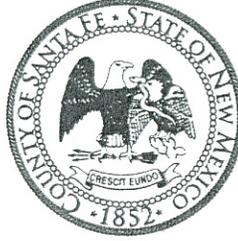


Henry P. Roybal
Commissioner, District 1

Anna Hansen
Commissioner, District 2

Robert A. Anaya
Commissioner, District 3



Anna T. Hamilton
Commissioner, District 4

Ed Moreno
Commissioner, District 5

Katherine Miller
County Manager

Memorandum

To: Santa Fe Board of County Commissioners

From: Don Moya, Finance Division Director 

Via: Katherine Miller, County Manager

Date: September 26, 2017

Re: **Financial report for the month ending 07/31/2017 - REVISED**

ISSUE:

Presented herein, is a revised report summarizing the financial activities of the County through the month ending July 31, 2017. The submission of the revised report corrects a formula error spreadsheet that tracks Gross Receipts Tax Revenue on a monthly basis. The error was not discovered until Revenue for August 2017 was recorded.

BACKGROUND:

This report presents a comparison of recurring revenues and expenditures and highlights various capital expenditures which are non-recurring. Also highlighted are major sources of revenue: property taxes and gross receipts taxes, with year over year comparisons to fiscal year 2017.

Recurring Revenue (All Funds)

Through the month of July, 2017 the recurring revenues collected across all Santa Fe County funds to date totaled \$7.764 million. The total revenue collection to date was \$1.28 million higher than the prior year's collections for the same period. (FY18 \$7,764,240 vs FY17 \$6,480,090).

Below is a listing of the category differences for revenue. These differences are comparing against the same period for FY 2018.

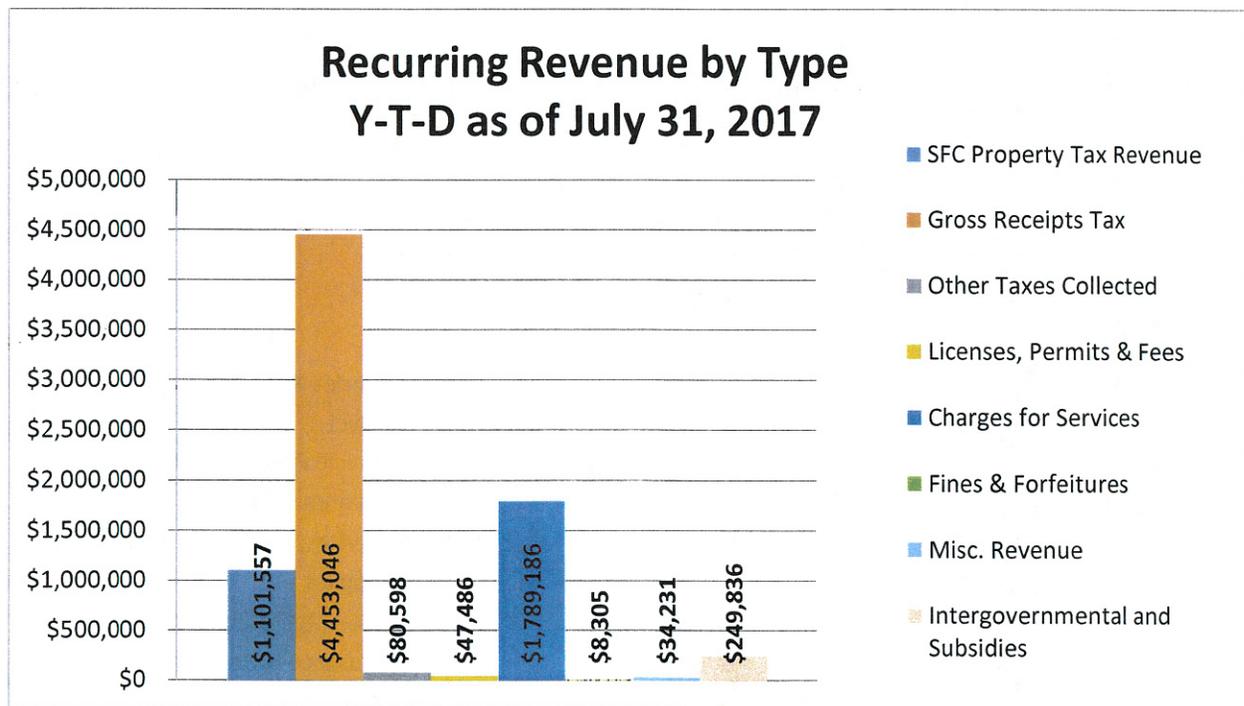
Increase (Revenues in FY18 were greater than FY17):

Gross Receipts Tax	\$153,847	(Including the Regional Transit GRT)
Charges for Services	\$851,945	
Interagency & Subsidies	\$443,899	(Loss this period in FY17)

Decrease: (Revenues in FY18 were less than FY17):

Property Tax	\$29,258
Other Taxes	\$18,494
Miscellaneous Revenue	\$99,527
Licenses, Permits and Fees	\$16,771
Fines and Forfeitures	\$1,485

The chart below represents the amounts collected for the various categories of recurring revenue through July 31, 2017.



Recurring Expenses (All Funds)

Through the month of July, recurring expenditures totaled \$4.8 million. This is below the prior year expenditures of \$5.36 million for the same period by \$542 Thousand (FY18 \$4,833,920 vs FY17 \$5,375,777). The largest decrease was seen in the Insurance and Deductibles category, \$381,487. The reason for this difference is due to the billing that the county receives for Insurance and Deductibles. The county will expend the bulk of payments during the first two periods of the fiscal year and then have smaller payments disbursed throughout the remaining periods.

The detail below shows the net differences in the recurring expenditure categories from FY17 to FY18. As this is an expenditure listing, negative numbers reflect a savings year over year.

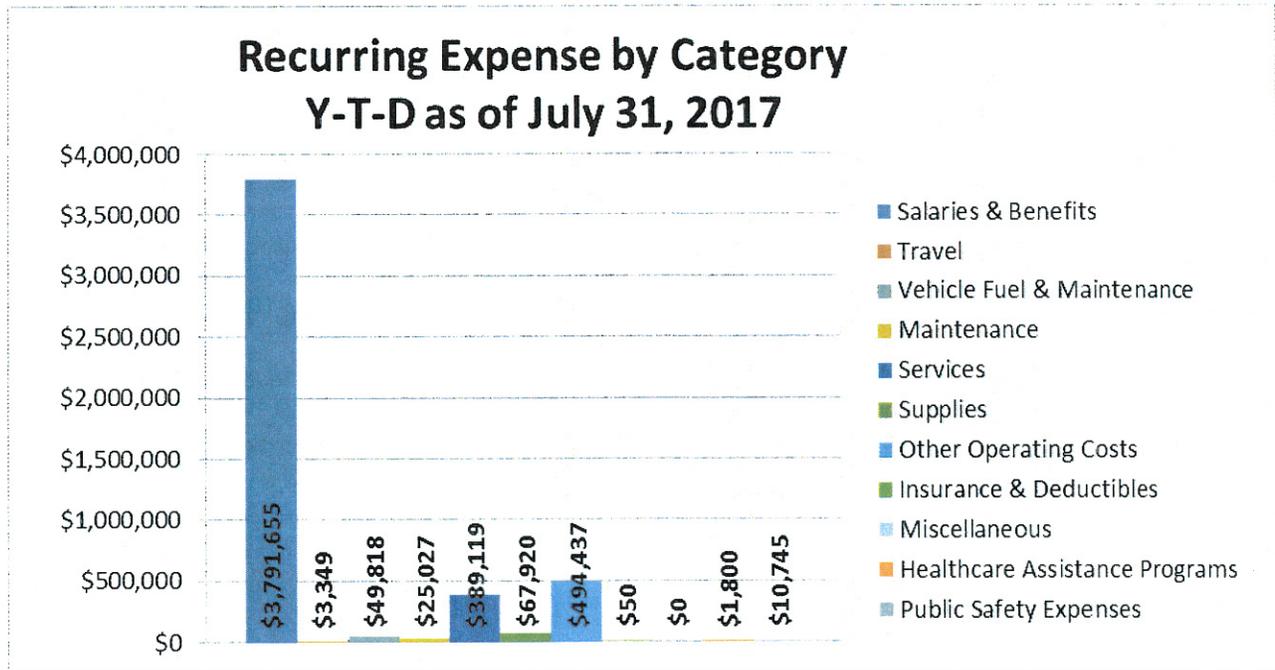
Decreases (expenditures in FY18 were less than FY17):

Travel	\$5,097
Maintenance	\$3,741
Services	\$273,155
Supplies	\$258
Other Operating Costs	\$20,859
Healthcare Assistance Programs	\$600
Insurance & Deductibles	\$381,487
Miscellaneous	\$0

Increases (expenditures in FY18 were greater than FY17):

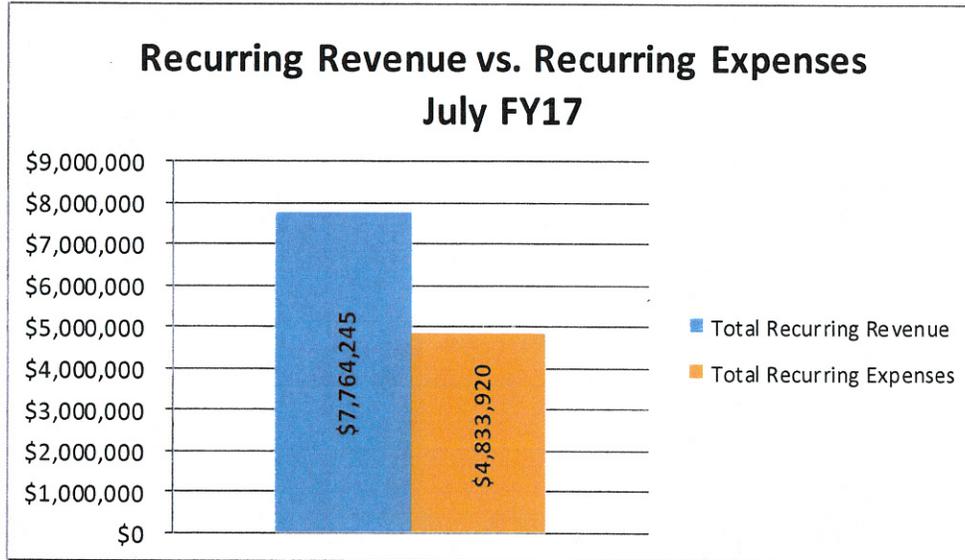
Salaries & Benefits	\$138,131
Vehicle Fuel & Maintenance	\$3,535
Public Safety Expenses	\$1,676

The chart below represents the amounts expended for the various categories of recurring expenses through July 31, 2017.



In the month of July, 2017, recurring expenses were below recurring revenue by \$2,930,325 (Revenue \$7,764,245 vs \$4,833,920). With the increase in Santa Fe County's Charges for Services, the county is in a favorable position.

Below is a chart reflecting the recurring revenue and recurring Expenses for Santa Fe County year-to-date through July 31, 2017 which underscores the importance of maintaining healthy cash reserves.



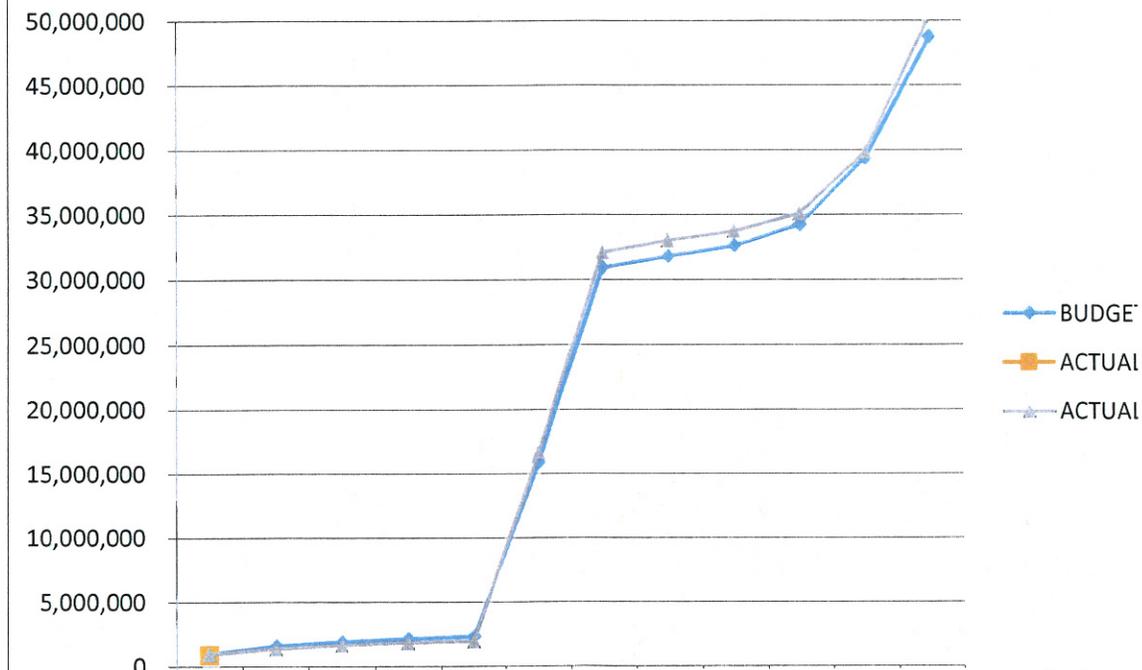
Property Tax Revenue

Property tax is recorded monthly and compared to the actual monthly budget forecast. Property tax revenue budget estimates are conservative, as a significant shortfall in property tax receipts would have a serious impact on County operations. Property taxes are the primary source of revenue for the County's General Fund.

Actual property tax collections of \$1.08 million through the end of July were under the budget of \$1.22 million by \$143,298 (Cumulative or across all funds). The total collections are \$50,540 less than the prior year's collections for the same time period (FY18 \$1,080,275 vs FY17 \$1,130,815).

The year-over-year trend for the last four years has been for collections to be lower during the early part of the year and the December and January collections to be larger. It is anticipated that the first several months of this fiscal year will follow the year-over-year trend with low property tax collections from July through November and large collections in the months of December, January and June. Collections then consistently increase from January through June or fiscal year end as illustrated below.

General Fund Property Tax FY18 Cumulative Collections-Budget to Actual



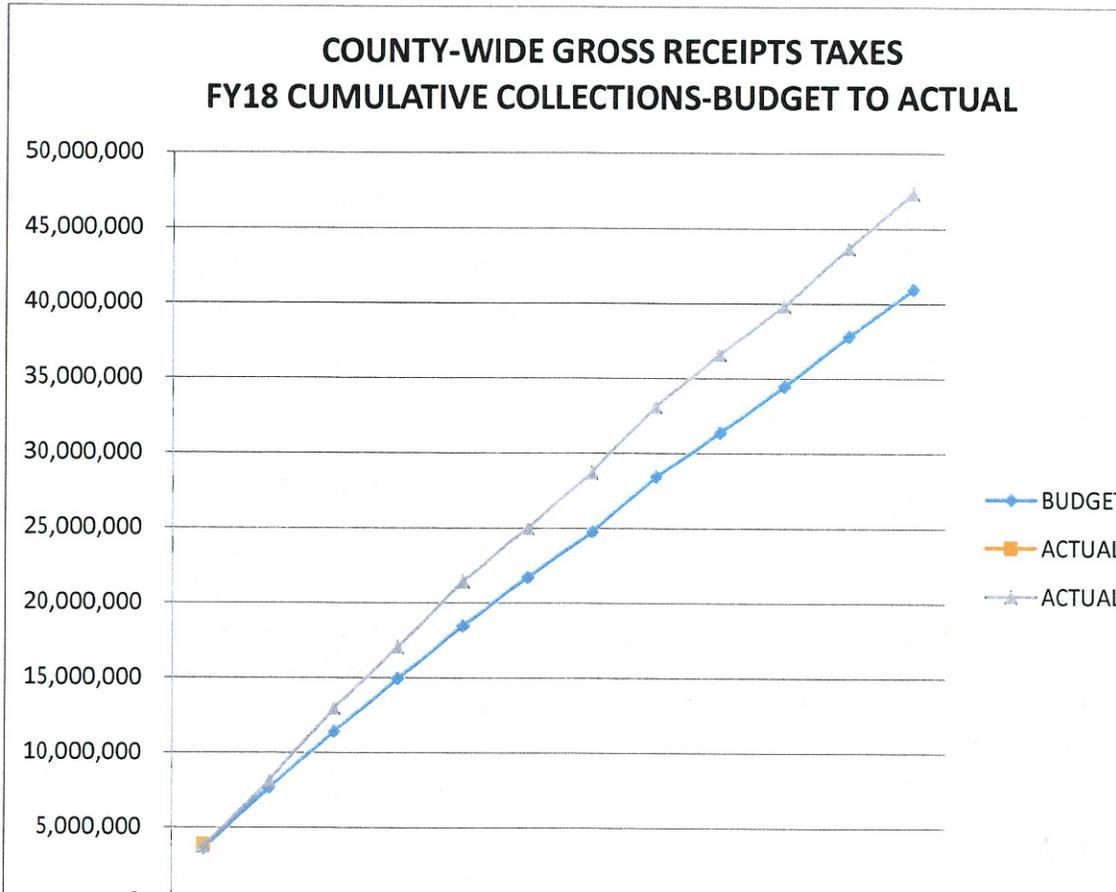
Note: There is only one data point for actual property tax collections for July of FY18 in the chart above represented by the orange square. Subsequent month's collections will be plotted in orange and are expected to follow the trend lines set by the FY18 Budget and Actual FY17 lines.

Gross Receipts Tax Revenue

The gross receipts taxes (GRT) are estimated from trend data taking into consideration economic factors that impact various business activities such as construction, wholesale, retail and service sectors. Total GRT revenue collected through July totals \$4 million and are \$272,969 above the budgeted amounts of \$3.8 million (Actual \$4,071,807 vs Budget \$3,798,837). Total year-to-date collections were above the collections of the prior year by \$137,452 (FY17 \$3,934,355 vs FY18 \$4,071,807) for the same time period. These amounts exclude the Regional Transit District GRT which is passed through in its entirety to the North Central Regional Transit District. Fiscal year to date, North Central Regional Transit District GRT has collected \$382K.

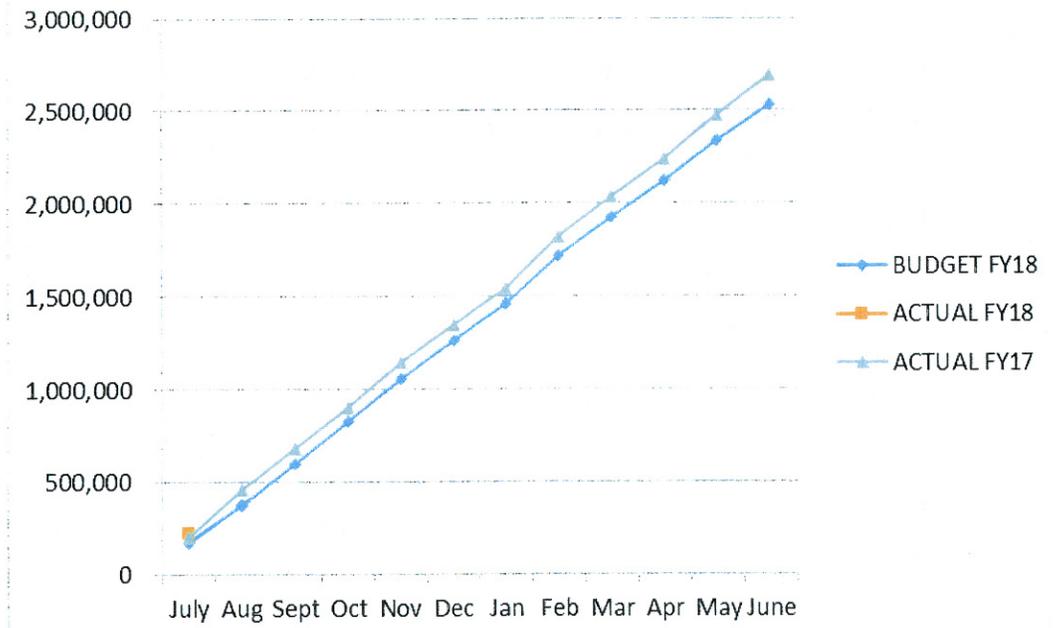
The County Wide GRT collections total \$3.85M through the month of July and are \$220,664 above the budgeted amount of \$3.63M. (Actual \$3,849,816 vs Budget \$3,629,152) The collections for the County Wide GRT are \$117,672 above the prior year collections. (FY18 \$3,849,816 vs FY17 \$3,732,144) The unincorporated GRT collections total \$222K through the month of July and are \$52,305 above the budgeted amount of \$170K (Actual \$221,991 vs Budget \$169,686). The collections are \$19.8K above the prior year collections (FY18 \$221,991 vs FY17 \$202,211).

The charts below shows our current revenue to date over budget.



Note: There is only one data point for actual property tax collections for July of FY18 in the chart above represented by the orange square. Subsequent month's collections will be plotted in orange and are expected to follow the trend lines set by the FY18 Budget and Actual FY17 lines.

**UNINCORPORATED COUNTY GROSS RECEIPTS TAX
FY18 CUMULATIVE COLLECTIONS-BUDGET TO ACTUAL**



Note: There is only one data point for actual property tax collections for July of FY18 in the chart above represented by the orange square. Subsequent month's collections will be plotted in orange and are expected to follow the trend lines set by the FY18 Budget and Actual FY17 lines.

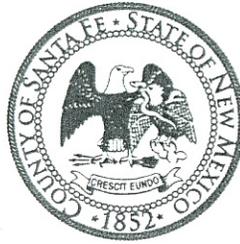
SUMMARY:

In summary, Santa Fe County continues to enjoy a healthy financial position. Recurring revenue and recurring expenses are above anticipated levels for this stage of the fiscal year and there is adequate funding to support capital project priorities. The recurring revenue outlook for FY18 has been conservatively estimated for budget purposes which includes a conservative estimate for the 1/8 GRT passed on June 27, 2017. Although the tax will be enacted in January 2018, collections for January will not be received until March 2018. Only 25% of the total projected revenue of the 1/8 GR-tax will be realized in FY18.

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Commissioner, District 3



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Commissioner, District 5

Katherine Miller
County Manager

Memorandum

To: Santa Fe Board of County Commissioners
From: Don Moya, Finance Division Director 
Via: Katherine Miller, County Manager
Date: September 26, 2017
Re: **Financial report for the month ending 08/31/2017**

ISSUE:

Presented herein, is a report summarizing the financial activities of the County through the month ending August 31, 2017.

BACKGROUND:

This report presents a comparison of recurring revenues and expenditures and highlights various capital expenditures, which are non-recurring. Also highlighted are major sources of revenue: property taxes and gross receipts taxes, with year over year comparisons to fiscal year 2017.

Recurring Revenue (All Funds)

Through the month of August, 2017 the recurring revenues collected across all Santa Fe County funds to date totaled \$15.54 million. The total recurring revenue collection to date was \$1.129 million higher than the prior year's collections for the same period. (FY18 \$15,543,695 vs FY17 \$14,414,696) This difference is largely attributed to the increase of Charges to Services for the second period of the fiscal year.

Below is a listing of the category differences for revenue. These differences are comparing against the same period for FY 2018.

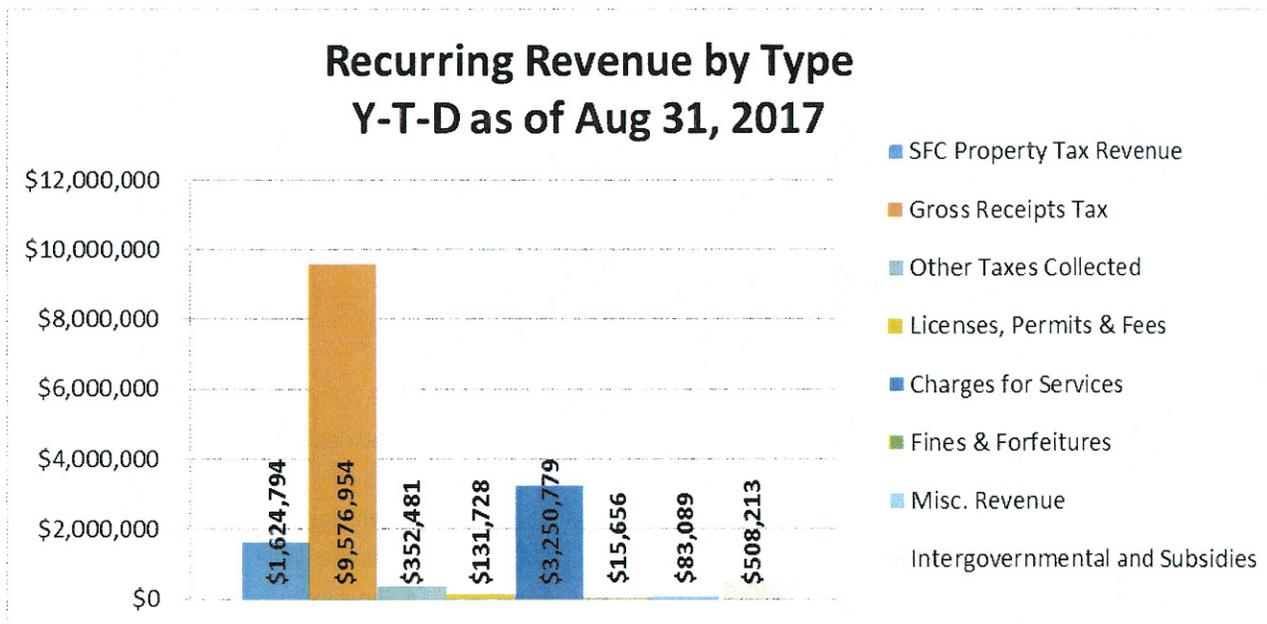
Increase:

Gross Receipts tax	\$193,883 (Including the Regional Transit GRD)
Licenses, Permits and Fees	\$7,291
Charges for Services	\$1,243,672

Decrease:

Property Tax	\$21,471
Other Taxes	\$56,332
Miscellaneous Revenue	\$174,314
Fines and Forfeitures	\$5,234
Interagency & Subsidies	\$58,496

The chart below represents the amounts expended for the various categories of recurring revenue through August 31, 2017.



Recurring Expenses (All Funds)

Through the month of August, the recurring expenditures total \$14.368 million. This is above the prior year expenditures of \$14.327 million for the same period by \$40,415 (FY18 \$14,368,264 vs FY17 \$14,327,850). The largest decrease was seen in the Other Operating Cost category, \$467,894.

The detail below shows the net differences in the recurring expenditure categories from FY17 to FY18. As this is an expenditure listing, negative numbers reflect a savings year over year.

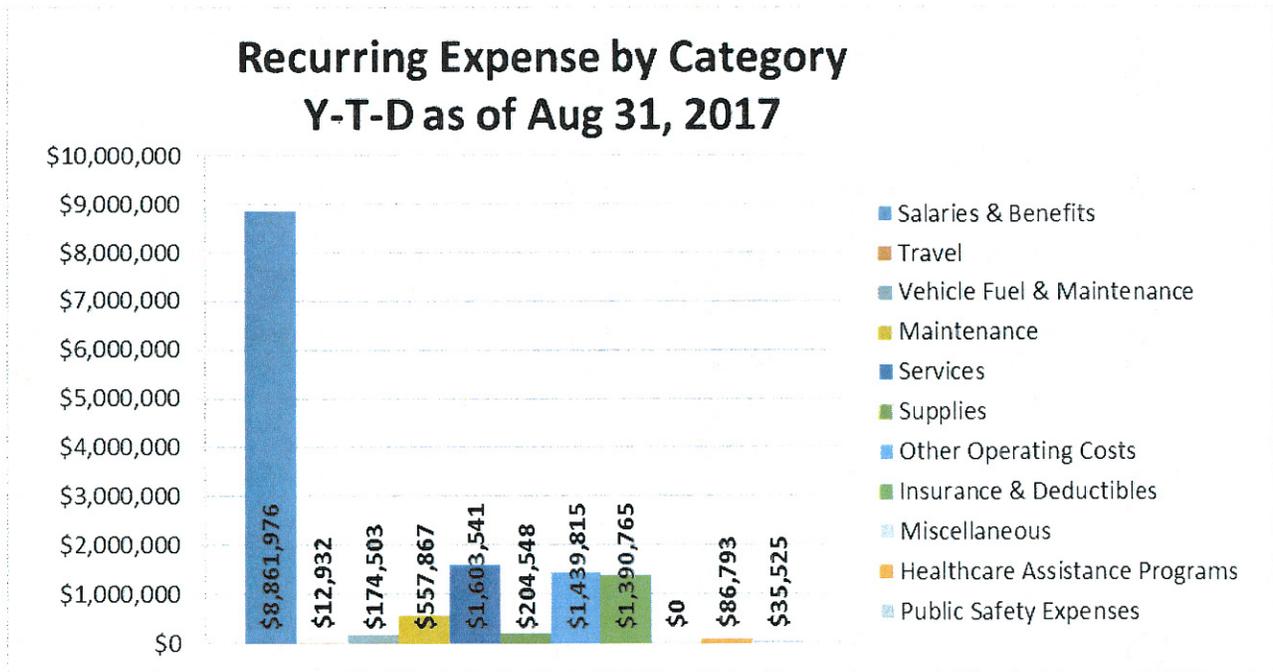
Decreases (expenditures in FY18 were less than FY17):

Travel	\$21,875
Services	\$15,696
Supplies	\$84,830
Insurance & Deductibles	\$80,603
Miscellaneous	\$17,769
Other Operating Costs	\$467,894
Public Safety Expenses	\$18,415

Increases (expenditures in FY18 were greater than FY17):

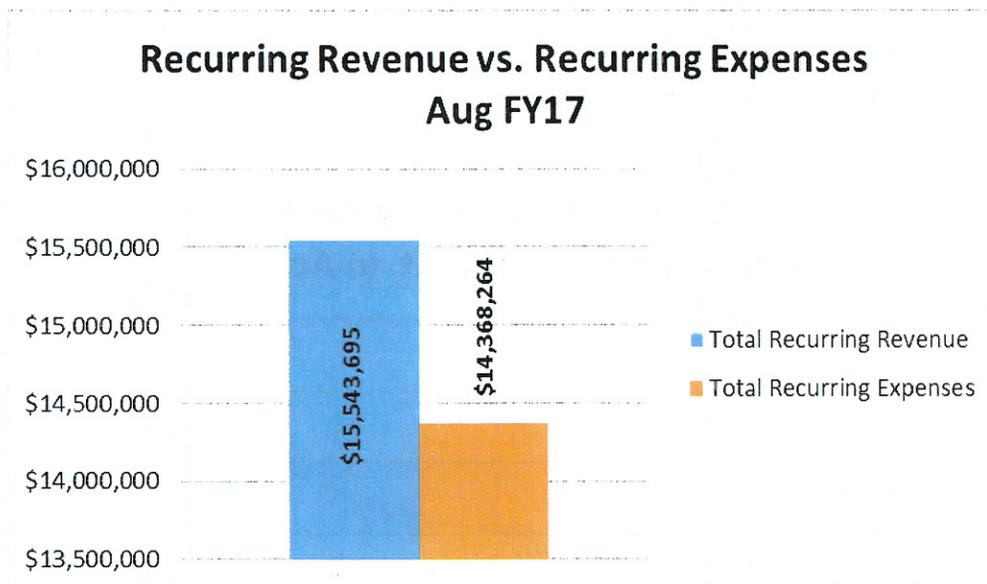
Salaries & Benefits	\$392,789
Vehicle Fuel & Maintenance	\$31,664
Maintenance	\$302,622
Healthcare Assistance Programs	\$20,421

The chart below represents the amounts expended for the various categories of recurring expenses through August 31, 2017.



Cumulatively in FY18, recurring expenses were under recurring revenue by \$1,175,431 (Rev. \$15,543,695 vs. Exp. \$14,368,264). With the increase in Santa Fe County's Charges for Services, the county is in a favorable position.

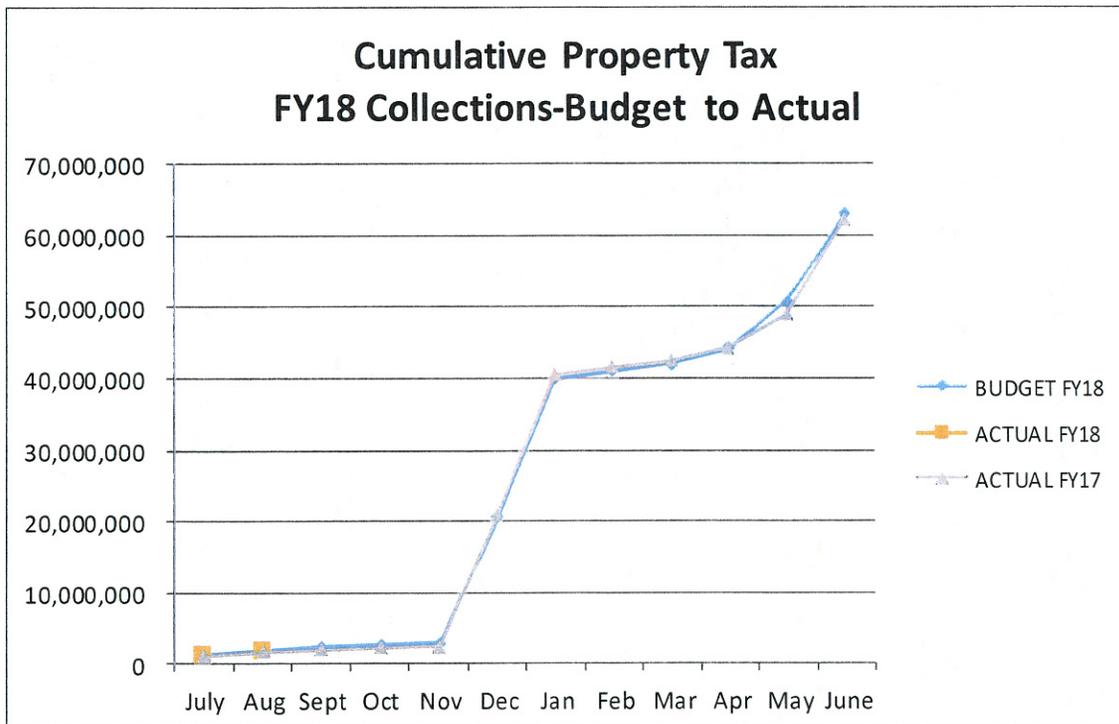
Below is a chart reflecting the recurring revenue and recurring Expenses for Santa Fe County year-to-date through August 31, 2017.



Property Tax Revenue

Property tax is recorded monthly and compared to the actual monthly budget forecasts. Property tax revenue budget estimates are conservative, as a significant shortfall in property tax receipts would have a serious impact on various County operations. Property taxes are the primary source of revenue for the County's General Fund.

Actual property tax collections of \$1.6 million through the end of August were under the budget of \$1.99 million by \$385,656 (Cumulative). The total collections are \$42,753 less than the prior year's collections for the same time period (FY18 \$1,603,512 vs FY17 \$1,646,265). The trend for the last four years has been for collections to shrink year over year during the early part of the year and the December and January collections to be larger as shown in previous years. It is anticipated that the first several months of the fiscal year will have very low property tax collections and then the months of December and January collections to be significantly higher, then to level until the year-end as illustrated below.

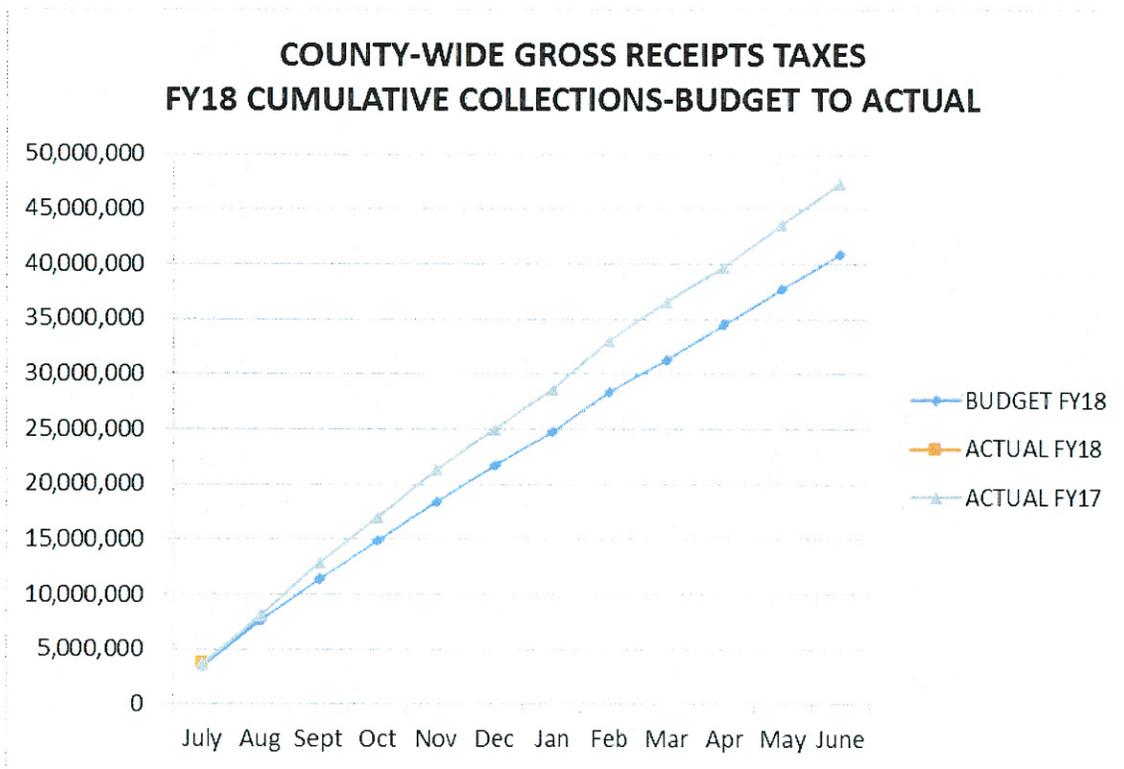


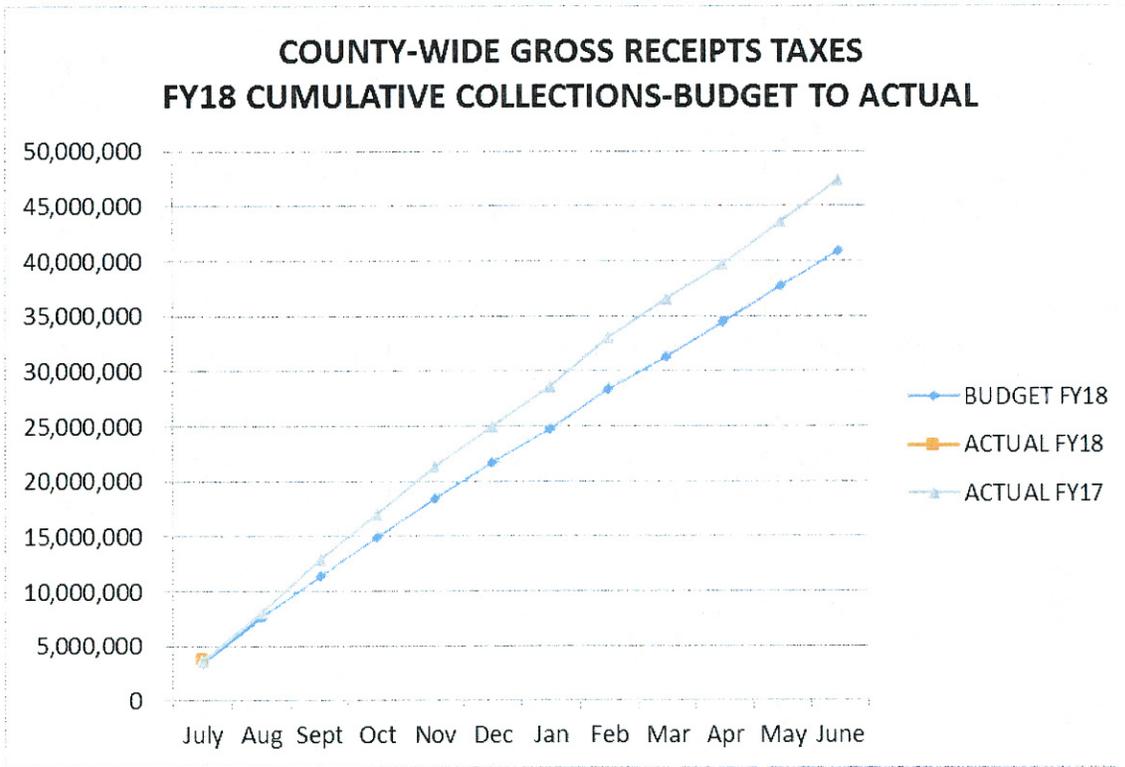
Gross Receipts Tax Revenue

The gross receipts taxes are estimated from trend data taking into account economic factors that impact various business activities such as construction, wholesale, retail and service sectors. Combined, both the county-wide and the unincorporated gross receipt tax revenue cumulatively through August total \$8.75 million and is \$732 thousand more than the budgeted amount of \$8.02 million (Actual \$8,754,887 vs Budget \$8,022,755). Total year-to-date collections were above the collections of the prior year by \$169 thousand (FY17 \$8,585,425 vs FY18 \$8,754,887) for the same time period. These amounts exclude the Regional Transit District GRT which is passed through in its entirety to the North Central Regional Transit District. Fiscal year to date that tax has raised \$822,066 K.

The County Wide GRT collections total \$8.26M cumulatively through the month of August and are \$608K above the budgeted amount of \$7.65M. This reflects the additional collection in period 1 of \$220,664 and the current period additional collection of \$387,744. The collections for the County Wide GRT are \$129,284 above the prior year collections. The unincorporated GRT collections total \$495.5K cumulatively through the month of August and are \$123,724 above the budgeted amount of \$371.8K. The collections are \$40.2K above the prior year collections.

The charts below show our current revenue to date over budget.





SUMMARY:

In summary, Santa Fe County continues to enjoy a healthy financial position. Recurring revenue and recurring expenses are at anticipated levels for this stage of the fiscal year and there is adequate funding to support capital project priorities. The recurring revenue outlook for FY18 is anticipated to be flat until the addition of the recently passed increase to the county GRT. The realization of the newly implemented tax is anticipated to show in revenue during March of 2018.

