



# Quarterly Financial Report 2016 – Third Quarter YTD (January to September 2016)

## Executive Summary

During the first three quarters of 2016, the majority of 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 annual PILT (Payment in Lieu of Taxes) funding has been received and came in \$415,511 over budget. Note that the Feds extended a “supplemental” increase to this funding which began with the Emergency Economic Stabilization Act. These supplemental amounts are uncertain from year to year and therefore not included in the County’s budget process.
- The County received an insurance settlement (related to the Courthouse Flood event of 2015) in the amount of \$304,433.
- Sales Tax Revenue is currently exceeding the growth projected for it (by about 5.7%), and may exceed budget at year end by as much as \$254,000.
- HUTF (Highway User Tax Fee) revenue is up and expected to finish the year about \$100,000 (6%) over budget.
- Solid Waste landfill fees are about \$70,000 (14%) higher than the seasonally adjusted year to date budget. This fund has large capital expenditures looming in future years, so an improved revenue picture is very important.

Some departments are expected to exceed their budgets by year end, due to circumstances beyond their reasonable control. A combination of savings in other departments and unanticipated revenues will be used to cover the excess expense.

- Human Resources: Higher than expected turnover, leading to higher recruitment and advertising costs.
- IT/GIS: Costs associated with an equipment failure and cost overruns on an upgrade to server infrastructure.
- Jail Commissary: Over budget due to inmate bonding being processed as a “pass-thru”.
- Transportation (Mountain Express): Unanticipated bus repair expense and additional driver time/wages.
- Treasurer: This department absorbs Treasurer fees for the General fund. Higher than expected revenues (against which the fees are assessed) will result in fee expense higher than budgeted.

Several Sheriff’s departments are expected to exceed their budgets by year end. Most of the overspending will be covered by unanticipated revenue, including about \$60,000 generated from the sale of seized property.

- Sheriff (Administration): Purchase of unbudgeted software, over budget in body armor, offices supplies, tools and equipment and several other categories.
- Sheriff (Investigations): Meals, travel, minor equipment and tools, uniforms and other services were all overspent.
- Sheriff (Detention): Costs to build holding cells, inmate doctor visits, prescriptions and off-site housing, offices supplies, tools, uniforms and other supplies.

Some funds may consume almost all of their 2016 budget and must be monitored carefully to prevent an over budget situation: Road & Bridge; Dispatch; Solid Waste; Fleet.

## General Fund:

### Revenue Detail

During the first three quarters (75%) of the year, about 90% of the annual budgeted General Fund revenue was received. Some individual revenue accounts have been received in excess of the budgeted amounts, while in some cases there are merely seasonal variations in revenue receipts, which will not be higher than budget at the end of the year.

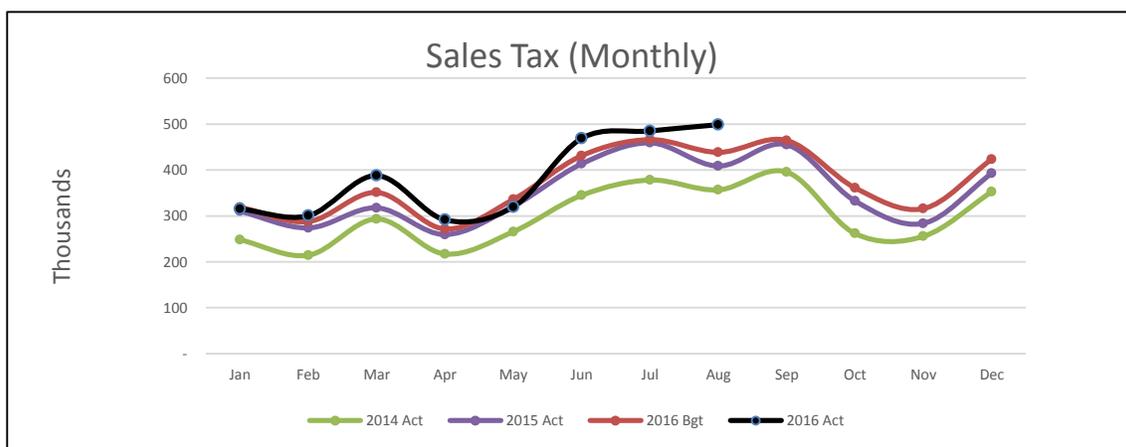
#### Revenue in Excess of Budget:

Several sources of revenue are coming in significantly over the amounts budgeted.

The largest of these is PILT funding (**Payments in Lieu of Taxes**) which are received in two payments during the first half of the year and which came in \$415,511 (54%) over budget. The increase was due to the Feds deciding to extend “supplemental” increases in this type of funding which began with the Emergency Economic Stabilization act. These supplements have been uncertain from year to year, and the County budgets only the amounts that are certain to be received.

Other forms of revenue coming in significantly over budget are:

- **Compensation for Loss of Capital Assets**, being an insurance settlement (related to the Courthouse Flood event of 2015) received in the amount of \$304,433. No amount was budgeted for this settlement.
- **Property Seizure Sales** is \$61,084 over the amount (\$5,800) budgeted for 2016.
- **Grant Revenue**: An unbudgeted \$60,000 grant was received towards the cost of Courthouse Facility Planning.
- **Interest Income** is \$48,407 (74%) over the 2016 budget. This is \$50,722 (81%) higher than during the same period in 2015.
- **Building Permit Revenue** is \$36,897 (20%) higher than the 2016 budget. This is \$39,338 (21%) higher than during the same period in 2015.
- **Sales Tax Revenue** is collected in arrears. During the first three quarters of 2016, only seven months of Sales Tax revenue were actually received (and shows on the statement). However, we have since received the August collections, and the graph below incorporates that additional information. Over those eight months, Sales Tax revenue in the General Fund was \$83,114 (5.7%) over the “year-to-date” 2016 budget. If this trend holds for the rest of the year, Sales Tax revenue will be about \$127,000 higher than “annual” budget within the General Fund.



#### Seasonal Revenue:

Certain revenue streams are received during limited time frames within each year; that is, they are “seasonal” in nature. This complicates the analysis of whether they are being received in adequate amounts. The following revenues have

received the majority of their annual budgeted amounts as of September 30, 2016, but are not considered to be coming in over budget.

- **Property Tax:** During the first three quarters of 2016, about 96% of the budgeted property tax was received. During the same period in 2015, 99% of budgeted property tax was 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. 28<sup>th</sup> and the second by June 15<sup>th</sup>. Technically, if all Property Tax was paid “on-time”, 100% would already be received. As it stands, the percentage of tax “overdue” at September 30, 2016 stands at 3%, while it was less than 1% at the same time during 2015.
- **Treasury Fees:** During the first three quarters of 2016, about 86% of treasury fees were collected. During the same period in 2015, 85% of the 2016 fees had been collected during the same period. At this point, we expect Treasury Fees to come in at (or only slightly above) the 2016 budget by year end.

*Based on the first three quarters detailed information, General fund revenue excesses are projected to exceed shortfalls by around \$1,050,000 (about 10%) at year end.*

#### **Expense Detail:**

Twenty five department budgets within the General fund were within their expense budgets during the first three quarters.

The following three departments incurred a disproportionate amount of expense during the first three quarters (75%) of the year, but are expected to be within their expense budgets at year end:

- **Administration** 78% expended.
- **County Fair** 83% expended.
- **Finance** 77% expended.

Three departments will require an increase in their expense budgets, but those increases will be entirely covered by savings within other department budgets; as follows:

- **Human Resources** 87% expended: Recruitment and closely related Advertising costs are higher than anticipated, by approximately \$5,000. Professional Service costs (specifically for the Wage/Compensation Study) are also higher than anticipated, and may require another \$7,000.
- **Transportation (Mountain Express)** is 90% expended: Bus repair expenses earlier in the year consumed double the entire annual maintenance budget, and will be at least \$9,000 over budget at year end. In addition, Wages of part time drivers are about 10% (\$7,000) over budget and will remain so unless hours are cut during the remainder of the year.
- **IT/GIS** 83% expended: This department will be significantly over budget in Professional Services at year end (\$16,500) due to the need to engage consultants to assist with overcoming an equipment failure (on a crash basis) in order to avoid widespread downtime within the County’s IT infrastructure. Computer Equipment purchases will also be over budget, due to a major project (upgrading server infrastructure to VMware virtual servers and hyper clustering) going over budget by about \$7,000; and due to the need to purchase more replacement computers (5, for various departments), than was previously expected. These over budget items will be partially offset by savings gained by leasing less expensive copier equipment (12 machines were swapped out), and by renegotiating an internet service contract. A budget adjustment will still be needed at year end, possibly as high as \$20,000.

Five departments will require an increase in their expense budgets, but those increases will be covered by unanticipated revenue; as follows:

- **County Treasurer** 77% expended: Current projections show that Treasurer will end the year approximately \$20,000 (4%) over budget. We expect that almost all of this overspending will be caused by higher than expected Treasurer Fees absorbed by this department. The higher fees are associated with higher than expected revenues

(against which the fees are assessed). These costs will easily be covered by excess “interest” revenue generated by this department.

- **Jail Commissary** 418% expended: Inmate bonding was being processed through the jail commissary account, but the related revenue and expense were not budgeted. An unanticipated revenue budget adjustment will correct the budget. There is will be no net cost to the taxpayers.
- **Sheriff Administration** 77% expended: This department is slightly over budget at the end of the third quarter and is expected to be over budget at year end, possibly by as much as \$14,000 (5%). However, at least \$60,000 of unanticipated revenue has already been received, in the form of higher than expected Seized Property Sales revenue. This additional revenue will easily cover the excess expense.
- **Sheriff Investigations** 83% expended: Many of the expense categories in this department are over the annual budgeted amounts as of the end of the third quarter. By year end, this department is expected to be about \$24,000 (10%) over budget. Budgeted revenue in this fund is also expected to come in low, by at least \$7,000. The under budget revenue and over budget expense will be covered by the unanticipated Seized Property Sales revenue in the Administration budget.
- **Sheriff – Detention** 76% expended: This department is only slightly over budget at the end of the third quarter. However, certain large payments are generally not paid until 6 to 8 weeks after they are incurred. By year end, this budget is expected to be over by about \$23,000 (3%). The over budget expense will be covered with the remaining Seized Property Sales revenue and by unanticipated revenue in the Sheriff Patrol budget.
- **Sheriff Budgets Summary**: Current projections of all Sheriff budgets combined put them collectively at about \$80,000 (3%) over budget. Net unanticipated revenues within the Sheriff’s Department should cover about \$67,000 of that amount, leaving about \$13,000 uncovered. This amount is within the margin of error of the estimates.

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

**Governmental Fund - General**

YTD Percent = 75%

as of September 30, 2016

	Original Budget	Amended Budget	YTD Actual	Remaining Budget	% of Budget
<b>Revenues</b>					
Taxes	6,702,327	6,702,327	5,496,835	1,205,492	✓ 82%
Licenses and Permits	440,800	440,800	396,913	43,887	✓ 90%
Intergovernmental	1,124,060	1,124,060	1,390,588	(266,528)	✓ 124%
Charges for Services	1,471,195	1,471,195	1,137,676	333,519	✓ 77%
Interest	115,000	115,000	113,442	1,558	✓ 99%
Misc	391,300	391,300	411,122	(19,822)	✓ 105%
<b>Total Revenues</b>	<b>10,244,682</b>	<b>10,244,682</b>	<b>9,251,010</b>	<b>993,672</b>	<b>✓ 90%</b>
<b>Expenditures</b>					
Administration	333,265	333,265	260,429	72,836	⚠ 78%
Attorney	155,851	155,851	107,107	48,744	✓ 69%
Building & Grounds	345,834	345,834	228,025	117,809	✓ 66%
Community Services Fund	10,000	10,000	6,010	3,990	✓ 60%
County Assessor	543,929	546,329	397,454	148,875	✓ 73%
County Clerk & Recorder	474,437	474,437	335,766	138,671	✓ 71%
County Clerk- Elections	103,565	103,565	53,796	49,769	✓ 52%
County Commissioners	1,188,270	1,188,270	483,829	704,441	✓ 41%
County Coroner	76,154	76,154	54,883	21,271	✓ 72%
County Fair Board	79,350	79,350	66,182	13,168	⚠ 83%
County Surveyor	16,647	16,647	12,184	4,463	✓ 73%
County Treasurer	488,604	488,604	376,784	111,820	⚠ 77%
County Treasurer - Public Trustee	15,148	15,148	11,350	3,798	✓ 75%
CSU Extension	141,401	141,401	104,401	37,000	✓ 74%
CSU Extension Checking	20,000	20,000	4,255	15,745	✓ 21%
Development Services-Building	160,530	160,530	110,655	49,875	✓ 69%
Development Services-Planning	129,199	129,199	92,491	36,708	✓ 72%
District Attorney	350,986	350,986	169,137	181,849	✓ 48%
Finance	404,416	402,016	310,112	91,904	⚠ 77%
Human Resources	139,864	139,864	122,241	17,623	⚠ 87%
IT/GIS	439,820	439,820	365,826	73,994	⚠ 83%
Jail Commissary	10,000	10,000	41,887	(31,887)	⚠ 419%
Livestock Auction	305,000	305,000	223,652	81,348	✓ 73%
Pass-Thru	-	-	-	-	N/A
Sheriff Administration	296,101	296,101	229,158	66,943	⚠ 77%
Sheriff Animal Control	50,000	50,000	33,333	16,667	✓ 67%
Sheriff Court Security	77,496	77,496	52,761	24,735	✓ 68%
Sheriff Detention	832,176	832,176	632,380	199,796	⚠ 76%
Sheriff Emergency Management	302,947	302,947	228,311	74,636	✓ 75%
Sheriff Investigations	234,855	234,855	194,060	40,795	⚠ 83%
Sheriff Patrol	799,514	799,514	591,575	207,939	✓ 74%
Tourism Fund	124,120	124,120	51,589	72,531	✓ 42%
Transportation Administration	74,692	74,692	56,131	18,561	✓ 75%
Transportation Mountain Express	96,667	96,667	87,336	9,331	⚠ 90%
Veterans Services	96,044	96,044	59,296	36,748	✓ 62%
Weed & Pest	104,044	104,044	76,806	27,238	✓ 74%
Non-Departmental	1,818,745	1,818,745	1,200,910	617,835	✓ 66%
<b>Total Expenditures</b>	<b>10,839,671</b>	<b>10,839,671</b>	<b>7,432,104</b>	<b>3,407,567</b>	<b>✓ 69%</b>
Revenue over (under) Expenditures	(594,989)	(594,989)	1,818,906		

## Road & Bridge Fund:

### Revenue Detail

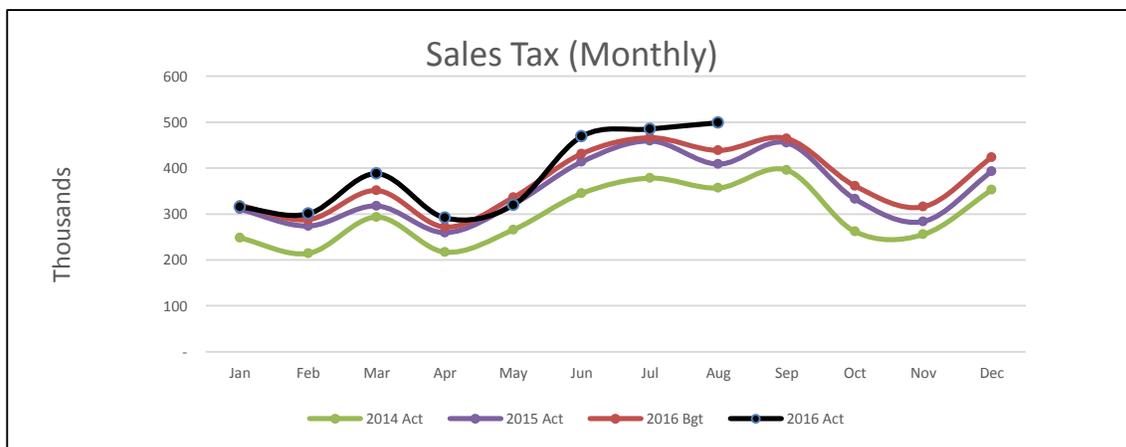
During the first three quarters (75%) of 2016, Road & Bridge revenue was at 77% of the current year annual budget. This was \$199,511 (4.9%) higher than during the same period of 2015. In the detail, individual types of R&B revenue are subject to seasonal variation, just as they are in the General fund. 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 three quarters of the year 96% was actually received.

#### 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). During the first three quarters of 2016, only seven months of Sales Tax revenue were actually received (and shows on the statement). However, we just received the August collections, and the graph below incorporates that additional information. Over those eight months, Sales Tax revenue in the Road & Bridge Fund was \$83,114 (5.7%) over the “year-to-date” 2016 budget. If this trend holds for the rest of the year, Sales Tax revenue will be about \$127,000 higher than “annual” budget within the Road & Bridge Fund.

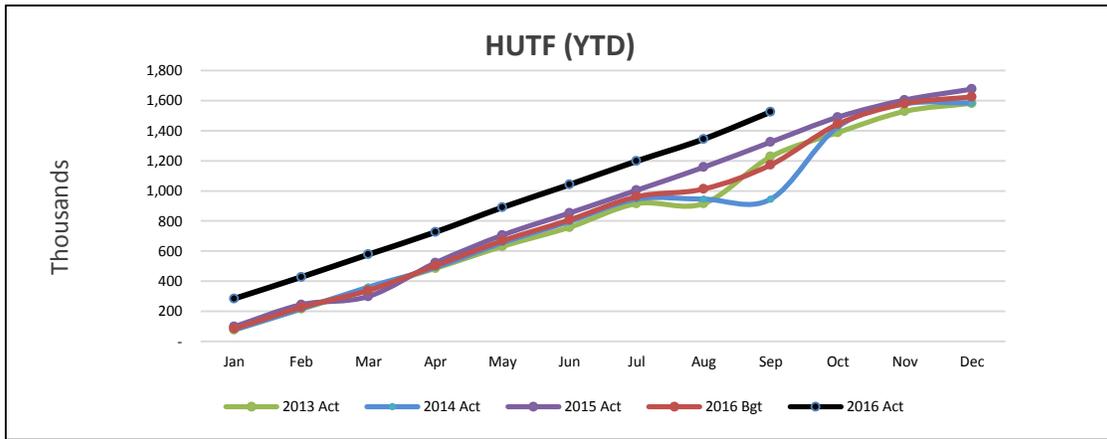


#### Licenses and Permits Revenue:

This refers to Road Cut & Driveway Permits. During the first three quarters of 2016, about 130% of the annual budget was received. By year end, this source of revenue is expected to be nearly \$14,000 (40%) higher than budget.

#### Intergovernmental Revenue:

The largest source of Road & Bridge funds within the “Intergovernmental” category are known as HUTF (Highway Users Tax Fund) revenue. As of September 30, 2016, only the first seven months of HUTF were received, but at the time of writing this report, we know what the August and September disbursements were and that has been reflected in the graph. With September included, over 90% of the annual total budget was received. By year end, this revenue stream is expected to be approximately \$100,000 over the amount budgeted for the year. See the graph below:



All things considered, Road & Bridge Fund revenue streams are expected to come in over budget during 2016, possibly by as much as \$200,000.

**Expense Detail:**

During the first three quarters of 2016, about 66% of the Road & Bridge Fund expense budget was utilized. Five out of six individual departments were *under* budget, as expected. Note that most significant road maintenance and construction occurs during the summer months, and while significant activity occurred during the second and third quarters, some invoices related to work performed in the third quarter were not received or paid as of September 30<sup>th</sup>. One Road & Bridge departments incurred a disproportionate amount of expense during the first half of the year, as follows:

Road & Bridge Administration:

This department was 81% expended during the first three quarters of the year. Within this budget, the annual General Liability insurance premium payment was made during the first quarter. This consumed 95% of the amount budgeted, but there will be savings of about \$7,000 at year end. Treasurer Fees were already \$2,500 (6%) over budget at the end of the third quarter. We unsure if this department will be under or over budget at year end.

The Road & Bridge report appears on the next page.

**Governmental Fund - Road & Bridge**

YTD Percent = 75%

as of September 30, 2016

	Original Budget	Amended Budget	YTD Actual	Remaining Budget	% of Budget
<b>Revenues</b>					
Taxes	3,765,412	3,765,412	2,753,252	1,012,160	⚠️ 73%
Licenses and Permits	18,000	18,000	23,410	(5,410)	✅ 130%
Intergovernmental	1,682,728	1,682,728	1,208,125	474,603	⚠️ 72%
Misc	23,473	23,473	240,882	(217,409)	✅ 1026%
RCI Capital Improvement	-	-	(6,038)	6,038	N/A
<b>Total Revenues</b>	<b>5,489,613</b>	<b>5,489,613</b>	<b>4,219,631</b>	<b>1,269,982</b>	<b>✅ 77%</b>
<b>Expenditures</b>					
Administration	831,909	831,909	671,712	160,197	⚠️ 81%
Road Capital Improvement	492,747	592,747	416,762	175,985	✅ 70%
CR500/Cloud Cap	3,100,000	3,000,000	1,728,354	1,271,646	✅ 58%
RCI-Five Year Plan	353,000	353,000	262,074	90,926	✅ 74%
Road Maintenance	2,365,897	2,365,897	1,645,867	720,030	✅ 70%
Unallocated	30,171	30,171	0	30,171	✅ 0%
<b>Total Expenditures</b>	<b>7,173,724</b>	<b>7,173,724</b>	<b>4,724,769</b>	<b>2,448,955</b>	<b>✅ 66%</b>
Revenue over (under) Expenditures	(1,684,111)	(1,684,111)	(505,139)		

## Dispatch Fund:

### Revenue Detail

During the first three quarters of 2016, 60% of the annual total budgeted Dispatch revenue was received.

#### Intergovernmental Revenue:

Intergovernmental revenue in this fund is from the Town of Pagosa Springs Police Department, the Upper San Juan Health District and the Pagosa Fire Protection District; which all contribute funding to the Dispatch fund according to an indicator of proportionate use of the service (being the three year average proportion of "calls for service"). Amounts are received in quarterly installments. As of September 30, 2013, only 43% of the budgeted revenue had been received, because the Town of Pagosa Springs had not yet disbursed their second or third quarter installment.

#### Charges for Services:

Charges for Services in this fund are "911 Surcharges", collected from telephone service providers. As of September 30, 2016 about 59% of these charges had been collected. While 59% looks low, it is actually just about on target, since there is a normal time lag in collections.

### Expense Detail

During the first three quarters of 2016, about 72% of the annual Dispatch expense budget was utilized. While this looks like spending is comfortably under budget, there are almost always a few invoices outstanding and this fund is expected to utilize almost 100% of its budget by year end.

#### **Governmental Fund - Archuleta County Combined Dispatch**

YTD Percent =	75%
---------------	-----

as of September 30, 2016

	Original Budget	Amended Budget	YTD Actual	Remaining Budget	% of Budget
<b>Revenues</b>					
Intergovernmental	252,383	252,383	108,984	143,399	⚠️ 43%
Charges for Services	222,000	222,000	129,919	92,081	⚠️ 59%
Misc	-	-	767	(767)	N/A
Transfers In	321,214	321,214	240,910	80,304	⚠️ 75%
<b>Total Revenues</b>	<b>795,597</b>	<b>795,597</b>	<b>480,580</b>	<b>315,017</b>	<b>⚠️ 60%</b>
<b>Expenditures</b>					
Combined Dispatch					
Personnel Costs	593,856	593,856	427,551	166,305	✅ 72%
Materials & Services	153,792	153,792	106,010	47,782	✅ 69%
Debt Service	57,664	57,664	43,248	14,416	✅ 75%
<b>Total Expenditures</b>	<b>805,312</b>	<b>805,312</b>	<b>576,809</b>	<b>228,503</b>	<b>✅ 72%</b>
Revenue over (under) Expenditures	(9,715)	(9,715)	(96,229)		

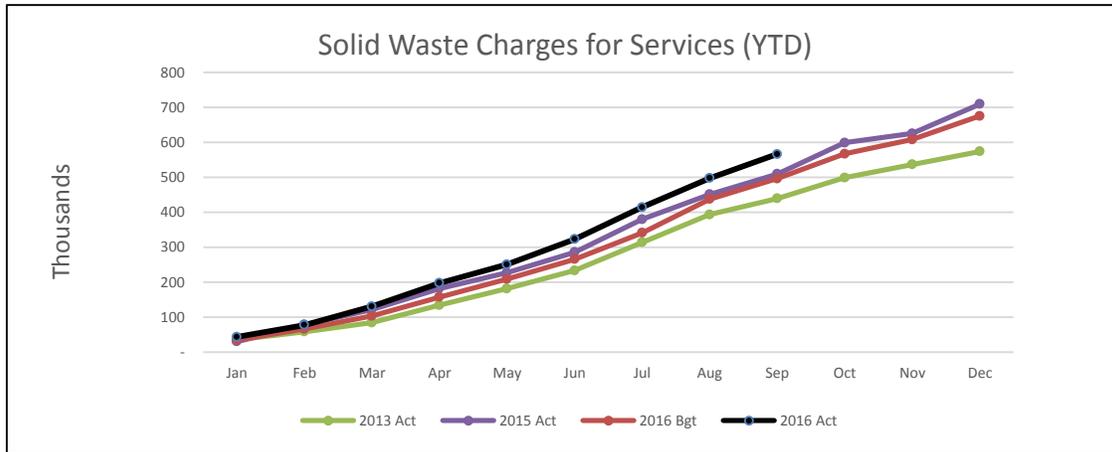
## Solid Waste Fund:

### Revenue Detail

During the first three quarters (75%) of the year, 83% of the annual 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 predictable way. The year to date amount actually received was \$69,660 (14%) higher than the seasonally adjusted budget for this time period. See the graph below:



### Expense Detail

During the first three quarters of the year, 64% of the Solid Waste Fund expense budget was utilized. The majority of individual departments (5 out of 6) were *under* budget during this period of time.

However, one department (the Pagosa Transfer Station) is 155% 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 overspent approximately \$33,000 by year end. This additional expense can easily be covered by transferring savings from the Solid Waste Administration wages budget, where savings are expected to be considerably more than the amount needed.

The Solid Waste Fund report appears on the next page.

**Enterprise Fund - Solid Waste**

YTD Percent = 75%

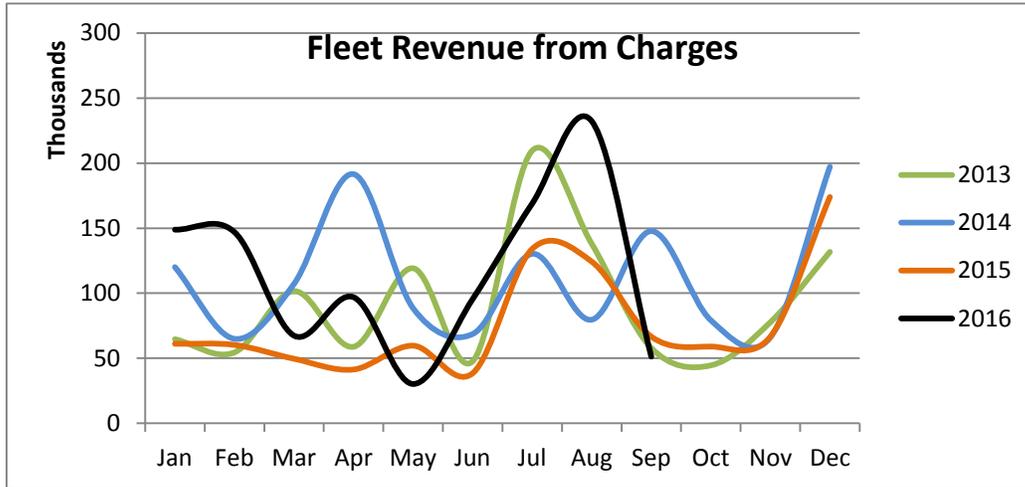
as of September 30, 2016

	Original Budget	Amended Budget	YTD Actual	Remaining Budget	% of Budget
<b>Revenues</b>					
Charges for Services	686,400	686,400	575,491	110,909	✓ 84%
Misc	10,400	10,400	4,669	5,731	⚠ 45%
Transfers In	55,000	55,000	41,250	13,750	⚠ 75%
<b>Total Revenues</b>	<b>751,800</b>	<b>751,800</b>	<b>621,410</b>	<b>130,390</b>	<b>83%</b>
<b>Expenditures</b>					
Administration	141,893	141,893	57,553	84,340	✓ 41%
Arboles Transfer Station	13,678	13,678	10,059	3,619	✓ 74%
Landfill	324,382	324,382	210,412	113,970	✓ 65%
Pagosa Transfer Station	38,083	38,083	59,049	(20,966)	⚠ 155%
Recycling	47,364	47,364	28,299	19,065	✓ 60%
Non-Departmental	7,474	7,474	-	7,474	✓ 0%
<b>Total Expenditures</b>	<b>572,874</b>	<b>572,874</b>	<b>365,372</b>	<b>207,502</b>	<b>64%</b>
Revenue over (under) Expenditures	178,926	178,926	256,037		

## 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 about \$94,000/month. During the first half of 2016 these charges averaged \$97,654/month. However, an exceptional number of repairs were performed during the third quarter, and the year-to-date average now stands at \$115,371. As a result, Fleet revenue is expected to come in over budget by at least \$100,000.



### Expense Detail

Fleet Wage/Benefit costs were over budget by about \$10,000 (5%) during the first three quarters of the year, due to changes in personal that affected benefit costs. More significantly, equipment repair costs are already over budget by about \$114,000, with three months in the year to go. Offsetting the unexpected high cost of repairs are cheaper fuel costs and savings in many other expense categories.

After three quarters (75% of the year), about 73% of the total budget was utilized. Expenses will need to be monitored carefully during November and December, to insure the fund is not overspent. In particular, further Capital Expenditures should be frozen, to insure high repair costs are offset by savings.

#### **Internal Services Fund - Fleet** as of September 30, 2016

YTD Percent = 75%

	Original Budget	Amended Budget	YTD Actual	Remaining Budget	% of Budget
<b>Revenues</b>					
Charges for Services	1,176,850	1,176,850	1,038,340	138,510	88%
Misc	-	-	3,202	(3,202)	N/A
Transfers In	700,000	700,000	525,000	175,000	75%
<b>Total Revenues</b>	<b>1,876,850</b>	<b>1,876,850</b>	<b>1,566,542</b>	<b>310,308</b>	<b>83%</b>
<b>Expenditures</b>					
Fleet Services					
Personnel Costs	275,815	275,815	212,135	63,680	77%
Materials & Services	927,843	927,843	699,978	227,865	75%
Capital Outlay	808,500	808,500	562,978	245,522	70%
<b>Total Expenditures</b>	<b>2,012,158</b>	<b>2,012,158</b>	<b>1,475,090</b>	<b>537,068</b>	<b>73%</b>
Revenue over (under) Expenditures	(135,308)	(135,308)	91,452	(226,760)	

## 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.

<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	100%	N/A
Expenditures/Fund (Within Budget)	100%	100%	100%	_____
<i>Core Processes on Schedule:</i>				
Audit Prep	90%	100%	N/A	N/A
Accounts Payable	100%	100%	100%	_____
Budget	N/A	N/A	75%	_____
Human Services Accounting	83%	75%	88%	_____
Payroll	100%	100%	100%	_____
Quarterly Reporting	100%	100%	100%	_____
Year End Close Process	90%	100%	N/A	N/A

Highlights from the third 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.
- The 2017 budget process absorbed most of our attention during the third quarter. This work is currently on schedule and we expect to complete the budget on time.
- Human Services accounting is becoming more timely, and is expected to be on par with all other processing by year end.
- The department assisted the County Administrator in proposing and negotiating a change in budgeting procedure with the Combined Dispatch Board, whereby the annual process makes provision for replacement of capital assets, and not just annual operating costs, within the Dispatch Fund, and whereby the participating agencies all share in the additional costs.
- The department has been reviewing certain County policies and procedures in light of modifications in Federal and State requirements, in particular, by 2 CFR Part 200 (Subparts A-F); otherwise known as “Uniform Grant Guidance”. We have modified some reporting practices related to some of our grants. Next year, we plan to re-draft the County Procurement Manual.

---

Larry Walton (Finance Director)