

MEMORANDUM

Date: April 12, 2019
From: Douglas Martin, Island County Budget Manager
To: Board of County Commissioners
Subject: Monthly Financial Reports – MARCH 2019

Please find attached the following financial reports for the period ending March 31, 2019.

- Financial Report by Fund
- Revenues by Department
- Expenditures by Department
- Sales Tax charts by category and trend

Commentary on March 2019 Financial Results

25% of the fiscal year has passed. Island County as a whole has received 15.64% of budgeted revenues (sources) and spent 19.35% of its budgeted expenditures (uses). It is important to note that most Inter-fund transfers, sources & uses, have been processed for the year. This process spikes the variances to budget which gradually decline as the year proceeds.

REVENUES

Property tax receipts are at 9.5% of budget and consistent with prior year. Lower receipts are due to the timing of property tax payments, due April 30 and October 31.

Sales tax receipts are at 6.75% of budget and are consistent with prior year. The low percentage of receipts is due to accrual reversals for revenue for year end. Distributions of sales tax lag actual receipts by two months due to processing at the state level. Therefore, the sales tax distributed in March relates to January 2019 sales. Some softness in Sales Tax receipts is evidenced by lower net increases compared to the prior year. I will continue to be monitor trends and keep you advised.

EXPENDITURES

Salaries and Benefits are lower primarily to the recording of 6 payrolls in the first three months partially offset by a reversal of an accrual for 2018 salaries paid in 2019. Notwithstanding the inter-fund issue, other expenditures appear to be in line.

RESULTS BY FUND AND DEPARTMENT

Most funds results as of March 31, 2019 that exceed the 25% threshold are due to the inter-fund transfers noted above. Most departments are within normal parameters for revenues and expenditures noting the exceptions above.

Due to the impacted agenda, I have limited my remarks to the minimum. Please do not hesitate to contact me directly if you have additional questions about this material.