



FUND BALANCES

May 13, 2020



Introduction

- Along with Revenues, Fund Balance provides support for program and administrative expenses
- Goal for today is an analysis of Fund Balance
 - Look for strength, weakness and funding opportunities
- Not all Funds are equal
 - Most Fund balances are restricted for specific use
- Fund Balance Analysis, all Funds, for 2019 results and 2020 activity provided as an Attachment



Fund Balance Levels

- Adequacy determined by circumstances
 - Minimums set by Board per Financial Policy
 - Currently \$2.2 million (10% operating revenue in Current Expense)
 - Last set in 2006 (resolution C-79-06) only for Current Expense
 - 2 months operating costs retained - \$4.5 million
- Factors to consider when setting Fund Balance levels
 - Volatility of Revenue streams
 - Unanticipated Expenditures
 - Capital Expenditures
- Consider setting minimums for other Funds?



2019 Fund Balance Results

Funds with Declines in Balance

				Actual Fund Balance Impact				
		Fund Balance				Fund Balance	% chg in	
		1/1/2019	Revenue	Expenditures	Use of Fund Bal	Accum of Fund Bal	12/31/2019	Actual Fund Balance
							-	
Storm/SWU	144	3,257	-	2,354	2,354	-	903	-72.27%
1/10th Sales Tax	126	1,198,181	1,334,441	1,956,751	622,310	-	575,871	-51.94%
Alcohol/Subst Abuse	123	49,183	333,529	357,561	24,032	-	25,151	-48.86%
Extension Services	160	101,502	231,378	278,072	46,694	-	54,808	-46.00%
REET Technology	150	157,547	23,592	82,516	58,924	-	98,623	-37.40%
Water Quality Assistance	149	345,368	16,110	112,234	96,124	-	249,244	-27.83%
County Roads	101	18,014,486	18,449,412	23,453,532	5,004,120	-	13,010,366	-27.78%
Human Services	129	724,885	248,882	425,245	176,363	-	548,522	-24.33%
Treasurer M&O	116	225,954	117,280	148,754	31,474	-	194,480	-13.93%
Juv Detention Ctr	145	783,423	1,334,915	1,431,371	96,456	-	686,967	-12.31%
Public Health	104	1,206,266	2,766,618	2,878,985	112,367	-	1,093,899	-9.32%
Rural Cnty 9/10ths Sales Tax	121	5,239,695	1,211,768	1,683,960	472,192	-	4,767,503	-9.01%
Dev Disabilities	114	363,906	1,131,420	1,160,864	29,444	-	334,462	-8.09%
Boating Safety	130	66,649	58,991	63,380	4,389	-	62,260	-6.59%
Election Reserve	111	231,999	198,196	209,115	10,919	-	221,080	-4.71%



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2019 Fund Balance Results

Significant Funds with Increases in Balance

					Actual Fund Balance Impact			
		Fund Balance	Revenue	Expenditures	Use of Fund Bal	Accum of Fund Bal	Fund Balance	% chg in Actual Fund Balance
		1/1/2019					12/31/2019	
							-	
REET 1	134	5,045,773	2,001,422	413,608	-	1,587,814	6,633,587	31.47%
REET 2	135	5,959,867	2,059,081	1,180,515	-	878,566	6,838,433	14.74%
Current Expense	001	11,199,972	27,817,430	26,191,202	-	1,626,228	12,826,200	14.52%



2020 Fund Balance Budgets

Funds with Budgeted Declines in Balance

			<u>Revenue</u>	<u>Expenditures</u>	Budgeted Fund Balance Activity		<u>Ending</u>	<u>Budgeted</u>
		<u>Fund Balance</u>			<u>Use of</u>	<u>Accum of</u>	<u>Fund Balance</u>	<u>change in</u>
		<u>1/1/2020</u>	<u>Budget</u>	<u>Budget</u>	<u>Fund Bal</u>	<u>Fund Bal</u>	<u>Budget</u>	<u>Fund Balance</u>
							-	
County Roads	101	13,010,361	20,742,168	24,086,029	3,343,861	-	9,666,500	(3,343,861)
Current Expense	001	12,832,671	27,847,041	29,035,899	2,255,360	1,066,502	11,643,813	(1,188,858)
Construction	308	967,672	11,706,399	12,653,022	946,623		21,049	(946,623)
Juv Detention Ctr	145	686,967	1,203,000	1,681,444	478,444		208,523	(478,444)
1/10th Sales Tax	126	575,867	1,350,000	1,809,365	459,365		116,502	(459,365)
Planning & Development	152	3,340,831	2,768,295	3,223,095	454,800	-	2,886,031	(454,800)
ER&R	501	4,721,568	4,279,360	4,514,293	234,933		4,486,635	(234,933)
Human Services	129	548,522	213,127	404,014	190,887		357,635	(190,887)
Homeless Housing	106	700,935	950,568	1,137,396	191,828	5,000	514,107	(186,828)
Solid Waste	401	989,906	9,757,777	9,901,047	143,270	-	846,636	(143,270)
Motor Pool	506	291,622	564,630	684,438	119,808	-	171,814	(119,808)
Paths & Trails	137	1,334,604	1,110,000	1,226,604	116,604		1,218,000	(116,604)
Low Income Housing	105	676,382	274,700	383,700	264,000	155,000	567,382	(109,000)
Dev Disabilities	114	334,462	1,121,625	1,195,086	73,461	-	261,001	(73,461)
REET 1	134	6,633,587	1,700,000	1,758,975	125,000	66,025	6,574,612	(58,975)



Impact of Revenue Forecast on Fund Balance

		Fund Balance 1/1/2020	Ending Fund Balance Budget	Budgeted change in Fund Balance	Forecast Change in Revenue	Revised Ending Fund Balance	% change
County Roads	101	13,010,361	9,666,500	(3,343,861)	(1,573,000)	8,093,500	-16.27%
Current Expense	001	12,832,671	11,643,813	(1,188,858)	(2,276,000)	9,367,813	-19.55%
Construction	308	967,672	21,049	(946,623)		21,049	0.00%
Juv Detention Ctr	145	686,967	208,523	(478,444)	(240,000)	(31,477)	-115.10%
1/10th Funds	126	575,867	116,502	(459,365)	(270,000)	(153,498)	-231.76%
Planning & Development	152	3,340,831	2,886,031	(454,800)	(298,000)	2,588,031	-10.33%
ER&R	501	4,721,568	4,486,635	(234,933)		4,486,635	0.00%
Human Services	129	548,522	357,635	(190,887)		357,635	0.00%
Homeless Housing	106	700,935	514,107	(186,828)		514,107	0.00%
Solid Waste	401	989,906	846,636	(143,270)	(433,000)	413,636	-51.14%
Motor Pool	506	291,622	171,814	(119,808)		171,814	0.00%
Paths & Trails	137	1,334,604	1,218,000	(116,604)		1,218,000	0.00%
Low Income Housing	105	676,382	567,382	(109,000)		567,382	0.00%
Dev Disabilities	114	334,462	261,001	(73,461)		261,001	0.00%
REET 1	134	6,633,587	6,574,612	(58,975)	(170,000)	6,404,612	-2.59%
Hotel/Motel 2% tax	124	387,072	387,072	-	(269,000)	118,072	-69.50%
Conservation Futures	132	432,770	432,770	-	(23,000)	409,770	-5.31%
Joint Tourism Promo	146	418,226	439,863	21,637	(269,000)	170,863	-61.16%
REET 2	135	6,838,434	7,241,437	403,003	(170,000)	7,071,437	-2.35%
Rural Cnty Sales Tax	121	4,767,503	5,273,149	505,646	(254,000)	5,019,149	-4.82%



Next Steps

- Monitor Fund Balance
- Further Investigation into Funds with potential negative balances
- Impact of COVID-19 Revenues & Expenses
- Future Work Session Topics:
 - **5-20-2020 - Discussion on Expenditures for 2020**
 - 6-3-2020 - Presentation on June Sales Tax results
 - 6-10-2020 - Discussion on 2021 Budget Goals



Questions
