

Financial Huddle

August 2022

KNOW YOUR

numbers!

What is a Critical Number?

Definition: Critical Number is a metric, either operational or financial, that represents a weakness or vulnerability that if not addressed and corrected, will negatively impact the overall performance and long-term security of the business.

What gets measured gets managed.

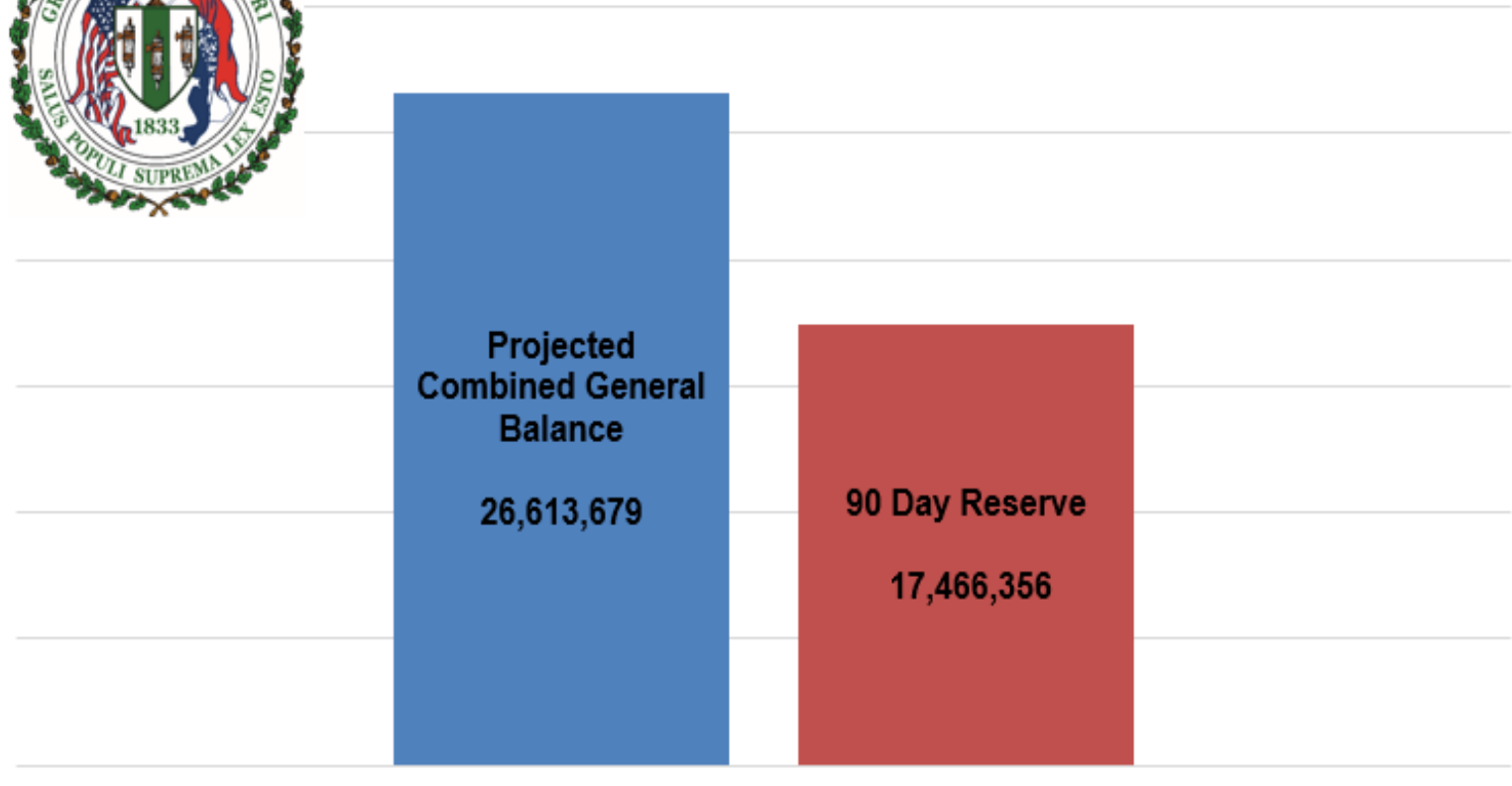


What was measured in the past?

Answer:
General Revenue Cash Balance



Year End Cash Position of General Funds
Budget vs Projection (In Millions) August 2020



Fund	Beginning Balance	Projected Revenue	Projected Expenditures	Estimated End Balance
General 1	1,780,766	45,913,684	(47,727,791)	(33,341)
General 2	19,931,672	30,483,042	(23,767,694)	26,647,021
General Combined	21,712,438	76,396,726	(71,495,485)	26,613,679
Combined 90 Day Reserve				17,466,356

Projected GR Cash Balances in 2022 Budget

GR 1 - \$6.9M GR 2 - \$34.9M Total \$41.8M

Budgeted Spend Down of Cash

GR 1 - \$2.7M GR 2 - \$4.5M Total \$7.2M



Total cash would be gone in 5.8 years – that's repeating the 2022 Budget every year.

GR 1 balance needs **excess revenues** and **expense savings** to become balanced. Most of the \$6.9M balance will be needed in future years to take care of Neighborhood Improvement District obligations.

We made a 20 year plan with the GR 2 tax. The plan depicted building this cash balance and spending it down through 2030 until we payoff some debt and start building the cash balance again.

	Total Debt Service	Est % GRI&II Sales Tax
2020	8,586,388	20%
2021	9,936,415	20%
2022	11,501,321	22%
2023	18,068,463	33%
2024	17,680,938	31%
2025	17,279,523	30%
2030	13,431,925	20%

From 2023 through 2030, we plan to spend down \$14M in cash which would take our cash balance down to \$16M.

A \$16M reserve cash balance (15% of current GR & LEST expenditures) remaining in 2030 is considered to be responsible management of tax payer funds.

What are the County's Vulnerabilities to Long-Term Sustainability?

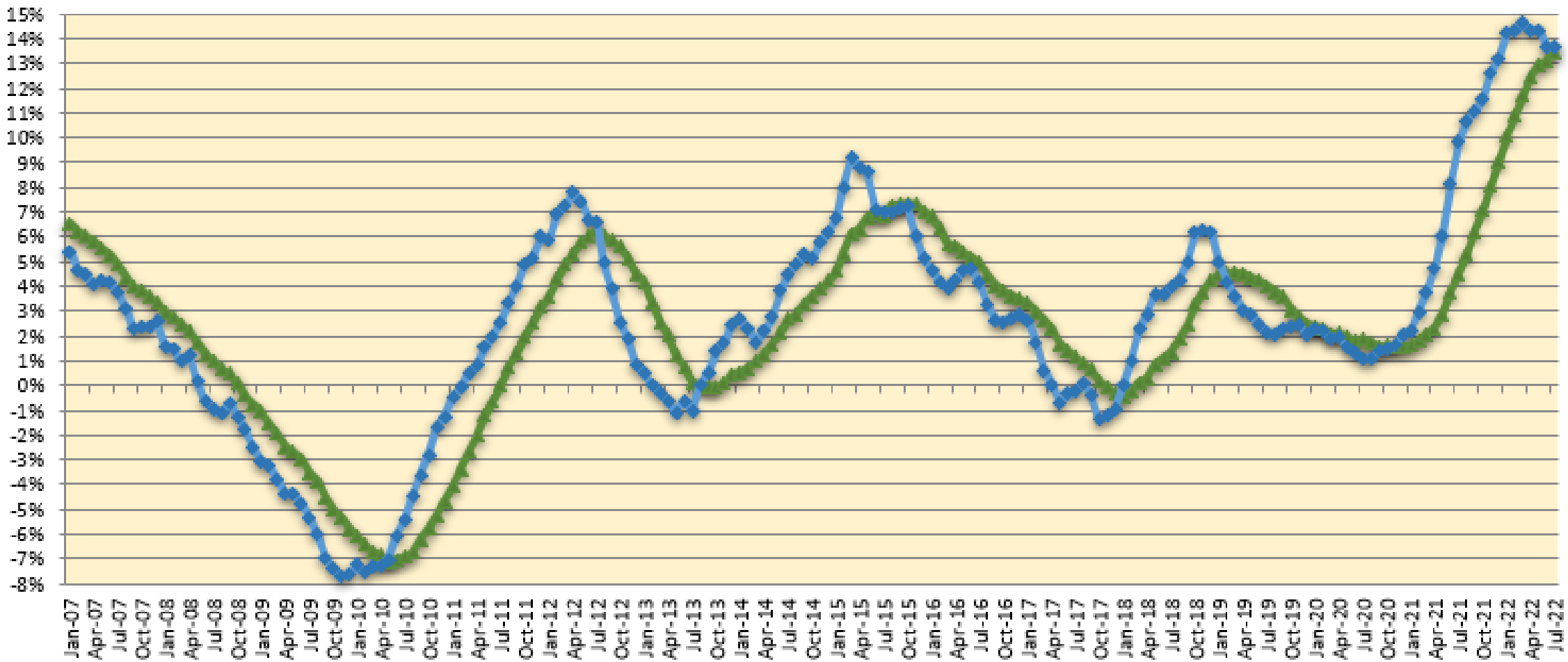
1. Sales Tax

- 16.6% jump in sales tax from 2020 to 2021.
- Average sales tax growth is 3%.
- Appears to be a sustainable increase in base rather than a spike which helps balance the overage in GR 1 spending.

* With the possibility of a recession, it is important to monitor the level of Sales Tax and make adjustments if it becomes necessary.

How to Monitor

General Fund Sales Tax Trend 12 Month Rolling Average of 1yr Avg Growth of the 3 & 12 Month Rolling Average of Sales Tax Receipts



2. **Vacancy** – Beginning with the 2018 budget, vacancy estimates were included for the normal occurrence of personnel turnover and unfilled positions.

- Personnel costs in both GR I & GR II make up 74% of the total budget (excluding contingency).
- Commission authorized overtime pay using vacancy savings that is *above* budgeted savings or other savings within budget. (Sheriff is using vacancy in excess of budgeted vacancy to cover shift differential pay)
- Allows offices and departments to hire in at step 3 instead of step 0.
- Offices and departments can use vacancy to cover expenses not otherwise budgeted.

Vacancy – Continued

- Employee Hiring Policy – To remain budget neutral, a vacancy period will be determined on a case-by-case such that savings from vacancy will cover the added cost of the employee payout occurring with the vacancy.
- Since 74% of the budget is dedicated to salary, there is a heavy reliance on vacancy to fund several different expense aspects of personnel.



How to Monitor

**Realized Vacancy
in Excess of Planned
Through Period Ending:
August 6, 2022**

Values in (red) indicate expenditures in excess of net planned spending, based on a period-by-period S&B budget.

Officeholder	GR I	GR II	LEST	Total**
Courts/Juvenile*	147,248	0	103,737	250,985
Auditor*	17,933	0	0	17,933
Collector	50,445	0	0	50,445
County Clerk	39,853	0	0	39,853
PA	186,609	172,915	127,474	486,998
Public Admin	37,306	0	0	37,306
Recorder	1,229	0	0	1,229
Sheriff	(624,424)	1,767,655	(492,920)	650,312
Treasurer	(1,168)	0	0	(1,168)
Commission (see below)	128,347	159,940	1,319	1,095,125
Assessor				87,445
Total	(16,623)	2,100,511	(260,390)	2,716,462
Total GRs/LEST Only	1,823,498			

*Planned spending includes off-book vacancy estimates for Courts, Juvenile, and the Auditor's Office.

**Total column includes amounts for the Road & Bridge and Assessor funds.

Commission Departments:	GR I	GR II	LEST	Total**
Commission	501	0	0	501
PIO	6,208	1,822	0	8,030
Budget	(539)	296	0	(243)
Human Resources	(3,114)	2,758	0	(355)
Purchasing	72	(408)	0	(336)
Gen. Services	(372)	0	0	(372)
Pretrial	24,234	22,514	1,319	48,067
Med. Examiner	(359)	0	0	(359)
Info. Systems	(2,857)	17,026	0	14,168
OEM	37,469	0	0	37,469
County Admin	2,018	0	0	2,018
Building Ops	29,719	47,320	0	77,038
Resource Mgt	35,368	31,122	0	66,490
Mental Health	0	37,490	0	37,490
Road & Bridge				805,518
Total	128,347	159,940	1,319	1,095,125

The following GR I departments do not contribute to vacancy savings, because spending reductions result in reduced grant reimbursements:

Grants - Juvenile	54,394	Juvenile Grants
Grants - PA	109,520	Victim Witness & Title IV-D
Grants - Sheriff	8,223	HIDTA

3. Federal Boarding Revenue

- Budget: 9,052,000; average Fed count of **310**
- YTD: 2,712,320; average Fed count of 188
- 155 average in June
- No Control over Federal housing numbers

What can be done?

- Contract Rate Negotiation – In process
- With the new jail open, communicate regularly with USMS to let them know we can house more Federal inmates.



How to Monitor

Federal Boarding Revenue

	Budget	Total Revenue	Difference from Budget
Jan	768,800	532,640	-236,160
Feb	1,463,200	1,027,680	-435,520
Mar	2,232,000	1,521,440	-710,560
Apr	2,976,000	1,945,520	-1,030,480
May	3,744,800	2,340,400	-1,404,400
Jun	4,488,800	2,712,320	-1,776,480
Jul	5,257,600	3,096,720	-2,160,880
Aug	6,026,400	3,481,120	-2,545,280
Sep	6,770,400	3,853,120	-2,917,280
Oct	7,539,200	4,237,520	-3,301,680
Nov	8,283,200	4,609,520	-3,673,680
Dec	9,052,000	4,993,920	-4,058,080

Let's begin

KNOW YOUR numbers!

10 Largest Percent Differences from Budget through July, 2022

Possible Explanations:

1. Heavy spending early that will be at or under budget by end-of-year.
2. Spending that will be over budget, but made up with savings in another category in the same fund within your budget.
3. Spending that will be over budget that Commission has already approved using Contingency.
4. Spending anticipated to be in excess of budget that needs to be presented to Commission.

Major Fund Expenditures through July, 2022

Off	Type	Budget	Expenses	58% 75%
31st	52	106,900.00	16,471.81	15%
	53	95,484.86	27,345.89	29%
	54	75,000.00	30,926.16	41%
	55	102,850.00	54,879.69	53%
	56	59,100.00	38,784.82	66%
	57	184,500.00	69,385.74	38%
31st Total		623,834.86	237,794.11	38%
Assess	52	254,950.00	75,835.58	30%
	53	61,201.00	24,570.19	40%
	54	248,560.00	177,049.62	71%
	55	127,130.00	91,517.18	72%
	56	524,000.00	6,653.67	1%
Assess Total		1,215,841.00	375,626.24	31%

Off	Type	Budget	Expenses	75%
Aud	53	5,934.00	7,213.04	122%
	55	1,200.00	874.88	73%
Aud Total		7,134.00	8,087.92	113%
Coll	52	99,440.00	106,919.80	108%
	55	170,500.00	10,671.74	6%
Coll Total		269,940.00	117,591.54	44%
Cty Clk	52	477,677.25	95,401.65	20%
	53	2,825.00	1,311.44	46%
	55	235,288.49	21,110.38	9%
	56	115,000.00	115,000.00	100%
Cty Clk Total		830,790.74	232,823.47	28%

Off	Type	Budget	Expenses	75%
Cty Comm	52	771,363.00	279,941.64	36%
	53	105,279.00	40,093.24	38%
	54	1,287,401.40	608,407.70	47%
	55	143,970.60	101,654.29	71%
	56	1,239,189.01	362,016.07	29%
	57	159,600.00	60,903.81	38%
	58	211,345.00	147,297.90	70%
Cty Comm Total		3,918,148.01	1,600,314.65	41%
Cty Wide	52	9,213,649.36	5,771,821.04	63%
	53	650,148.00	514,702.92	79%
	54	126,833.04	1,929.48	2%
	55	176,000.00	94,071.52	53%
	56	584,676.00	168,015.33	29%
	57	10,604,004.00	6,512,251.62	61%
	58	0.00	4,999.00	#DIV/0!
Cty Wide Total		21,355,310.40	13,067,790.91	61%

Off	Type	Budget	Expenses	75%
Hwy	52	3,033,509.59	2,612,418.87	86%
	53	383,000.00	208,539.02	54%
	54	394,000.00	190,558.57	48%
	55	8,602,850.00	5,345,049.08	62%
	56	14,629,211.00	6,092,769.56	42%
Hwy Total		27,042,570.59	14,449,335.10	53%
Juv	52	1,590,500.00	659,896.47	41%
	53	41,000.00	19,491.16	48%
	55	57,200.00	29,642.32	52%
	56	4,100.00	0.00	0%
	57	63,500.00	20,918.48	33%
	58	519,294.80	317,342.18	61%
Juv Total		2,275,594.80	1,047,290.61	46%

Off	Type	Budget	Expenses	75%
Pros Atty	52	395,689.21	172,432.61	44%
	53	45,453.79	30,647.50	67%
	54	81,844.84	71,642.74	88%
	55	133,790.60	51,280.60	38%
	56	2,000.00	11,970.00	599%
	57	2,080.00	265.00	13%
Pros Atty Total		660,858.44	338,238.45	51%
Pub Admin	52	4,500.00	2,419.56	54%
	53	8,400.00	2,802.91	33%
	55	5,200.00	1,970.54	38%
	56	22,000.00	22,848.82	104%
Pub Admin Total		40,100.00	30,041.83	75%

Off	Type	Budget	Expenses	75%
Shf	52	702,389.08	416,100.49	59%
	53	162,991.50	69,170.94	42%
	54	101,590.59	22,662.08	22%
	55	2,033,851.51	1,278,135.08	63%
	56	91,391.45	39,636.99	43%
	57	50,636.00	29,904.85	59%
	58	10,870.00	1,533.82	14%
	Shf Total		3,153,720.13	1,857,144.25
Treas	53	1,800.00	600.00	33%
	55	1,600.00	784.23	49%
Treas Total		3,400.00	1,384.23	41%
Grand Total		61,397,242.97	33,363,463.31	54%
		To the good	2,246,937.61	4%

Section Totals Better than Budget

(GR and LEST Only)

Sales Tax	6,797,485
Vacancy	1,823,498
Federal Boarding	-4,058,080
Know your Numbers	682,020
Total	<hr/> 5,244,923

Thank you for joining us in...

KNOW YOUR

numbers!