

# Douglas County Quarterly Financial Report

2nd Quarter of Fiscal Year 2015-16  
Ended December 31, 2015



Prepared by the Douglas County Finance Division of the County Manager's Office

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# Executive Summary

It is a pleasure to present you with Douglas County's Quarterly Financial Report for the second quarter of Fiscal Year 2015 -16, which ended December 31, 2015. The report includes budget vs. actual and year-over-year financial data.

- The overall financial status at the end of the second quarter for all County funds<sup>[1]</sup> is positive and within budget expectations. Revenues received totaled \$43,432,354, or 48% of budgeted revenue . Expenditures totaled 44,574,538 or 44% of budgeted expenses.
- The General Fund received \$19,513,545, or 46.6% of its budgeted revenue, and has expended \$19,908,646, or 46.7% of its budgeted expenses. Overall, General Fund revenues decreased 0.9% over the same period last year due to a timing difference in the posting of State Consolidated Taxes, which will normalize next month. Expenses increased 4.8% over the prior year.
- The Room Tax Fund received 5,453,298 or 47.5% of its budgeted revenues. Overall revenues increased 2.6% in this fund. Room taxes are up 3.6% and charges for services increased 16.9% over the prior year, while intergovernmental taxes decreased 17.9 % due to the same timing difference in the General Fund, in which revenue that typically is posted in the second quarter came in later this year. This fund has expended \$5,687,721 or 44.5%, which is a 15.0% reduction over the prior year primarily due to capital costs associated with the completion of construction of the new Community and Senior Center during the same quarter last year.
- The Road Operating Fund received \$ 907,302, or 56.6% of its budgeted revenue. Overall, revenues in this fund decreased by 12.4% over the same quarter last year due to the one-time proceeds received from the vactor truck lease/purchase last year. The Road Operating Fund has expended \$882,061, or 38.6% of its budgeted expenses. Overall, expenditures decreased 43.2% over the same period last year due the capital outlay that occurred last year for the vactor truck, and a reduction in maintenance supplies.

Christine Vuletich

Assistant County Manager/Chief Financial Officer

[1] All County funds does not include the Towns of Gardnerville, Genoa and Minden, or the East Fork Fire and Paramedic District

# Year-to-Date Actual vs. Budget Comparison (All County Funds)

Fiscal Year 2015-16

Douglas County (All County Funds) <sup>[1]</sup>	First Quarter Actual	Second Quarter Actual	Cumulative Year to Date Actual	Annual Budget	% Actual to Budget
<b>Resources:</b>					
Beginning Fund Balance/Reserves	48,254,069	49,085,162	44,892,901	48,747,192	
<b>Revenues</b>					
Governmental Funds: [1]					
Taxes	\$ 11,298,543	\$ 7,845,133	\$ 19,143,676	\$ 31,316,371	61%
Licenses and Permits	1,231,554	1,687,224	2,918,778	6,560,493	44%
Intergovernmental	1,365,726	6,757,530	8,123,256	22,696,168	36%
Charges for Services	1,546,299	1,600,862	3,147,161	8,488,757	37%
Fines and Forfeits	212,692	300,455	513,148	1,221,300	42%
Other Revenues	381,474	678,841	1,060,316	1,834,512	58%
Transfers In	1,530,477	907,843	2,438,319	5,281,764	46%
<i>Subtotal Governmental Revenues</i>	17,566,766	19,777,888	37,344,653	77,399,365	48%
Enterprise Funds: [2]					
Operating Revenues	2,833,640	2,853,600	5,687,240	12,386,479	46%
Non-Operating Revenues	176,826	223,634	400,460	1,208,552	33%
<i>Subtotal Enterprise Revenues</i>	3,010,466	3,077,234	6,087,700	13,595,031	45%
<b>Total Revenues</b>	<b>\$ 20,577,232</b>	<b>\$ 22,855,122</b>	<b>\$ 43,432,354</b>	<b>\$ 90,994,396</b>	<b>48%</b>
<b>Total Resources</b>	<b>\$ 68,831,301</b>	<b>\$ 71,940,284</b>	<b>\$ 88,325,254</b>	<b>\$ 139,741,588</b>	
<b>Requirements:</b>					
<b>Expenditures/Expenses</b>					
Governmental Funds: [1]					
Salaries & Wages	\$ 5,576,672	\$ 7,132,104	\$ 12,708,776	\$ 27,274,129	47%
Employee Benefits	2,763,856	3,290,987	6,054,843	14,141,827	43%
Services & Supplies	5,003,560	5,556,877	10,560,437	21,579,106	49%
Capital Outlay	435,416	3,979,768	4,415,184	10,621,073	42%
Miscellaneous	600,257	1,758,189	2,358,446	5,278,475	45%
Debt Service	281,547	427,153	708,700	2,024,778	35%
Transfers Out	1,558,602	935,968	2,494,569	5,394,264	46%
<i>Subtotal Governmental Expenditures</i>	16,219,909	23,081,046	39,300,955	86,313,652	46%
Enterprise Funds: [2]					
Salaries & Wages	298,494	383,751	682,244	1,533,858	44%
Employee Benefits	141,512	167,021	308,532	704,684	44%
Services & Supplies	1,631,641	1,715,294	3,346,936	7,335,138	46%
Capital Expense	141,775	331,055	472,829	2,525,966	19%
Debt Service	203,316	197,225	400,541	2,471,719	16%
Transfers Out	-	62,500	62,500	125,000	50%
<i>Subtotal Enterprise Expenses</i>	2,416,738	2,856,845	5,273,583	14,696,365	36%
<b>Total Expenditures/Expenses</b>	<b>\$ 18,636,647</b>	<b>\$ 25,937,891</b>	<b>\$ 44,574,538</b>	<b>\$ 101,010,017</b>	<b>44%</b>
<b>Net Revenue(Expense)</b>	<b>\$ 1,940,585</b>	<b>\$ (3,082,769)</b>	<b>\$ (1,142,184)</b>	<b>\$ (10,015,621)</b>	<b>11%</b>
<b>Ending Fund Balance/Reserves</b>	<b>49,085,162</b>	<b>44,892,901</b>	<b>42,641,224</b>	<b>37,622,079</b>	
<b>Contingency</b>	<b>1,109,492</b>	<b>1,109,492</b>	<b>1,109,492</b>	<b>1,109,492</b>	
<b>Total Requirements</b>	<b>\$ 68,831,301</b>	<b>\$ 71,940,284</b>	<b>\$ 88,325,254</b>	<b>\$ 139,741,588</b>	

[1] **All County Funds only**, excludes Redevelopment Agency, Towns of Gardnerville, Genoa and Minden, and East Fork Fire Protection District

[2] **Governmental Funds** include the General Fund, Special Revenue Funds, Debt Service Funds, and Capital Projects Funds

[3] **Enterprise Funds** include Utility Funds and Internal Service Funds

# Year-to-Date Actual vs. Budget Comparison—General Fund

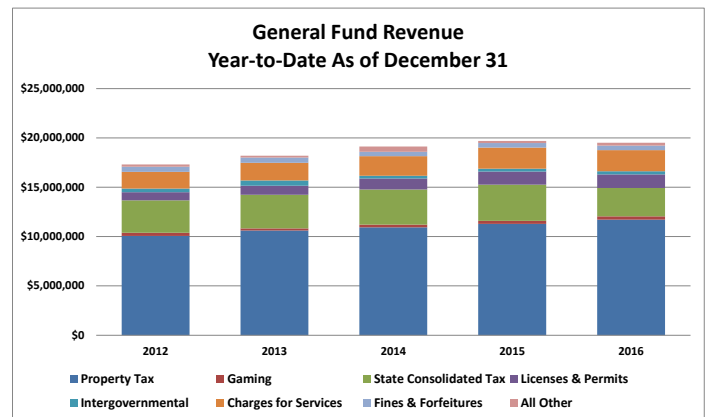
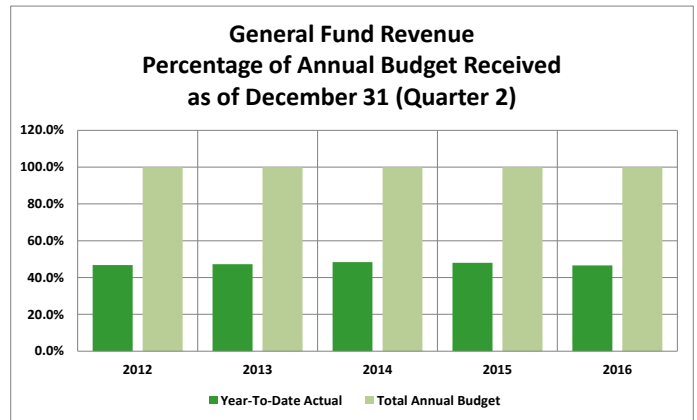
Positive and within Budget

Fiscal Year 2015-16					
General Fund	First Quarter Actual	Second Quarter Actual	Year to Date Actual	Annual Budget	% Actual to Budget
<b>Resources:</b>					
Beginning Fund Balance/Reserves	11,770,806	\$ 10,898,966	\$ 9,868,367	8,356,854	
<b>Revenues</b>					
Taxes	\$ 7,187,519	\$ 4,534,487	\$ 11,722,007	\$ 18,743,700	63%
Licenses and Permits	523,624	838,928	1,362,552	3,641,200	37%
Intergovernmental	190,713	3,351,604	3,542,317	13,134,355	27%
Charges for Services	1,104,493	1,031,741	2,136,234	4,424,532	48%
Fines and Forfeits	185,143	265,483	450,627	1,168,300	39%
Other Revenues	50,162	212,147	262,309	664,238	39%
Transfers In	18,750	18,750	37,500	75,000	50%
<b>Total Revenue</b>	<b>\$ 9,260,405</b>	<b>\$ 10,253,140</b>	<b>\$ 19,513,545</b>	<b>\$ 41,851,325</b>	<b>47%</b>
<b>Total Resources</b>	<b>\$ 21,031,211</b>	<b>\$ 21,152,106</b>	<b>\$ 29,381,912</b>	<b>\$ 50,208,179</b>	
<b>Requirements:</b>					
<b>Expenses</b>					
Salaries & Wages	\$ 3,986,670	\$ 5,082,128	\$ 9,068,798	\$ 19,402,746	47%
Employee Benefits	2,056,956	2,431,356	4,488,312	10,499,729	43%
Services & Supplies	2,447,697	2,146,790	4,594,487	9,224,176	50%
Capital Outlay	-	214,812	214,812	514,281	42%
Transfers Out	887,253	654,984	1,542,237	2,985,929	52%
<b>Expense</b>	<b>\$ 9,378,576</b>	<b>\$ 10,530,070</b>	<b>\$ 19,908,646</b>	<b>\$ 42,626,861</b>	<b>47%</b>
<b>Net Revenue(Expense)</b>	<b>\$ (118,171)</b>	<b>\$ (276,930)</b>	<b>\$ (395,101)</b>	<b>\$ (775,536)</b>	
Ending Fund Balance/Reserves	10,898,966	9,868,367	8,719,597	6,827,649	
Contingency	753,669	753,669	753,669	753,669	
<b>Total Requirements</b>	<b>\$ 21,031,211</b>	<b>\$ 21,152,106</b>	<b>\$ 29,381,912</b>	<b>\$ 50,208,179</b>	

# Year-Over-Year Revenues—General Fund

Positive and within Budget

As of the end of the second quarter of the fiscal year, the County received \$19,513,545, or 46.6% of its budgeted General Fund revenue. Overall, revenues decreased 0.9% over the same period last year. Property tax revenues increased 3.9%. State Consolidated Taxes decreased 21.8%, due to a timing difference as the October taxes were received later this year and not posted into the second quarter as in prior years.



## Year-Over-Year Budget vs. Actual

General Fund Revenue As of December 31	Fiscal Year				
	2012	2013	2014	2015	2016
Year-To-Date Actual	\$ 17,304,156	\$ 18,194,261	\$ 19,132,983	\$ 19,688,341	\$ 19,513,545
Total Annual Budget	\$ 36,995,627	\$ 38,521,815	\$ 39,539,918	\$ 41,017,747	\$ 41,851,325
<b>Actual as a % of Budget</b>	<b>46.8%</b>	<b>47.2%</b>	<b>48.4%</b>	<b>48.0%</b>	<b>46.6%</b>

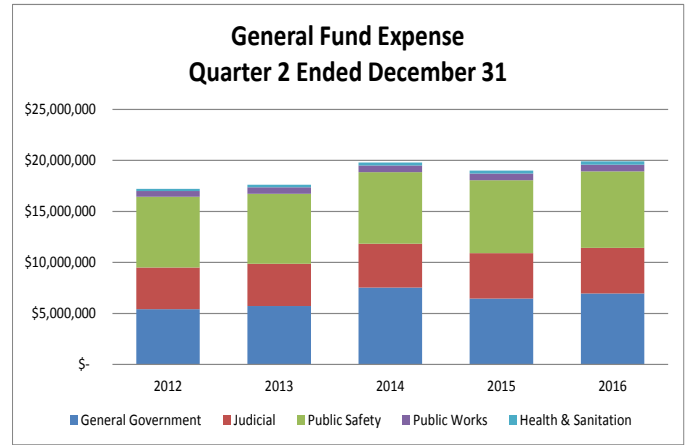
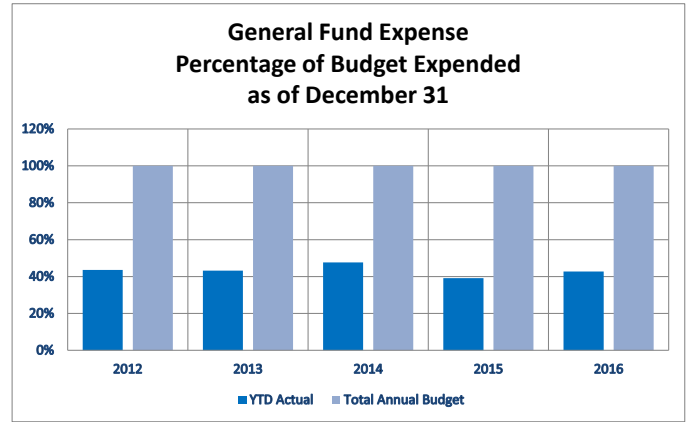
## Year-to-Year Actuals Comparison

General Fund Actual Revenue As of December 31						2016 vs. 2015 Variance	
	2012	2013	2014	2015	2016	\$	%
Property Tax	\$ 10,073,155	\$ 10,621,936	\$ 10,939,615	\$ 11,282,004	\$ 11,722,007	\$ 440,003	3.9%
Gaming	318,257	203,167	277,136	305,509	332,329	26,820	8.8%
State Consolidated Tax	3,276,201	3,411,394	3,551,097	3,677,447	2,876,795	(800,653)	-21.8%
Licenses & Permits	826,929	920,673	1,126,802	1,332,831	1,362,298	29,466	2.2%
Intergovernmental	368,448	530,454	270,763	290,953	333,447	42,494	14.6%
Charges for Services	1,693,202	1,784,905	1,977,406	2,129,781	2,136,234	6,453	0.3%
Fines & Forfeitures	523,031	546,379	456,449	465,443	450,627	(14,816)	-3.2%
All Other	224,934	175,353	533,714	204,372	299,809	95,437	46.7%
<b>Total</b>	<b>\$ 17,304,156</b>	<b>\$ 18,194,261</b>	<b>\$ 19,132,983</b>	<b>\$ 19,688,341</b>	<b>\$ 19,513,545</b>	<b>\$ (174,796)</b>	<b>-0.9%</b>

# Year-Over-Year Expenses—General Fund

Positive and within Budget

As of the end of Quarter 2, the County expended \$19,908,646, or 46.7% of its budgeted General Fund expenses. Overall, General Fund expenditures were 4.8% higher than the same period last year, due primarily to increases in personnel costs, and small equipment and other capital outlay expenses.



## General Fund Expense

As of December 31	2012	2013	2014	2015	2016
YTD Actual	\$ 17,216,768	\$ 17,623,993	19,789,774	19,005,513	19,908,646
Total Annual Budget	\$ 37,210,481	\$ 38,515,237	39,803,104	42,010,970	42,626,861
<b>Actual as a % of Budget</b>	<b>46.3%</b>	<b>45.8%</b>	<b>49.7%</b>	<b>45.2%</b>	<b>46.7%</b>

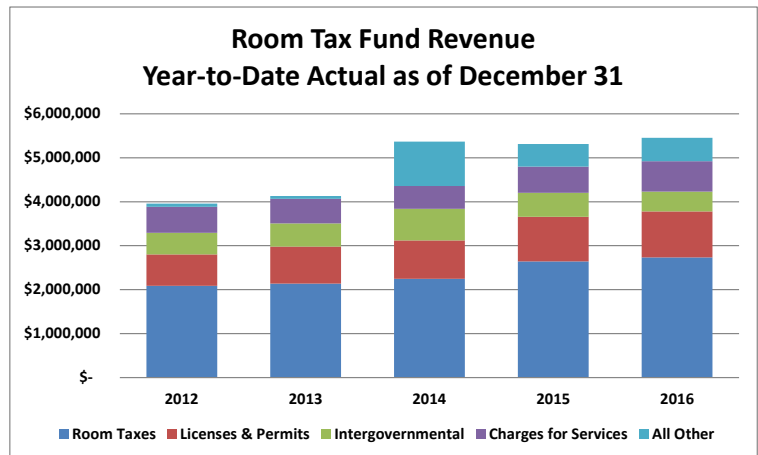
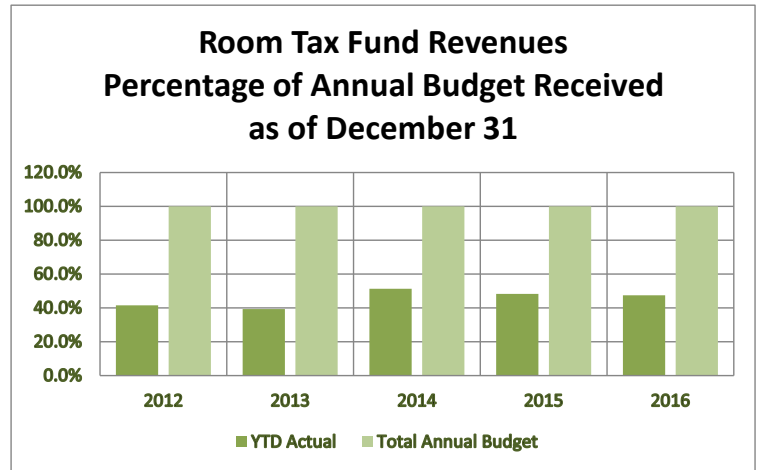
## Year-to-Year Actuals Comparison

General Fund Expense	Year-to-Year Actuals Comparison					2016 vs. 2015 Variance	
	2012	2013	2014	2015	2016	\$	%
General Government	\$ 5,413,244	\$ 5,723,318	\$ 7,539,380	\$ 6,455,309	\$ 6,953,832	\$ 498,523	7.7%
Judicial	4,093,337	4,143,415	4,286,624	4,445,813	4,479,469	\$ 33,656	0.8%
Public Safety	6,940,114	6,856,502	7,020,804	7,149,435	7,497,471	\$ 348,036	4.9%
Public Works	551,316	643,893	664,555	672,273	658,697	\$ (13,576)	-2.0%
Health & Sanitation	218,758	256,864	278,412	282,682	319,124	\$ 36,443	12.9%
<b>Total</b>	<b>\$ 17,216,768</b>	<b>\$ 17,623,993</b>	<b>\$ 19,789,774</b>	<b>\$ 19,005,513</b>	<b>\$ 19,908,594</b>	<b>\$ 903,081</b>	<b>4.8%</b>

# Year-Over-Year Revenues — Room Tax Fund

Positive and within Budget

As of the end of the second quarter, the Room Tax Fund received \$5,453,298, or 47.5% of its budgeted revenue. Overall, revenues rose 2.6% over the same period last year. Room Taxes increased 3.6% due to an increase in tourism. Sales Taxes decreased 17.9% due to the same timing difference as in the General Fund, where revenues were received later and not posted into the second quarter as in prior years. Charges for services increased 16.9% primarily in charges related to the Douglas County Community and Senior Center.



## Year-Over-Year Budget vs. Actual

Room Tax Fund Revenues as of December 31	2012	2013	2014	2015	2016
YTD Actual	\$ 3,954,953	\$ 4,131,055	\$ 5,365,746	\$ 5,314,115	\$ 5,453,298
Total Annual Budget	\$ 9,531,183	\$ 10,503,581	\$ 10,460,137	\$ 11,011,488	\$ 11,481,894
<b>Actual as a % of Budget</b>	<b>41.5%</b>	<b>39.3%</b>	<b>51.3%</b>	<b>48.3%</b>	<b>47.5%</b>

## Year-to-Year Actuals Comparison

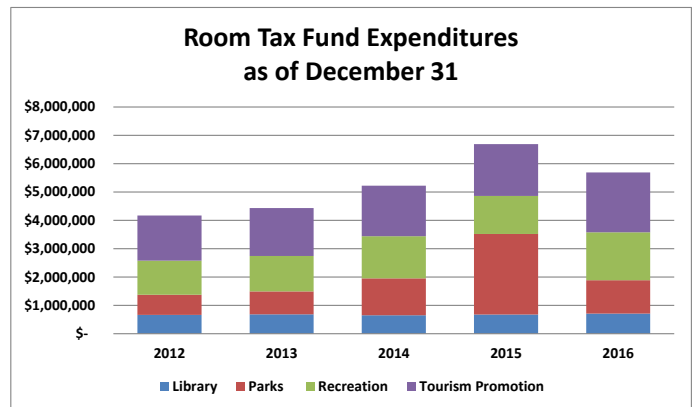
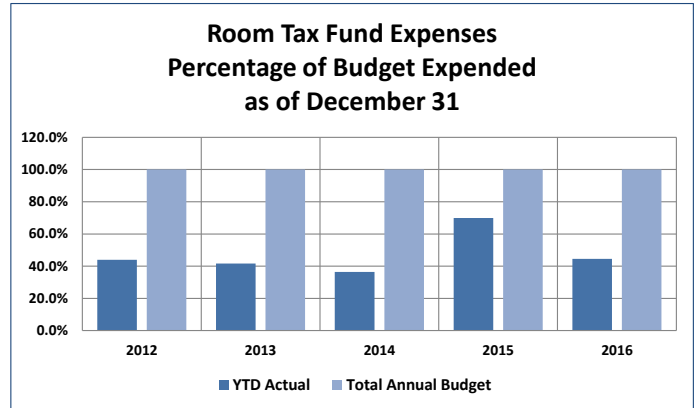
Room Tax Fund Revenues Quarter Ended December 31	2012	2013	2014	2015	2016	2016 vs. 2015 Variance	
						\$	%
Room Taxes	\$ 2,085,523	\$ 2,135,741	\$ 2,246,844	\$ 2,640,516	\$ 2,734,500	\$ 93,984	3.6%
Licenses & Permits	717,729	843,785	872,421	1,014,491	1,043,169	28,678	2.8%
Intergovernmental	490,215	525,527	721,685	549,371	450,781	(98,589)	-17.9%
Charges for Services	588,778	560,574	514,427	592,916	693,390	100,474	16.9%
All Other	72,708	65,428	1,010,369	516,821	531,457	14,636	2.8%
<b>Total</b>	<b>\$ 3,954,953</b>	<b>\$ 4,131,055</b>	<b>\$ 5,365,746</b>	<b>\$ 5,314,115</b>	<b>\$ 5,453,298</b>	<b>\$ 139,182</b>	<b>2.6%</b>



# Year-Over-Year Expenses — Room Tax Fund

Positive and within Budget

As of the end of the second quarter the Room Tax Fund expended \$5,687,721, or 44.5% of its annual budgeted expenses. Overall, expenditures were 15.0% lower than the same period last year. Parks expenditures were 58.5% lower as the construction of the Douglas County Community and Senior Center was completed in the second quarter of last year. Recreation expenses increased 25.8% over the prior year due to expanded staffing and operations costs associated with the new center. Tourism Promotion expenses (pass through payments to county tourism promotion entities) increased 15.3% over the same period last year due to increased tourism activity.



## Budget vs. Actual Comparison

Room Tax Fund Expenditures as of December 31	2012	2013	2014	2015	2016
YTD Actual	\$ 4,173,001	\$ 4,430,205	\$ 5,221,079	\$ 8,846,414	\$ 5,687,721
Total Annual Budget	\$ 9,483,844	\$ 10,633,395	\$ 14,342,371	\$ 12,654,269	\$ 12,772,081
<b>Actual as a % of Budget</b>	<b>44.0%</b>	<b>41.7%</b>	<b>36.4%</b>	<b>69.9%</b>	<b>44.5%</b>

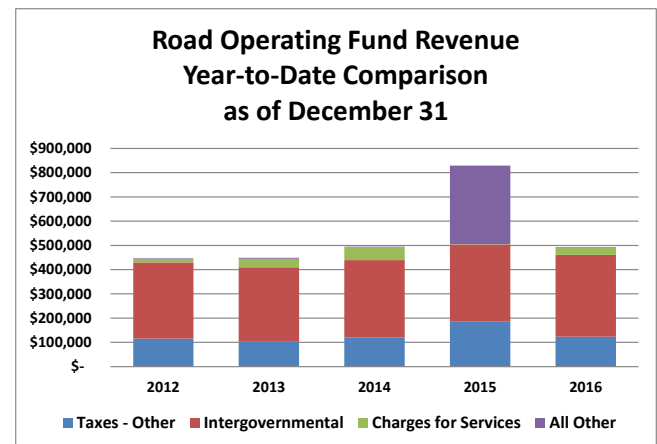
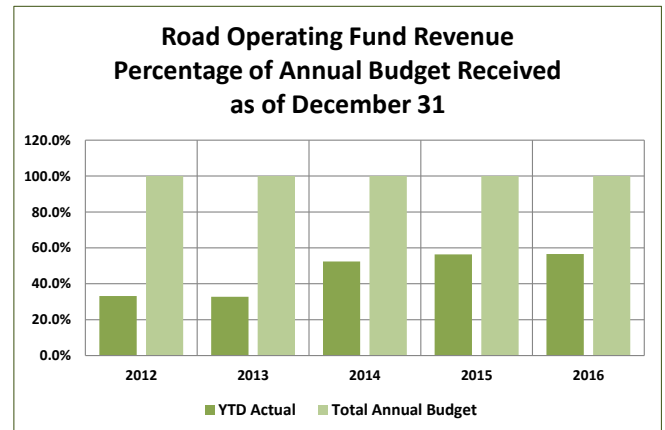
## Year-to-Year Actuals Comparison

YTD Actual Room Tax Fund Expenses as of December 31	2012	2013	2014	2015	2016	2016 vs. 2015 Variance	
						\$	%
Library	\$ 661,223	\$ 680,661	\$ 651,858	\$ 677,288	\$ 710,959	\$ 33,670	5.0%
Parks	716,288	815,025	1,301,594	2,841,720	1,179,517	(1,662,203)	-58.5%
Recreation	1,202,067	1,249,607	1,485,148	1,341,055	1,686,750	345,696	25.8%
Tourism Promotion	1,593,423	1,684,912	1,782,479	1,829,835	2,110,495	280,660	15.3%
<b>Total</b>	<b>\$ 4,173,001</b>	<b>\$ 4,430,205</b>	<b>\$ 5,221,079</b>	<b>\$ 6,689,898</b>	<b>\$ 5,687,721</b>	<b>\$ (1,002,177)</b>	<b>-15.0%</b>

# Year-Over-Year Revenues — Road Operating Fund

Positive and within Budget

As of the end of quarter 2, the Road Operating Fund received \$907,302, or 56.6% of its budgeted annual revenue. Overall, revenue for the second quarter decreased 12.4% over the same period last year. The decrease is primarily due to the one-time proceeds received from the vector truck lease/purchase that occurred last year.



## Budget vs. Actual Comparison

Road Operating Fund Revenue as of December 31						
	2012	2013	2014	2015	2016	
YTD Actual	\$ 447,574	\$ 448,713	\$ 708,890	\$ 1,036,253	\$ 907,302	
Total Annual Budget	\$ 1,347,295	\$ 1,369,891	\$ 1,352,644	\$ 1,839,503	\$ 1,604,340	
<b>Actual as a % of Budget</b>	<b>33.2%</b>	<b>32.8%</b>	<b>52.4%</b>	<b>56.3%</b>	<b>56.6%</b>	

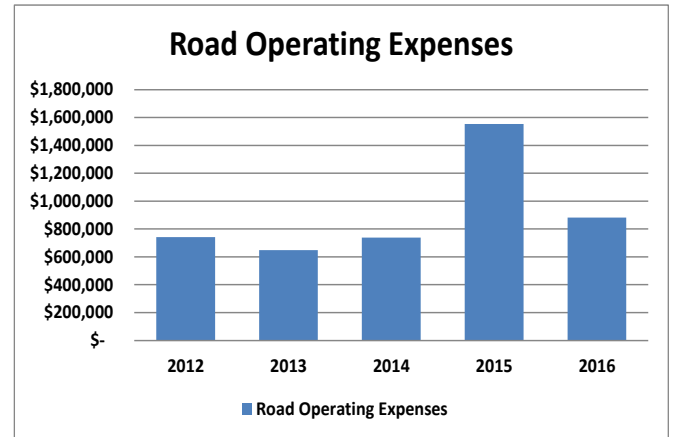
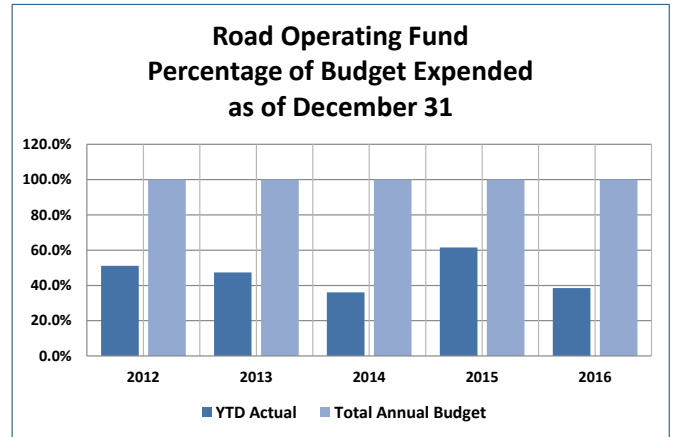
## Year-to-Year Actuals Comparison

Road Operating Fund Revenue As of December 31						2016 vs. 2015 Variance	
	2012	2013	2014	2015	2016	\$	%
Taxes - Other	\$ 115,694	\$ 102,799	\$ 119,343	\$ 187,161	\$ 123,809	\$(63,352)	-33.8%
Intergovernmental	\$ 313,832	\$ 306,550	\$ 320,427	\$ 316,628	\$ 337,304	\$ 20,676	6.5%
Charges for Services	\$ 15,868	\$ 35,993	\$ 52,724	\$ 1,280	\$ 29,533	\$ 28,253	2207.3%
Transfers In	\$ -	\$ -	\$ 214,343	\$ 207,172	\$ 414,343	\$ 207,172	100.0%
All Other	\$ 2,180	\$ 3,371	\$ 2,054	\$ 324,013	\$ 2,313	\$(321,700)	-99.3%
<b>Total</b>	<b>\$ 447,574</b>	<b>\$ 448,713</b>	<b>\$ 708,890</b>	<b>\$ 1,036,253</b>	<b>\$ 907,302</b>	<b>\$(128,951)</b>	<b>-12.4%</b>

# Year-Over-Year Expenses — Road Operating Fund

Positive and within Budget

As of December 31, the Road Operating fund expended \$882,061, or 38.6% of its annual budgeted expenses. Overall, road operating expenses decreased by 43.2% over the same period as last year. The decrease is primarily due to a reduction in capital outlay due to the one-time expenditure last year for the lease/purchase of the vactor truck and a reduction in maintenance supplies.



## Budget vs. Actual Comparison

Road Operating Fund Expenditures As of December 31						
	2012	2013	2014	2015	2016	
YTD Actual	\$ 741,711	\$ 647,802	\$ 738,880	\$ 1,552,881	\$ 882,061	
Total Annual Budget	\$ 1,450,720	\$ 1,367,969	\$ 2,047,923	\$ 2,524,818	\$ 2,287,460	
<b>Actual as a % of Budget</b>	<b>51.1%</b>	<b>47.4%</b>	<b>36.1%</b>	<b>61.5%</b>	<b>38.6%</b>	

## Year-to-Year Actuals Comparison

Road Operating Fund Expenses							2016 vs. 2015 Variance	
	2012	2013	2014	2015	2016	\$	%	
Road Operating Expenses	\$ 741,711	\$ 647,802	\$ 738,880	\$ 1,552,881	\$ 882,061	\$ (670,820)	-43.2%	