department over budget by year end.
- Transportation (Mountain Express) is 30% expended: A bus repair expense during the first quarter consumed a large part of the annual maintenance budget. All other expenses in this department were at or under budget. It is too early in the year to tell if savings in other parts of the budget will be sufficient to compensate, or if a budget adjustment will be needed before year end.
- County Treasurer 26% expended: The Treasurer Fee expenses are disproportionately expended during the first quarter of the year and this accounts for the budget being slightly overspent on a year to date basis. Many line items were under budget, except for "Misc. Expenditures", which are well over budget, and may (or may not) be a problem later in the year.

Two department budgets are currently on our "watch" list, as follows:

- Sheriff - Administration 27% expended: The Sheriff's Administration budget is currently over by about 2%. While this is only a modest amount, it is not due to timing differences beyond the control of the department. Instead, a number of ordinary accounts have been spent at an accelerated rate, relative to the annual budget, including: Overtime Pay (90% spent), Training and related Meals (68% spent), Office Supplies (32% spent) and Body Armor (92% spent).
- Sheriff – Investigations 26% expended: The majority of this department's budget is in Wages & Benefits, and these costs were right at the budgeted amount during the first quarter. Some of the remaining budget line items were already over budget at the end of the first quarter, such as; Minor Equip (664% of budget), Other Operating Supply (122% of budget), Meals & Entertainment (142% of budget). Some other categories were being spent at an accelerated rate, such as; Travel Costs (59% of budget) and Small Tools (also 59% of budget). Some of the remaining budget line items will have to be under-utilized, if this department is to finish the year within budget.

The General Fund report appears on the next page.

Governmental Fund - General

as of March 31, 2016

YTD Percent = 25%

	Original Budget	Amended Budget	YTD Actual	Remaining Budget	% of Budget
Revenues					
Taxes	6,702,327	6,702,327	1,902,321	4,800,006	28%
Licenses and Permits	440,800	440,800	66,238	374,562	15%
Intergovernmental	1,124,060	1,124,060	(1,873)	1,125,933	0%
Charges for Services	1,471,195	1,471,195	360,065	1,111,130	24%
Interest	115,000	115,000	34,748	80,252	30%
Misc	391,300	391,300	10,706	380,594	3%
Total Revenues	10,244,682	10,244,682	2,372,206	7,872,476	23%
Expenditures					
Administration	1,934,479	1,934,479	492,526	1,441,953	25%
Attorney	155,851	155,851	8,268	147,583	5%
Building & Grounds	345,834	345,834	40,491	305,343	12%
Community Services Fund	10,000	10,000	-	10,000	0%
County Assessor	543,929	543,929	154,546	389,383	28%
County Clerk & Recorder	474,437	474,437	102,846	371,591	22%
County Clerk- Elections	103,565	103,565	14,542	89,023	14%
County Commissioners	1,188,270	1,188,270	134,490	1,053,780	11%
County Coroner	76,154	76,154	15,542	60,612	20%
County Fair Board	79,350	79,350	268	79,082	0%
County Surveyor	16,647	16,647	4,061	12,586	24%
County Treasurer	488,604	488,604	125,099	363,505	26%
County Treasurer - Public Trustee	15,148	15,148	3,779	11,369	25%
CSU Extension	141,401	141,401	31,394	110,007	22%
CSU Extension Checking	20,000	20,000	2,037	17,963	10%
Development Services-Building	160,530	160,530	40,549	119,981	25%
Development Services-Planning	129,199	129,199	29,915	99,284	23%
District Attorney	350,986	350,986	(86,748)	437,734	-25%
Finance	404,416	404,416	78,765	325,651	19%
Human Resources	139,864	139,864	26,185	113,679	19%
IT/GIS	439,820	439,820	105,334	334,486	24%
Jail Commissary	10,000	10,000	4,361	5,639	44%
Livestock Auction	305,000	305,000	-	305,000	0%
Sheriff Administration	296,101	296,101	78,857	217,244	27%
Sheriff Animal Control	50,000	50,000	8,333	41,667	17%
Sheriff Court Security	77,496	77,496	19,573	57,923	25%
Sheriff Detention	832,176	832,176	179,222	652,954	22%
Sheriff Emergency Management	302,947	302,947	65,832	237,115	22%
Sheriff Investigations	234,855	234,855	60,802	174,053	26%
Sheriff Patrol	799,514	799,514	205,330	594,184	26%
Tourism Fund	124,120	124,120	-	124,120	0%
Transportation Administration	74,692	74,692	17,847	56,845	24%
Transportation Mountain Express	96,667	96,667	28,566	68,101	30%
Veterans Services	96,044	96,044	23,226	72,818	24%
Weed & Pest	104,044	104,044	20,848	83,196	20%
Non-Departmental	217,531	217,531	-	217,531	0%
Total Expenditures	10,839,671	10,839,671	2,036,689	8,802,982	19%
Revenue over (under) Expenditures	(594,989)	(594,989)	335,517		

Road & Bridge Fund:

Revenue Detail

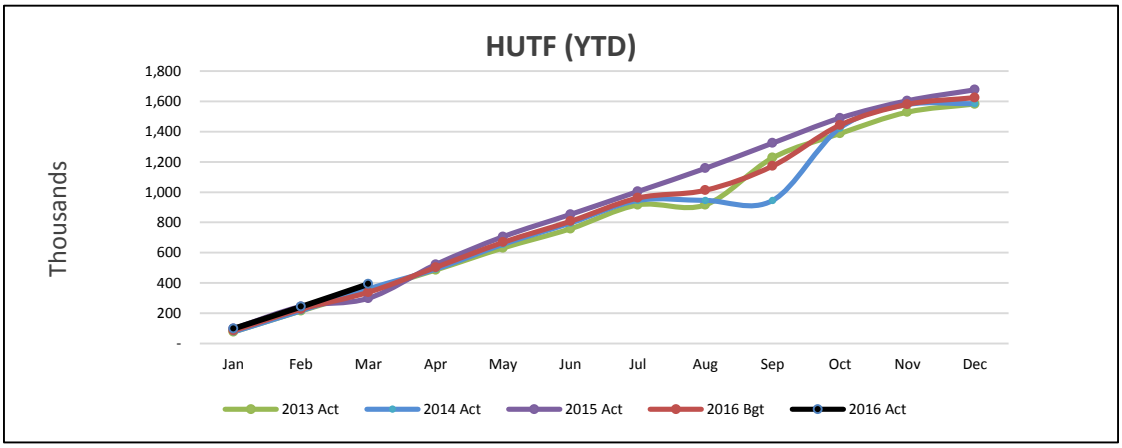
During the first quarter of the year, 17% of the annual budgeted Road & Bridge revenue was received. This is a higher proportion than was received during the first quarter of 2015. In the detail, individual types of R&B revenue are subject to seasonal variation, just as they are in the General fund. The most material seasonal variations include:

Property Tax:
The Road & Bridge portion of County property tax comes in during the first half of the year, just as it is explained in the General Fund narrative. (It is the same tax, just the Road & Bridge portion thereof). During the first quarter, about 41% was actually received, which is quite normal.

Sales Tax:
Sales Tax revenue is collected in arrears, just as explained in the General Fund narrative. It is just the Road & Bridge portion of the same tax. Only the January portion appears in this report. However, we know the February amount (which was received in early April). The January and February amounts received are slightly ahead of the seasonally adjusted budget.

Licenses and Permits Revenue:
This refers to Road Cut & Driveway Permits. While only 22% of the annual budget was received during the first quarter, the amount received is normal, since the activity corresponding to this revenue is slower during the winter months.

Intergovernmental Revenue:
Some sources of revenue are usually received evenly throughout the year. The largest of these is within the category Intergovernmental Revenue and is known as HUTF (Highway Users Tax Fund) revenue. During the first quarter, 24% of this revenue was received. See the graph below:



RCI Capital Improvement Revenue:
This category shows a negative $274,264. For the most part, it corresponds to a grant reimbursement receivable in 2016, but related to activity conducted in 2015. The County constructed the Rio Blanco Bridge, and the State did not fully pay its' share by the end of the first quarter of 2016. The entire amount due was paid by the State in April, but that was too late to be reflected in this report.

Taking seasonal variations into account, Road & Bridge Fund revenue streams are being received at close to the amounts budgeted.

Expense Detail:

During the first quarter only 12% of the Road & Bridge Fund expense budget was utilized. The majority of individual departments (5 out of 6) were *under* budget, as expected. Note that most significant road maintenance and construction occurs during the "construction" season, being late spring thru early fall.

One department did incur a disproportionate amount of expense during the first quarter of the year, being R&B Administration, which was 31% expended. Within this budget, the annual General Liability insurance premium is paid in full during the first quarter. This consumed 95% of the amount budgeted. About 44% of the budgeted Treasurer Fees were charged during the first quarter, which is normal. Most of that line item will have been charged by mid-year. All other expense categories were at or under budget.

Governmental Fund - Road & Bridge

as of March 31, 2016

YTD Percent =	25%

	Original Budget	Amended Budget	YTD Actual	Remaining Budget	% of Budget
Revenues					
Taxes	3,765,412	3,765,412	775,273	2,990,139	21%
Licenses and Permits	18,000	18,000	4,010	13,990	22%
Intergovernmental	1,682,728	1,682,728	402,253	1,280,475	24%
Misc	23,473	23,473	6,444	17,029	27%
RCI Capital Improvement	-	-	(274,264)	274,264	N/A
Total Revenues	5,489,613	5,489,613	913,716	4,575,897	17%
Expenditures					
Administration	831,909	831,909	257,986.21	573,923	31%
Road Capital Improvement	492,747	492,747	91,042.16	401,705	18%
CR500/Cloud Cap	3,100,000	3,100,000	52,550.00	3,047,450	2%
RCI-Five Year Plan	353,000	353,000	-	353,000	0%
Road Maintenance	2,365,897	2,365,897	493,919.43	1,871,978	21%
Unallocated	30,171	30,171	-	30,171	0%
Total Expenditures	7,173,724	7,173,724	895,498	6,278,226	12%
Revenue over (under) Expenditures	(1,684,111)	(1,684,111)	18,218		

Department of Human Services (DHS) Fund:

Processing Issue

Some March journals were not processed in time to be reflected in the first quarter report. This was due to turnover in the DHS Accountant position, resulting in processing delays. (About 83% of the first quarters work has been completed). The net results of the processing delays are:

- Revenue received directly by the County is somewhat understated.
- Expense (and corresponding revenue) incurred/received by the State on behalf of the County is understated.
- Some costs are properly reflected in the overall report, but not completely "allocated" to the corresponding departments.

The revenue and expense commentary below is based on incomplete information. However, we think the general trends revealed are still representative of the year so far.

Revenue Detail

During the first quarter of the year, 17% of the annual budgeted Human Services revenue was received. This is a lower proportion than was received during the first quarter of 2015. In the detail, individual types of Human Services revenue are subject to seasonal variation, but to a lesser extent than they are within the General and Road & Bridge funds. The most material seasonal variations include:

Property Tax:
The Human Services portion of County property tax comes in during the first half of the year, just as it is explained in the General Fund narrative. (It is the same tax, just the Human Services portion thereof). During the first quarter, about 40% was actually received, which is quite normal.

Low Income Energy Assistance Revenue:
The State Department of Human Resources reimburses the County for 100% of the costs of this program, which subsidizes the heating costs of low income individuals and families. The program is implemented during the winter months, and therefore the corresponding revenue is disproportionately received during those same months. During the first quarter of 2016, about 29% of the annual revenue was received.

Most revenue to the Human Services fund is "Intergovernmental", coming from the State in support of the majority of the programs. This support is largely a reimbursement of actual "expenses incurred", at rates which vary by program and which range from a low of 66%, up to 100%, with most expenses being reimbursed at 80%.

While the total revenue for Human Services is only at 17% of the annual budget, this is not reflective of a problem. Total expenses are also at 17% overall. Higher rates of program expenditure will automatically lead to higher rates of reimbursement revenue.

Expense Detail

Thirty one (31) out of thirty four (34) individual Human Services departments were clearly spending within their expense budgets during the quarter of 2016.

Three departments showed a disproportionate amount of expense during the first quarter, as follows:

- Low Income Energy Assistance is 29% expended: This program subsidizes heating costs incurred by qualifying families during the winter months. This is not an excessive amount of spending for the first quarter of the year, since costs are incurred during the coldest months.
- General Assistance is 44% expended: The largest cost in this department is the County's budgeted share of the "Regional Multi-Systemic Therapy" program. The County share is paid in two installments during the year. The first half year was paid during the first quarter.
- Unallocated is 36% expended: This department captures two types of transactions. The first are administrative charges passed to the County by the State, which will total $2,147 by year end. The second are net credit adjustments (also passed by the State), which tend to partially net out the administrative charges. These credit charges are irregular and someone unpredictable. If they do not occur as expected by year end, a budget adjustment of about $1,200 will be needed to cover the expenses of this department.

One department (Payroll Clearing) is used as a cost allocation pool. In particular, wage and benefit expenses are initially coded to this department, and then allocated later to the various programs based on effort reports (time cards) prepared by employees, showing how they divided their time on different program activities. The wage and benefit costs associated with March were not allocated in time for that allocation to be reflected in the first quarter report.

The DHS Fund report appears on the next two pages.

Governmental Fund - Human Services

as of March 31, 2016

YTD Percent =	25%

	Original Budget	Amended Budget	YTD Actual	Remaining Budget	% of Budget
Revenues					
Taxes	306,567	306,567	123,572	182,995	40%
Intergovernmental	3,786,019	3,786,019	593,425	3,192,594	16%
Misc	120,461	120,461	8,663	111,798	7%
Total Revenues	4,213,047	4,213,047	725,660	3,487,387	17%
Expenditures					
Admin	162,528	162,528	29,177	133,351	18%
Admin IM Direct	224,070	224,070	23,121	200,949	10%
Administration Total	**386,598**	**386,598**	**52,299**	**334,300**	14%
Adult Protective Services	63,149	63,149	9,938	53,211	16%
Adult Protective Services Total	**63,149**	**63,149**	**9,938**	**53,211**	16%
Child Care - (CCCAP)	134,994	134,994	15,190	119,804	11%
Child Care (CCCAP) Total	**134,994**	**134,994**	**15,190**	**119,804**	11%
Child Support Enforcement	136,117	136,117	20,361	115,756	15%
Child Support Enforcement Total	**136,117**	**136,117**	**20,361**	**115,756**	15%
Child Welfare Admin 80/20	460,730	460,730	61,447	399,283	13%
Child Welfare Admin 90/10	69,028	69,028	7,059	61,969	10%
Child Welfare Admin 100	68,975	68,975	14,735	54,240	21%
Child Welfare Child Care	18,750	18,750	-	18,750	0%
Child Welfare CHRP	17,008	17,008	-	17,008	0%
Child Welfare Hotline	7,589	7,589	667	6,922	9%
Child Welfare Kinship	12,000	12,000	-	12,000	0%
Child Welfare Out of Home	156,349	156,349	17,985	138,364	12%
Child Welfare Res Mental Health	20,000	20,000	-	20,000	0%
Child Welfare Subadopt	60,000	60,000	9,740	50,260	16%
Promoting Safe & Stable Families	23,070	23,070	3,764	19,306	16%
Child Welfare Total	**913,499**	**913,499**	**115,397**	**798,102**	13%
Colorado Works TANF	262,954	262,954	34,990	227,964	13%
Colorado Works TANF Total	**262,954**	**262,954**	**34,990**	**227,964**	13%
Core Services 80/20	141,653	141,653	9,855	131,798	7%
Core Services Other-FICF	103,871	103,871	22,869	81,002	22%
Core Services Special	2,403	2,403	-	2,403	0%
Core Services Total	**247,927**	**247,927**	**32,724**	**215,203**	13%
Employment First 100%	45,308	45,308	4,615	40,693	10%
Food Assistance Benefits	1,500,000	1,500,000	228,517	1,271,483	15%
Food Assistance Benefits Total	**1,545,308**	**1,545,308**	**233,131**	**1,312,177**	15%
Low Income Energy Assistance	219,016	219,016	63,599	155,417	29%
Low Inc Energy Assistance Total	**219,016**	**219,016**	**63,599**	**155,417**	29%
Aid to Needy Disabled	26,000	26,000	5,318	20,682	20%
Medical Transportation	68,000	68,000	7,000	61,000	10%
Old Age Pension	170,000	170,000	27,203	142,797	16%
Medicaid Total	**264,000**	**264,000**	**39,521**	**224,479**	15%

Governmental Fund – Human Services (Continued)

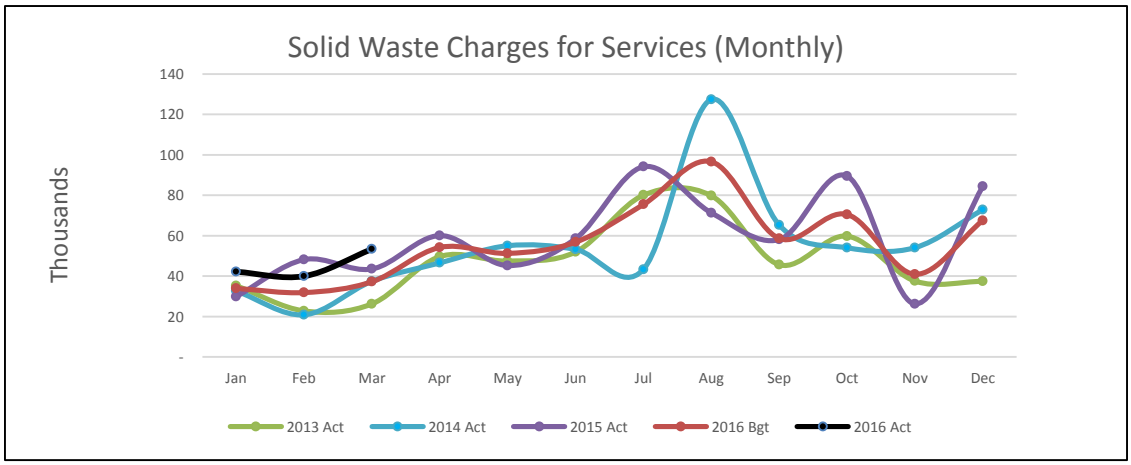
Collaborative Management Prog	50,000	50,000	-	50,000	0%
Colorado Community Response	130,632	130,632	8,875	121,757	7%
Excess Parental Fees	18,060	18,060	-	18,060	0%
General Assistance	19,000	19,000	8,314	10,686	44%
Medical Grants	-	-	14,857	(14,857)	N/A
Medicaid Outreach	52,984	52,984	12,894	40,090	24%
Other Programs Total	**270,676**	**270,676**	**44,940**	**225,736**	17%
Payroll Clearing	-	-	85,973	(85,973)	N/A
Unallocated	1,000	1,000	358	642	36%
Non-Departmental Total	**1,000**	**1,000**	**86,330**	**(85,330)**	8633%
Total Expenditures	4,445,238	4,445,238	748,419	3,696,819	17%
Revenue over (under) Expenditures	(232,191)	(232,191)	(22,760)		

Solid Waste Fund:

Revenue Detail

During the first quarter of the year, 20% of the annual budgeted Solid Waste revenue was received.

Charges for Services:
Most Solid Waste fund revenue is Charges for Services, being fees collected when waste is deposited at the landfill. While the landfill receives significant amounts of material year round, the amounts being deposited do vary with the seasons and in a predicable way. Typically, the amounts received in the first quarter are proportionately low. The amount received in the first quarter of 2016 ($135,557), while only 20% of the annual budget, nevertheless suggest that Charges for Services revenue will come in much higher than budget and possibly at historic levels. This is the highest first quarter known to the Finance Department. See the graph below:



Misc. Revenue:
Misc. Revenue refers to cash received by the County in exchange for recyclable materials (cardboard, plastic and metal) collected by the County at the Pagosa Transfer Station. Such material is sold only when large quantities have been accumulated. No such sales were made during the first quarter.

Expense Detail:

During the first quarter only 20% of the Solid Waste Fund expense budget was utilized. The majority of individual departments (5 out of 6) were *under* budget during the first quarter.

However, one department (the Pagosa Transfer Station) is 42% expended and will need a budget adjustment prior to year end. The 2016 budget provided for a single employee at the Pagosa Transfer Station. Beginning in mid-February, a second employee was hired to work at this location. At the current rate of expenditure, this departments budget will be fully expended early in the third quarter, or even sooner. This additional expense could easily be covered by transferring savings from the Solid Waste Administration wages budget.

The Solid Waste Fund report appears on the next page.

Enterprise Fund - Solid Waste

as of March 31, 2016

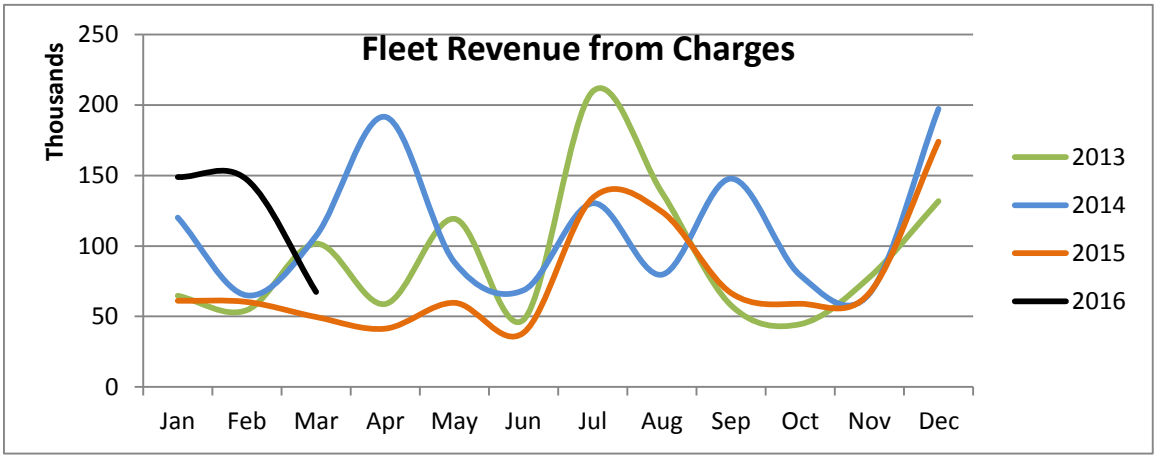
YTD Percent =	25%

	Original Budget	Amended Budget	YTD Actual	Remaining Budget	% of Budget
Revenues					
Charges for Services	686,400	686,400	135,557	550,843	20%
Misc	10,400	10,400	-	10,400	0%
Transfers In	55,000	55,000	13,750	41,250	25%
Total Revenues	751,800	751,800	149,307	602,493	20%
Expenditures					
Administration	141,893	141,893	16,418	125,475	12%
Arboles Transfer Station	13,678	13,678	2,713	10,965	20%
Landfill	324,382	324,382	75,424	248,958	23%
Pagosa Transfer Station	38,083	38,083	15,867	22,216	42%
Recycling	47,364	47,364	6,378	40,986	13%
Non-Departmental	7,474	7,474	-	7,474	0%
Total Expenditures	572,874	572,874	116,800	456,074	20%
Revenue over (under) Expenditures	178,926	178,926	32,507		

Fleet Fund:

Revenue Detail

Fleet revenue comes from charges to County departments for fuel and services. From month to month, they are highly variable, depending upon the need for major repairs on heavy equipment. During the last three years these charges have averaged slightly over $94,000/month. During the first quarter, these charges averaged $121,072. Because of the variable nature of this revenue, it is difficult to deduce how the year will unfold.



Expense Detail

All the major categories of Fleet expense were under budget during the first quarter. The Capital Outlay category, in particular, was only 9% expended. However, capital outlays are few in number and quite irregular and the first quarter report does not reflect pending orders of $387,570 worth of equipment and vehicles.

Internal Services Fund - Fleet
as of March 31, 2016

YTD Percent = 25%

	Original Budget	Amended Budget	YTD Actual	Remaining Budget	% of Budget
Revenues					
Charges for Services	1,176,850	1,176,850	363,215	813,635	31%
Misc	-	-	3,202	(3,202)	N/A
Transfers In	700,000	700,000	175,000	525,000	25%
Total Revenues	1,876,850	1,876,850	541,416	1,335,434	29%
Expenditures					
Fleet Services					
Personnel Costs	275,815	275,815	66,558	209,257	24%
Materials & Services	927,843	927,843	107,918	819,925	12%
Capital Outlay	808,500	808,500	72,488	736,013	9%
Total Expenditures	2,012,158	2,012,158	246,964	1,765,194	12%
Revenue over (under) Expenditures	(135,308)	(135,308)	294,452	(429,760)	

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.

Activity	Q1	Q2	Q3	Q4
Audit (Good Opinion)	N/A	N/A	____	N/A
Budget (GFOA Award)	N/A	N/A	____	N/A
Expenditures/Fund (Within Budget)	100%	____	____	____
Core Processes on Schedule:				
Audit Prep	90%	____	____	N/A
Accounts Payable	100%	____	____	____
Budget	N/A	N/A	____	____
Human Services Accounting	83%	____	____	____
Payroll	100%	100%	____	____
Quarterly Reporting	100%	____	____	____
Year End Close Process	90%	____	____	N/A

Highlights from the first quarter include:

- Accounts Payable and County Payroll were processed accurately and on time. This is a continuation of Emmy Kuhl's excellent record of timely work.
- Audit work preparation deadlines do not fall neatly into fiscal quarters. However, we estimate about 90% of the work required by the first deadline (April 15th) was completed. This is the most timely the County has been in completing audit preparation work, since we have started to specifically monitor it.
- The County DHS Accountant (Misti Symth) resigned her position at the end of March, in order to pursue a new career opportunity. During her relatively short stay in the position, Misti was able to complete a very difficult and very significant reorganization of the DHS Accounting function. Since resigning, she has made herself available to the County on an ongoing basis to assist us in execution of certain core DHS processes while we are recruiting her replacement. This has been done at some cost to herself, as it consumes much of her very limited free time. We honor her work and very responsible behavior on behalf of the citizens of the County.
- While Misti accomplished many things during her time with the County, her departure was a blow to the Finance Department. Part of the short term cost is that some Human Services accounting functions have fallen behind schedule. Thankfully, Misti is keeping certain core/critical processes current for us while we work to recruit her replacement. Also, the recruitment process is going very well and we expect to hire a competent replacement in early May.
- One department goal for 2016 was to review past execution of the "Year End Close" and make improvements in the 150+ step process involved, in time to execute the 2015 close. That was achieved. Certain sub-processes were subsequently executed faster, and we believe, more accurately than in prior years. That said, the department still fell short of its goal to complete all Year End Close Process tasks by the end of the first quarter.
- The Finance Department absorbed Solid Waste bookkeeping tasks back into the department during the first quarter. The processes being used have been evaluated and some adjustments are being engineered. Also, processing is being made more timely and accurate.

Larry Walton, Finance Director