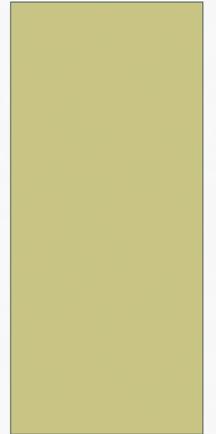


2ND QUARTER FY2018 BUDGET RESULTS

JOHNSON COUNTY, IOWA



2ND QUARTER FY2018 RESULTS JOHNSON COUNTY, IOWA

Results for all of the County's 46 departments were analyzed for this report.

Of the 46 County departments, only 6 departments have service area expenses currently exceeding the 50% expected budget expenditure level at the end of December 2017. Of those 6 departments, only 1 is significantly (>60%) over their expected budgetary spending levels YTD.

Many of the County's departments (27) have notable variances in their expected revenues YTD (14 negative variances and 13 positive variances), but these are largely due to the timing differences of the respective revenue streams or are due to unbudgeted program revenues that were not originally a part of the County's budget. Many of the negative revenue variances are immaterial in nature and don't affect the expected overall County revenue projections significantly.

2ND QUARTER FY2018 EXPENDITURE RESULTS: NOTABLE VARIANCES

Debt Service expenses (Dept. 21 & 65) are low because loan principal payments aren't due until June. Institutional Accounts & Juvenile Justice (Dept. 41 & 27) are under budget due to low detention & commitment related expenses. General Basic Block Grants (Dept. 20) in SA 6 is low due to the large Affordable Housing grant of \$600,000 being unpaid YTD. Veteran's Affairs (Dept. 50) is less than expected due to lower rent & funeral services provided. Court Services (Depts. 28 & 47) have experienced lower than expected court activities YTD. Physical Plant (Dept. 17) is below budget due to lower building repair & utility costs. Targeted Case Management is well below budget due to the program being taken over by the State's privately managed care programs and the MHDS expenditures are below expectations because only the 1st quarter distribution to the ECR has been paid YTD. Many of the special revenue and capital funds are behind schedule due to the timing of their related project progression.

Capital Expenditures (Dept. 44) is the only County fund significantly exceeding its budget at mid-year (68.3% expended YTD). This is largely due to some early vehicle purchases (Ambulance & Public Health) and some significant trail construction activity (76% expended YTD).

2ND QUARTER FY2018 REVENUE RESULTS: NOTABLE VARIANCES

The Ambulance department (Dept. 01) should end the year close to their expected budget in their overall revenue projections with 47.2% collected YTD. Revenue budget projections for Ambulance have been steadily increased over the years to more accurately reflect actual collections experience.

Delinquent collections in the County Attorney's office (Dept. 02) is at ~60% collected YTD, despite increasing these budgeted revenue projections over the last few annual budget cycles. Drug Court reimbursements are unrealized so far this fiscal year.

The Recorder's office (Dept. 11) is nearly 5% over budget YTD in their revenue collections, which is a positive sign after some years of diminishing revenue levels.

Because of the declining amount of client case workload in Targeted Case Management, we've seen a correspondingly significant decline in the department's reimbursements for services provided. It's expected that this program will continue to diminish in its activities as the fiscal year progresses. YTD we've realized only 37% of the budgeted \$2,339,340 in revenues.

Secondary Roads (Dept. 49) may realize additional revenues of ~\$500,000 above budget expectations by year end largely due to the enhanced Road Use Tax (RUT) revenue stream. This cannot be predicted reliably as the monthly receipt can vary significantly (monthly receipts this year have varied between \$426,640 - \$630,322)

Through December 2017 the County has collected ~56% of our budgeted current tax revenues for FY2018 and the FY2018 bond proceeds were secured and receipted in December 2017. This receipts often make it appear as though their revenues will significantly exceed the budget at year end, but that's not usually the case. Departments affected are Central Services & General Supplemental Block Grants & Conservation Bond (Depts. 18, 21 & 83).

A number of departments are below expectations, but the majority of these variances are due to the timing of their respective cash flows, and many are immaterial in nature. Some of the departments affected in this manner are Human Resources (Dept. 6); Information Services (Dept. 7) and Treasurer/Taxes (Dept. 14).

| GENERAL BASIC FUND | BUDGET | EXPENSES | % BUDGET | |
|---|-------------------|-------------------|--------------|--|
| | ON 12/31/2017 | ON 12/31/2017 | EXPENDED YTD | |
| 01 Ambulance | 4,407,538 | 2,113,453 | 48.0% | |
| 02 Attorney (SA 1) | 2,479,873 | 994,715 | 40.1% | |
| 02 Attorney (SA 9) | 1,007,907 | 545,317 | 54.1% | |
| 03 Auditor/Accounting | 1,158,365 | 554,167 | 47.8% | |
| 04 Public Health | 4,391,912 | 2,127,990 | 48.5% | |
| 05 Board of Supervisors | 797,897 | 369,005 | 46.2% | |
| 06 Human Resources | 503,491 | 232,488 | 46.2% | |
| 07 Information Technology | 1,388,014 | 695,942 | 50.1% | |
| 08 Sheriff (SA 1) | 11,737,994 | 5,353,192 | 45.6% | |
| 08 Sheriff (SA 6) | 600 | 0 | 0.0% | No firearms training YTD |
| 10 Medical Examiner | 927,448 | 463,639 | 50.0% | |
| 11 Recorder | 739,504 | 361,434 | 48.9% | |
| 12 SEATS | 3,299,241 | 1,510,041 | 45.8% | |
| 14 Treasurer (SA 8) | 989,612 | 456,930 | 46.2% | |
| 14 Treasurer (SA 9) | 367,765 | 163,043 | 44.3% | |
| 15 Finance | 329,682 | 160,739 | 48.8% | |
| 17 Physical Plant | 1,654,749 | 647,004 | 39.1% | Building repairs & utility costs under budget YTD |
| 18 Central Services (SA 3) | 800 | 332 | 41.5% | No apiary services YTD |
| 18 Central Services (SA 6) | 100 | 0 | 0.0% | |
| 18 Central Services (SA 8) | 7,600 | 3,646 | 48.0% | |
| 18 Central Services (SA 9) | 796,730 | 246,057 | 30.9% | Minimal flex spending, audit & merit costs YTD |
| 19 Planning & Zoning | 1,033,703 | 475,982 | 46.0% | |
| 20 Block Grants (SA 1) | 3,720,000 | 1,729,905 | 46.5% | |
| 20 Block Grants (SA 3) | 1,479,513 | 645,234 | 43.6% | |
| 20 Block Grants (SA 6) | 865,427 | 124,980 | 14.4% | Larger affordable housing grant (\$600K) disbursed later in FY |
| 24 Conservation | 2,209,286 | 1,066,784 | 48.3% | |
| 25 County Farm | 387,803 | 115,428 | 29.8% | Building repairs at only 5% YTD |
| 31 EMS | 25,000 | 2,084 | 8.3% | Small draw for EMS training |
| 41 Institutional Accounts | 159,425 | 19,939 | 12.5% | Commitment activity |
| 42 Targeted Case Management (TCM) | 2,349,594 | 733,395 | 31.2% | TCM personnel costs @ 29% |
| 45 Human Services | 1,612,976 | 656,282 | 40.7% | |
| 50 Veterans Affairs | 217,303 | 83,676 | 38.5% | Client rent & funeral costs under budget |
| 54 Juvenile Crime Prevention | 365,655 | 190,753 | 52.2% | |
| | 51,412,507 | 22,843,576 | 44.4% | |
| GENERAL SUPPLEMENTAL FUND | | | | |
| 21 Block Grants (JECC Debt Service) | 468,933 | 24,467 | 5.2% | First half interest payments |
| 22 Insurance | 1,401,500 | 804,825 | 57.4% | |
| 27 Juvenile Justice | 695,365 | 227,042 | 32.7% | Juvenile attorney fees & detention lagging |
| 28 Court Services/Attorney (SA 1) | 258,786 | 55,354 | 21.4% | Court related costs lagging |
| 28 Court Services/Attorney (SA 9) | 4,100 | 617 | 15.0% | Court reporting costs |
| 33 Auditor/Elections | 892,546 | 391,733 | 43.9% | |
| 47 Court Services/Sheriff | 44,200 | 5,974 | 13.5% | Minimal transport activity |
| | 3,765,430 | 1,510,012 | 40.1% | |
| RURAL BASIC FUND | | | | |
| 23 Block Grants (SA 1) | 101,930 | 47,985 | 47.1% | |
| 23 Block Grants (SA 6) | 1,062,604 | 515,373 | 48.5% | |
| | 1,164,534 | 563,358 | 48.4% | |
| SPECIAL REVENUE FUNDS | | | | |
| 32 REAP | 236,000 | 9,920 | 4.2% | Supplies & fees expense |
| 46 MH-DD | 6,207,724 | 1,665,634 | 26.8% | ECR distribution @ 25% YTD |
| 49 Secondary Roads (SA 0) | 4,135,998 | 1,340,651 | 32.4% | Minimal construction activity |
| 49 Secondary Roads (SA 7) | 10,260,319 | 4,979,057 | 48.5% | Equipment purchase |
| 68 Law Enforcement Proceeds | 200,000 | 7,143 | 3.6% | Equipment & supplies purchase |
| 69 Prosecutor Forfeiture | 7,500 | 439 | 5.9% | Vehicles, equipment, fees & construction costs |
| 82 Conservation Trust | 5,195,965 | 414,915 | 8.0% | |
| 87 Recorder's Records Management | 70,500 | 100 | 0.1% | Records conversion |
| | 26,314,006 | 8,417,859 | 32.0% | |
| DEBT SERVICE FUND | | | | |
| 65 Debt Service | 18,415,725 | 110,363 | 0.6% | First interest payment |
| | 18,415,725 | 110,363 | 0.6% | |
| CAPITAL PROJECTS FUNDS | | | | |
| 40 Technology | 2,377,534 | 1,311,816 | 55.2% | Ambulance purchase & PH vehicle @ 100%; CR 3B remodel @ 187%; Trail construction @ 76% YTD |
| 44 Capital Expenditures | 1,242,724 | 848,604 | 68.3% | Machinery & equipment activity |
| 81 Energy Reinvestment | 309,000 | 48,607 | 15.7% | Construction & improvements @ 14% YTD |
| 83 Conservation Bond | 4,840,986 | 1,408,129 | 29.1% | |
| 85 Capital Projects | 12,315,005 | 3,377,527 | 27.4% | CIT & MW One <1% YTD |
| | 21,085,249 | 6,994,683 | 33.2% | |
| EXPECTED PERCENTAGE OF BUDGET EXPENDED THROUGH DECEMBER, 2017: | | | 50.0% | |
| FAVORABLE BUDGET VARIANCE (-10%) | | | | |
| UNFAVORABLE BUDGET VARIANCE (+10%) | | | | |

REVENUES RECEIVED YTD FY18

| <u>GENERAL BASIC FUND</u> | <u>BUDGET</u> <u>ON 12/31/2017</u> | <u>REVENUE</u> <u>ON 12/31/2017</u> | <u>% BUDGET</u> <u>RECEIVED YTD</u> | |
|---|---------------------------------------|--|--|--|
| 01 Ambulance | 2,982,579 | 1,408,349 | 47.2% | |
| 02 Attorney (SA 1) | 482,214 | 206,377 | 42.8% | |
| 02 Attorney (SA 9) | 2,500 | 825 | 33.0% | copier fees-immaterial |
| 03 Auditor/Accounting | 9,100 | 6,392 | 70.2% | >\$5,100 in liquor license fees |
| 04 Public Health | 2,470,722 | 1,308,544 | 53.0% | |
| 05 Board of Supervisors | 225 | 208 | 92.4% | Permits & IDs-immaterial |
| 06 Human Resources | 3,000 | 0 | 0.0% | Fees collected near YE |
| 07 Information Services | 45,700 | 1,242 | 2.7% | Fees collected near YE |
| 08 Sheriff | 1,008,350 | 517,790 | 51.4% | |
| 10 Medical Examiner | 242,800 | 129,544 | 53.4% | |
| 11 Recorder | 1,005,600 | 547,864 | 54.5% | |
| 12 SEATS | 2,110,798 | 1,076,560 | 51.0% | |
| 14 Treasurer (SA 8) | 1,056,400 | 600,064 | 56.8% | Most revenues realized near YE |
| 14 Treasurer (SA 9) | 102,795 | 4,113 | 4.0% | |
| 17 Physical Plant | 107,700 | 46,937 | 43.6% | |
| 18 Central Services (TAXES & CREDITS) | 26,570,548 | 14,697,778 | 55.3% | Bond proceeds now in |
| 18 Central Services | 14,686,694 | 14,023,332 | 95.5% | |
| 19 Planning & Zoning | 375,560 | 170,124 | 45.3% | |
| 20 Block Grants | 0 | 2,500 | N/A | Unbudgeted reimbursements |
| 24 Conservation | 137,003 | 67,569 | 49.3% | Farm rent not received |
| 25 County Farm | 49,700 | 17,000 | 34.2% | Small EMS grant |
| 31 Emergency Medical Services | 25,000 | 2,084 | 8.3% | Reimbursements lagging |
| 42 Targeted Case Management (TCM) | 2,339,340 | 869,535 | 37.2% | Mobility grant lagging |
| 45 Human Services | 365,971 | 122,582 | 33.5% | 96% VA grant; unbudgeted donations & contributions |
| 50 Veterans Affairs | 10,000 | 18,550 | 185.5% | DECAT funds lagging YTD |
| 54 Juvenile Crime Prevention | 27,155 | 2,701 | 9.9% | |
| | 56,217,454 | 35,848,564 | 63.8% | |
| GENERAL SUPPLEMENTAL FUND | | | | |
| 21 Block Grants (JECC Debt Service) | 5,461,390 | 3,645,380 | 66.7% | Bond proceeds now in |
| 22 Insurance | 80,000 | 116,953 | 146.2% | Premium credit, insurance recoveries ahead of schedule |
| 28 Court Services/Attorney | 4,500 | 3,679 | 81.8% | |
| 33 Auditor/Elections | 128,490 | 91,092 | 70.9% | Fee reimbursements service of notice |
| | 5,674,380 | 3,857,104 | 68.0% | Election reimbursements received |
| RURAL BASIC FUND | | | | |
| 23 Block Grants | 6,141,134 | 3,547,716 | 57.8% | |
| | 6,141,134 | 3,547,716 | 57.8% | |
| SPECIAL REVENUE FUNDS | | | | |
| 32 REAP | 51,011 | 39,918 | 78.3% | REAP payment in |
| 46 MH-DD | 6,064,626 | 3,179,940 | 52.4% | |
| 48 Road Construction Escrow | 0 | 0 | N/A | |
| 49 Secondary Roads | 6,686,946 | 3,375,918 | 50.5% | |
| 68 Law Enforcement Proceeds | 200,000 | 264 | 0.1% | Interest & small cash proceeds |
| 69 Prosecutor Forfeiture | 4,200 | 326 | 7.8% | Small forfeiture |
| 82 Conservation Trust | 3,777,074 | 26,526 | 0.7% | No grants YTD |
| 83 Conservation Bond | 3,486,000 | 3,486,000 | 100.0% | |
| 87 Recorder's Records Management | 31,180 | 15,790 | 50.6% | Bond proceeds now in |
| | 20,301,037 | 10,124,682 | 49.9% | |
| DEBT SERVICE FUND | | | | |
| 65 Debt Service | 18,486,319 | 10,145,296 | 54.9% | |
| | 18,486,319 | 10,145,296 | 54.9% | |
| CAPITAL FUNDS: | | | | |
| 40 Technology | 45,700 | 14,576 | 31.9% | Computer purchase reimbursements @ 27% |
| 44 Capital Expenditures | 5,500 | 7,709 | 140.2% | Interest revenue |
| 81 Energy Reinvestment | 88,000 | 299,396 | 340.2% | Big rebate check for prior year project |
| 85 Capital Projects | 1,008,000 | 127,412 | 12.6% | Interest & grant reimbursements |
| | 1,147,200 | 449,093 | 39.1% | |
| | 107,967,524 | 63,972,455 | 59.3% | |
| EXPECTED PERCENTAGE OF BUDGET RECEIVED THROUGH DECEMBER, 2017: | | | 50.0% | |
| FAVORABLE BUDGET VARIANCE (+10%) | | | | |
| UNFAVORABLE BUDGET VARIANCE (-10%) | | | | |